

# ARUN VARUN TRADE & INVESTMENT LIMITED

## 30<sup>th</sup> Annual Report

### BOARD OF DIRECTORS :

Shri Jayanti R Bhandari.  
Shri Gautam R Bhandari.  
Shri Amit Ashokbhai Bhagat  
Shri Ameet Muljibhai Brahmbhatt

### REGISTERED OFFICE :

1/204, Navjivan Society, Second Floor,  
Lamington Road, Mumbai-400008.

### BANKERS :

ICICI Bank Ltd.  
Indusind Bank Ltd.

### AUDITORS:

S.Ramanand Aiyar & Co.  
Chartered Accountants

### ANNUAL GENERAL MEETING:

Date : 07<sup>th</sup> September, 2012.

Day : Friday

Time : 11.00 A.M.

Venue : 1/204, Navjivan Society, Second Floor,  
Lamington Road, Mumbai-400008.

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**ARUN VARUN TRADE & INVESTMENT LTD.**

**ANNUAL  
ACCOUNTS & REPORTS  
2011-12**

# ARUN VARUN TRADE AND INVESTMENT LTD.

1/204, NAVJIVAN SOCIETY, 2<sup>ND</sup> FLOOR,  
LAMINGTON ROAD, MUMBAI - 400 008.  
TEL.: 23071996 / 23092626. Fax: 23087980  
Email: info@avtradeinvest.com

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **ARUN VARUN TRADE AND INVESTMENT LIMITED** will be held at 11.00 A.M. Friday the 7<sup>th</sup> day of September 2012, at "1/204 Navjivan Society, 2nd Floor Lamington Road, Mumbai 400 008 " to transact following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account as at and for the period ended 31<sup>st</sup> March, 2012 and the Reports of Directors and Auditors thereon.
- 2) To appoint a Director in place of Mr. Gautam R. Bhandari, who retires by rotation and being eligible, offers himself for re-appointment.
- 3) To appoint M/s. S. Ramanand Aiyar & Co, Chartered Accountants (Firm Registration No.000990N) retiring auditors of the company, who are eligible for re-appointment for the period commencing from the conclusion of this annual general meeting till the conclusion of the next annual general meeting and to authorise the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

- 4) To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED** that Mr. Amit Ashokbhai Bhagat an Additional Director of the Company, who, under section 260 of the Companies Act, 1956 holds office only up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member under section 257 and other applicable provisions, if any, of the said Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company"

- 5) To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"RESOLVED** that Mr. Ameet Muljibhai Brahmbhatt an Additional Director of the Company, who, under section 260 of the Companies Act, 1956 holds office only up to the date of this Annual General meeting and in respect of whom the Company has received a notice in writing from a member under section 257 and other applicable provisions, if any, of the said Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company"

### Registered Office

1/204 Navjivan Society,  
2nd Floor Lamington Road,  
Mumbai - 400 008 .

By order of Board of Directors



**GAUTAM BHANDARI**  
DIRECTOR

Place: Mumbai.

# ARUN VARUN TRADE AND INVESTMENT LTD.

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Date: 8<sup>th</sup> August, 2012

## Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE EFFECTIVE SHOULD REACH AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE ANNUAL GENERAL MEETING.

2. Corporate Members are requested to send to the company, a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 4<sup>th</sup> day, of September, 2012 to 7<sup>th</sup> day, of September, 2012 ( both days inclusive ) for determining the names of members eligible for dividend on Equity Shares , if declared at the Annual General Meeting.
4. Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meeting is annexed hereto.
5. Members are requested to immediately notify changes, if any in their residential address to the Company's Registrar & Share Transfer Agent M/s. Purva Sharegistry (India) Private Limited having registered office at 9, Shiv Shakti Industrial Estate, Sitaram Mills Compound, J. R. Boricha Marg, Lower Parel, Mumbai - 400 011, quoting their folio numbers.
6. Members / Proxies are requested to bring the attendance slip duly filled for attending the meeting and copy of the Annual Report 2011-12.
7. Members seeking any information or clarification on the Annual Report are requested to send in written queries to the company at least one week before the meeting to enable the company to compile the information and provide replies at the meeting.
8. The Ministry of Corporate Affairs ( vide circular nos.17/2011 and 18/2011 dated April 21, 2011 and April 29,2011 respectively ) has undertaken a "Green Initiative In Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. A recent amendment to the Listing Agreement with the Stock Exchanges permits companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their e-mail addresses for receiving electronic communications.

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

### Item No.4

The Board of Directors appointed Mr. Amit Ashokbhai Bhagat as an Additional Director of the Company at the Meeting of the Board of Directors held on 10<sup>th</sup> May, 2012. Being an Additional Director, under Section 260 of the Companies Act, 1956 Mr. Amit Ashokbhai Bhagat holds the office of Director till the date of the ensuing Annual General Meeting. The Company has, pursuant to section 257 of the Companies Act, 1956, received a notice along with the necessary deposit from a member proposing the candidature of Mr. Amit Ashokbhai Bhagat as the Director of the Company.

Your Directors feel that his presence on the Board will be beneficial to the Company and members and accordingly recommend the passing of the resolution at item no. 4 of the Notice.

Mr. Amit Ashokbhai Bhagat is concerned / interested in the passing of the resolution at item no.4 of the notice as it relates to his appointment as Director. None of the other Directors are concerned / interested in the passing of the resolution at this item.

Your Directors recommend this resolution for your approval.

### Item no.5

The Board of Directors appointed Mr. Ameet Muljibhai Brahmbhatt an Additional Director of the Company at the Meeting of the Board of Directors held on 10<sup>th</sup> May 2012. Being an Additional Director, under Section 260 of the Companies Act, 1956, Mr. Ameet Muljibhai Brahmbhatt holds the Office of Director till the date of the ensuing Annual General Meeting. The Company has, pursuant to section 257 of the Companies Act, 1956, received a notice along with the necessary deposit from a member proposing the candidature of Mr. Ameet Muljibhai Brahmbhatt as the Director of the Company.

Your Directors feel that his presence on the Board will be beneficial to the Company and members and accordingly recommend the passing of the resolution at item no. 5 of the Notice.

Mr. Ameet Muljibhai Brahmbhatt is concerned / interested in the passing of the resolution at item no. 5 of the notice as it relates to his appointment as Director. None of the other Directors are concerned / interested in the passing of the resolution at this item.

For and on behalf of the Board



*Gautam Bhandari*  
GAUTAM BHANDARI

Place: Mumbai:

Date: 8<sup>th</sup> August, 2012

# ARUN VARUN TRADE AND INVESTMENT LTD.

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## DIRECTORS' REPORT

To Members,  
**ARUN VARUN TRADE AND INVESTMENT LIMITED**

Your Directors have pleasure in presenting the THIRTIETH ANNUAL REPORT on the business and operations of your Company and the Audited Statement of Accounts for the Year Ended 31<sup>st</sup> March, 2012.

### **FINANCIAL RESULTS:**

THE FINANCIAL RESULTS OF THE COMPANY FOR THE YEAR UNDER REVIEW ARE SUMMARISED BELOW:

	Year Ended 31 <sup>st</sup> March, 2012 ( Rs. In lacs )	Year Ended 31 <sup>st</sup> March, 2011 ( Rs. In lacs )
<b>INCOME :</b>		
Turnover / Gross Income	234.04	241.87
<b>EXPENDITURE :</b>		
Purchases	-	-
Changes in Inventories	2.41	0.05
Finance Charges	20.48	20.48
Employee Costs	0.72	-
Other Expenses	18.62	0.83
Depreciation	-	-
<b>Profit / ( Loss ) Before Tax</b>	<b>191.82</b>	<b>220.51</b>
Less: <u>Provision for Taxation</u>		
Current Year Tax	38.53	42.85
Excess / Short Tax Provision W/off / W/back.	1.31	-
<b>Profit / ( Loss ) After Tax</b>	<b>151.97</b>	<b>177.67</b>

### **OPERATIONAL REVIEW:**

During the year ended as on 31st March, 2012 the company has recorded Total income of Rs.234.04 lacs, Total expenses of Rs.42.22 lacs and Profit Before Depreciation and Tax (PBDT) of Rs.191.82 lacs as compare to total income of Rs.241.86 lacs, total expenses of Rs.21.35 lacs and PBDT of Rs.220.51 lacs of the preceding financial year. The marginal fall in the income has resulted in fall in net profit. Also the expenses have gone up by Rs.20.87 lacs due to one-time expenses on revocation of suspension of trading in shares of the Company in Bombay Stock Exchange.

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## **DIVIDEND:**

In order to conserve the resources for expansion of business, your Directors do not recommended any Dividend for the year under review.

## **DIRECTORS:**

To appoint a Director in place of Mr. Gautam R. Bhandari, who retires by rotation, and being eligible, offers himself for re-appointment.

Mr. Amit Ashokbhai Bhagat and Mr. Ameet Muljibhai Brahmbhatt were appointed as an Additional Director of the Company with effect from 10th May, 2012. He holds the office up to the date of this Annual General Meeting. He does wish to seek appointment as Director of the company.

Mr. Shailesh Agrawal ceased to be the Director of the Company with effect from 10th May, 2012 upon resignation. The Board of Directors sincerely appreciates the contribution of Mr. Shailesh Agrawal as the Director of the Company.

None of the Company's directors is disqualified from being appointed as a director as specified in Section 274(1)(g) of the Companies Act, 1956.

## **PUBLIC DEPOSIT:**

Your Company has neither invited nor accepted/renewed any "Deposit" from public within the meaning of the term "Deposits" under the Companies (Acceptance of Deposits) Rules 1975, as amended from time to time.

## **PARTICULARS OF EMPLOYEES:**

During the year under review none of the employees of the Company was in receipt of remuneration in excess of the limits, specified under Section 217(2A) of the Companies Act, 1956, whether employed for the whole year or part thereof.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information required under Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 with regard to Conservation of Energy & Technology absorption is not required to be given, as the same is not applicable to the Company.

Foreign Exchange Earning	:	NIL
Foreign Exchange Outgo	:	NIL

## **DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors affirm that;

- (i) In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed.

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- (ii) The Directors had 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 on 31<sup>st</sup> March, 2012 and Profit or Loss for the year ended as on that date.
- (iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and preventing and detecting fraud and other irregularities;
- (iv) The Directors had prepared the Annual Accounts on a going concern basis.

## **RE-APPOINTMENT OF AUDITORS:**

The retiring Auditors M/s. S. Ramanand Aiyar & Co, Chartered Accountants retire and being eligible u/s 224(1B) of the Companies Act, 1956, offer themselves for re-appointment. The Directors recommend the appointment of M/s. S. Ramanand Aiyar & Co, Chartered Accountants, as the Company's Auditors including that of the Branch.

## **APPRECIATION:**

Your Directors acknowledge with gratitude the co-operation and assistance given by the Bankers, Distributors, Customers and Investors during the year under review and are confident that your Company will continue to receive such support in the years ahead.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

  
*Jayan*  
**CHAIRMAN**

Place: Mumbai.

Date: 08<sup>th</sup> August, 2012

# ARUN VARUN TRADE & INVESTMENT LTD.

## CORPORATE INFORMATION

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Arun Varun Trade and Investment Ltd. was incorporated on 29<sup>th</sup> Day of May, 1982. Its mission is to deliver very best to its shareholders and employees bearing in mind its commitment to the welfare of the society at large. Its values are all about integrity and commitment.

Arun Varun Trade and Investment Ltd. is a professionally managed company with an independent Board of Directors who are not only dynamic in their respective fields of excellence, but also bring in a rare brand of expertise and commitment to the company.

Arun Varun Trade and Investment Ltd. has remain unperturbed and has continued to grow, as greed is not our driving force, viewing ourselves as facilitators in the process of financial empowerment of those in need.

Arun Varun Trade and Investment Ltd. is India's leading financial service provider in Private Sector with over 29 years of experience.

Arun Varun Trade & Investments Ltd. is being professionally managed by a host of eminent corporate leaders on the board with Mr. Jayanti Bhandari as the Chairman and Mr. Gautam Bhandari as the whole-time Director.

The company uses Technology-based products for prompt services. The company bring advice, insights and intellect along with capital augmentation and restructuring.

The company is leader in generating excellent, enormous Self-Employment opportunities.

### **The nature of business activity of the company is as follows:**

- 1) To finance industrial enterprises, and for that purpose to make loans, or advances to, or subscribe to the share capital of, private industrial enterprises in India.
- 2) To carry on the business of an investment Company and invest the capital and other moneys of the Company in the purchase or upon the security of shares, stocks, units debentures, debenture-stock, bonds, mortgages, obligations and securities issued or guaranteed by any company, corporation or undertaking, whether incorporated or otherwise, and where so ever constituted or carrying on business and to buy, sell or otherwise deal in, shares, stocks debentures, debenture stock, bonds, notes mortgages, obligations and other securities issued or guaranteed by any government, sovereign ruler, commissioners, trust municipal, local or other authority or body in India or abroad.
- 3) To acquire hold, sell buy or deal in any shares, stocks, debentures stock, bonds, mortgages, obligations and other securities by original subscription, tender, purchase, exchange, gift and to subscribe for the same, either conditionally and to underwrite or sub under write or guarantee the subscription thereof and to purchase and sell units.

For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayanti*

*Gautam*

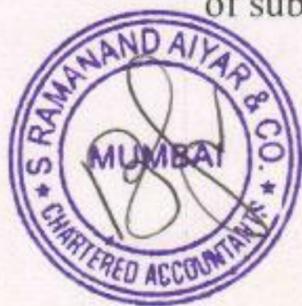
DIRECTOR

## ARUNVARUN TRADE & INVESTMENT LTD.

### Auditor's Report To the Members of ARUNVARUN TRADE & INVESTMENT LTD.

We have audited the attached BALANCE SHEET of ARUN VARUN TRADE & INVESTMENT LTD. (hereinafter referred to as the 'Company') as at 31<sup>st</sup> March, 2012 and also the STATEMENT OF PROFIT AND LOSS of the Company and CASH FLOW STATEMENT for the year ended on that date annexed thereto.

1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides reasonable basis for our opinion.
3. As required by the Companies(Auditor's Report) Order, 2003, as amended by the Companies (Auditors Report's) (Amendment) order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of "The Companies Act, 1956" of India (the "Act") and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
4. Further to our comments in the annexure referred to above, we report that:
  - i. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose 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 and proper returns adequate for the purpose of our audit have been received from the branches not visited by us;
  - iii. The Balance Sheet and Statement of Profit And Loss, dealt with by this report are in agreement with the books of account;
  - iv. In our opinion, the Balance Sheet and Statement of Profit And Loss dealt with by this report comply with the Accounting Standards sub-section (3C) of section 211 of the Companies Act, 1956;
  - v. On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31<sup>st</sup> March 2012 from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the companies Act, 1956;



**ARUNVARUN TRADE & INVESTMENT LTD.**

**Auditor's Report To the Members of ARUNVARUN TRADE & INVESTMENT LTD.**

- vi. In our opinion and to the best of our information and according to the explanation given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- a. In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March 2012;
- b. In the case of Statement of Profit and Loss, of the profit for the year ended on that date.
- c. In the case of cash flow statement, of the cash flow for the year ended on that date.

FOR S.RAMANAND AIYAR & CO.  
CHARTERED ACCOUNTANTS  
(FIRM REG. NO – 000990 N)



A handwritten signature in black ink, appearing to be "B.J. Vyas".

(B.J. VYAS)  
PARTNER

MEM NO.: 033533

PLACE: MUMBAI

DATE: 8/8/2012

**ARUNVARUN TRADE & INVESTMENT LTD.**

**Auditor's Report To the Members of ARUNVARUN TRADE & INVESTMENT LTD.**

Annexure to Auditor's Report.

(Referred to in paragraph 3 of our report of even date)

- i) The Companies doesn't have any fixed assets and as such the matters contained in Clause 4(i) (ii) & (iii) are not applicable to the Company for the year.
- ii) a) The Stock-in trade i.e., stock of shares, securities etc have been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.  
b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of stocks followed by the Management is reasonable and adequate in relation to the size of the company and nature of its business.  
c) No discrepancies were noticed between the book records and physical records. On the basis of our examination of the stock records, we are of the opinion that such valuation is fair and proper in accordance with the normally accepted accounting principles and is on the basis as in the previous year.
- iii) a) The Company has not granted unsecured loans to Companies, firms and other parties listed in the registered maintained under Section 301 of the Act.  
b) Since the Company has not granted any loans so the question of *prima facie* prejudicial to the interest of the company does not arise.  
c) The Company has not taken any loans from Companies, firm and other parties so the question of *prima facie* prejudicial to the interest of the company does not arise.
- iv) In our opinion, and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and nature of its business and regard to purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure major weakness in the aforesaid internal control procedures.
- v) In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into register in pursuance of Section 301 of the Act. Accordingly Clause (v) (b) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company for the current year.
- vi) In our opinion and according to information given us during the course of audit, the company has not accepted any deposit within the meaning of provisions of Section 58 A of the companies Act 1956 and the companies (Acceptance of Deposits) Rules 1975



**ARUNVARUN TRADE & INVESTMENT LTD.**

**Auditor's Report To the Members of ARUNVARUN TRADE & INVESTMENT LTD.**

- vii) The company has an internal audit system which, in our opinion, is commensurate with the size and nature of its business.
- viii) We have been informed that the Central Government has not prescribed the maintenance of cost records by the company under section 209(1) (d) of the Act for the Company.
- ix)
- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income –tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty, professional-tax, cess and other material statutory dues as applicable with the appropriate authorities.
- b. According to the information and explanation given to us, there are no disputed outstanding amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty and cess were outstanding as at 31<sup>st</sup> March, 2012..
- x) The Company has made profit at the end of the financial year and has accumulated losses in the immediately preceding year.
- xi) According to the records of the Company examined by us and the information and explanation given to us, the company has not borrowed any fund from financial institution or bank or debenture holder.
- xii) The Company not granted any loans and advances on the basis by way of pledge of shares, debentures and other securities.
- xiii) The provision of any special statue applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the company.
- xiv) In respect of the activities of the Company regarding dealing in shares, securities, debentures and other investments, proper records have been maintained of the transactions and contracts and timely entries have been made therein and the shares, securities, debentures and other investments have been held by the Company in its own name.
- xv) The Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company has not taken any term loans during the year.
- xvii) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long term investment.



**ARUNVARUN TRADE & INVESTMENT LTD.**

**Auditor's Report To the Members of ARUNVARUN TRADE & INVESTMENT LTD.**

- xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- xix) The Company has not issued any debentures which have remained outstanding at the year end.
- xx) The company has not raised any money by public issues during the year.
- xxi) During the course of our examination of the books of accounts carried out in accordance with generally accepted auditing practices, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

FOR S.RAMANAND AIYAR & CO  
(CHARTERED ACCOUNTANTS)  
(FIRM REG NO – 000990 N)



  
(B.J. VYAS)  
PARTNER  
MEM NO.: 33533

PLACE: MUMBAI.

DATE: 8/8/2012

**ARUN VARUN TRADE & INVESTMENT LTD.**

**Balance Sheet as at 31st March, 2012**

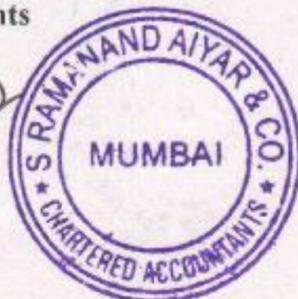
(Amount in Rs)

	Note No	As at 31st March, 2012	As at 31st March, 2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	4,000,000	4,000,000
Reserves and Surplus	2	207,489,019	192,292,020
Money Received Against Share Warrants		-	-
<b>Share Application money pending allotment</b>		-	-
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	3	22,750,000	24,592,750
Deferred Tax Liabilities (net)		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions		-	-
<b>Current Liabilities</b>			
Short-Term Borrowings		-	-
Trade Payables	4	283,048	27,575
Other Current Liabilities	5	2,369,987	2,543,250
Short-Term Provisions		-	-
<b>Total</b>		<b>236,892,054</b>	<b>223,455,595</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets		-	-
Intangible Assets		-	-
Capital Work in Progress		-	-
Intangible Assets Under Development		-	-
Non-Current Investments	6	29,013,682	6,912,610
Long Term Loans and Advances	7	204,525,338	203,097,655
Other Non-Current Assets		-	-
<b>Current Assets</b>			
Current Investments		-	-
Inventories	8	144,476	385,254
Trade Receivables		-	-
Cash and Cash Equivalents	9	2,558,617	4,096,202
Short-Term Loans and Advances	10	-	2,021,877
Other Current Assets	11	649,941	6,941,997
<b>Total</b>		<b>236,892,054</b>	<b>223,455,595</b>
Significant Accounting Policies			
Notes on Financial Statements	1 to 25		

As per our Report of even date

For S.Ramanand Aiyar & Co.  
Chartered Accountants  
(FRNo.000990 N)

B.J. Vyas  
(Partner)  
(M.No.033533)



For and on behalf of Board of Directors  
of Arun Varun Trade & Investment Ltd.

J. R. Bhandari  
(Chairman, Director)

G. R. Bhandari  
(Director)

Place: Mumbai

Dated: 8/8/2012

**ARUN VARUN TRADE & INVESTMENT LTD.**

**Statement of Profit and Loss for the year ended 31st March, 2012**

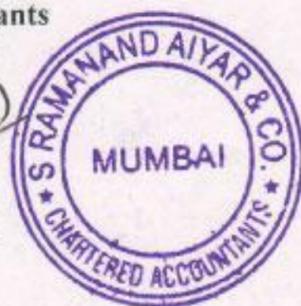
(Amount in Rs)

Particulars	Note	Current Reporting Period 2011-12	Previous Reporting Period 2010-11
<b><u>INCOME</u></b>			
Revenue From Operations	12	22,235,787	22,906,714
Other Income	13	1,168,063	1,279,640
<b>Total Revenue</b>		<b>23,403,850</b>	<b>24,186,354</b>
<b><u>EXPENDITURE</u></b>			
Cost of Materials Consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in Inventories of Finished Goods, Stock-in-Process and Stock-in-Trade	14	240,778	5,092
Employee Benefits Expenses	15	72,000	-
Finance Costs	16	2,047,500	2,047,500
Depreciation and Amortization Expense		-	-
Other Expenses	17	1,862,011	82,615
<b>Total Expenses</b>		<b>4,222,289</b>	<b>2,135,207</b>
Profit Before Exceptional and Extraordinary Items and Tax		19,181,562	22,051,148
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		19,181,562	22,051,148
Extraordinary Items		-	-
Profit Before Tax		19,181,562	22,051,148
Tax Expense:			
(1) Current tax		3,853,280	4,284,580
(2) Deferred tax		-	-
(3) Excess / Short Tax Provision W/off / W/back		131,283	-
<b>Profit for the year</b>		<b>15,196,999</b>	<b>17,766,568</b>
<b>Earning per equity share of the face value of Rs.10 /- each</b>	18		
(1) Basic		37.99	44.42
(2) Diluted		37.99	44.42
Significant Accounting Policies			
Notes on Financial Statements	1 to 25		

As per our Report of even date

For S.Ramanand Aiyar & Co.  
Chartered Accountants  
( FRNo.000990 N )

B.J. Vyas  
(Partner)  
( M.No.033533 )



For and on behalf of Board of Directors  
of Arun Varun Trade & Investment Ltd.

J. R. Bhandari  
(Chairman, Director)

G. R. Bhandari  
(Director)

Place: Mumbai

Dated: 8/8/2012

## Cash Flow Statement for the year 2011-2012.

	(Amount in Rs.)	
	2011-2012	2010-2011
<b>A. Cash flow from operating Activities</b>		
Net Profit/(Loss) before Taxation and extraordinary item	19,181,562	22,051,148
<b>Add : Non Cash item</b>		
Depreciation	-	-
<b>Add/(Less) : Item Connected with Investing &amp; financing Activities</b>		
<b>Non Operating Expenses &amp; losses / ( Incomes )</b>		
Interest received	(187,323)	(183,912)
Dividend Received	-	-
Interest Paid	2,047,500	2,047,500
Sundry Balance W/off	-	-
Interest on Income Tax Refund	(311,905)	(132,190)
Share of Profit from Partnership Firm	(668,835)	(963,538)
<b>Operating (Loss)/Profit before Working Capital changes</b>	<b>20,060,998</b>	<b>22,819,007</b>
Adjustment for increase/decrease in:		
Inventories	240,778	5,092
Loans and Advance	594,194	(22,557,416)
Other Current/ Non current Assets	6,290,985	(3,761,355)
Sundry Creditors	255,473	108,231
Other Current Liability & Provisions	(173,263)	4,284,580
<b>Net Cash Generated from/(used in) operations</b>	<b>27,269,165</b>	<b>898,139</b>
Less : Income Tax	(3,984,563)	(4,284,580)
<b>Net Cash Generated from/ (usedin) operations</b>	<b>(A) 23,284,602</b>	<b>(3,386,441)</b>
<b>B. Cash flow from Investment Activities</b>		
Investment in immovable properties	-	-
Investment in the capital of the Firm	(22,100,000)	-
Share of Profit from partnership firm	668,835	963,538
Dividend Received	-	-
Sale of Investments (Ftat)	-	-
Interest Received	499,228	316,102
<b>Net cash From Investment Activites</b>	<b>(B) (20,931,937)</b>	<b>1,279,640</b>
<b>C. Cash flow from Financing Activities</b>		
Loan Received from Corporates	-	1,842,750
Loan Repaid to Corporates	(1,842,750)	-
Interest Paid	(2,047,500)	(2,047,500)
Interest Received	-	-
<b>Net cash From Financing Activites</b>	<b>(C) (3,890,250)</b>	<b>(204,750)</b>
<b>Net (Decrease)/Increase in Cash and Cash Equivalents</b>	<b>(A+B+C) (1,537,585)</b>	<b>(2,311,551)</b>
Cash and Cash Equivalents as at the commencement of the year	4,096,202	6,407,753
Cash and Cash Equivalents as at the end of the year	2,558,617	4,096,202
<b>Net (Decrease)/Increase as Disclose above</b>	<b>(1,537,585)</b>	<b>(2,311,551)</b>
(See Notes attached)		

## NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	Amount in Rs.	
	2011-2012	2010-2011
1) Cash and cash equivalents include:		
Cash on hand	47,140	44,140
Bank Balance	2,511,477	4,052,062
<b>Total</b>	<b>2,558,617</b>	<b>4,096,202</b>
2) All figures in brackets are outflow		
3) Previous years figures have been regrouped/reclassified wherever necessary to this year's classification		

As per our Report of even date

For S.Ramanand Aiyar & Co.  
Chartered Accountants  
( FRNo.000990 N )B.J. Vyat  
(Partner)  
( M.No.033533 )For and on behalf of Board of Directors  
of Arun Varun Trade & Investment Ltd.J. R. Bhandari  
(Chairman, Director)G. R. Bhandari  
(Director)

Place: Mumbai

Dated: 8/8/2012

ARUNVARUN TRADE & INVESTMENT LTD.

Notes on Financial Statements for the Year ended 31st March, 2012

1 SHARE CAPITAL

(Amount in Rs.)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of shares	% held	No of Shares	% held
<b>Authorised Share Capital</b> 5,00,000 ( P.Y. 5,00,000 ) Equity Shares of Rs 10 Each				
	5,000,000		5,000,000	
<b>Issued, Subscribed and Paid Up :</b> 4,00,000 (P.Y. 4,00,000 ) Equity Shares of Rs 10 Each fully paid up				
	4,000,000		4,000,000	
<b>Total</b>	<b>4,000,000</b>		<b>4,000,000</b>	

1.1 The details of shareholders holding more than 5 % shares :

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No of shares	% held	No of Shares	% held
Nil	Nil	Nil	Nil	Nil

1.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	No of shares		No of shares	
Equity Share at the beginning of the year		400,000		400,000
Add : Shares Issued		-		-
Less : Shares cancelled		-		-
Equity Share at the end of the year		400,000		400,000

2 RESERVES AND SURPLUS

(Amount in Rs.)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
<b>Capital Reserve</b>				
Surplus on Revaluation of Liabilities				
As per last Balance sheet	103,712,142		103,712,142	
Add : - Transfer from Profit and Loss Account	-	103,712,142	-	103,712,142
<b>General Reserve</b>				
As per last Balance sheet	527,000		527,000	
Add : - Transfer from Profit and Loss Account	-	527,000	-	527,000
<b>Profit and loss Account</b>				
As per last Balance sheet	88,052,878		70,286,310	
Add :- Profit for the year	15,196,999		17,766,568	
	103,249,877		88,052,878	
Less :- Appropriations				
Transfer To General Reserve	-	103,249,877	-	88,052,878
<b>Total</b>		<b>207,489,019</b>		<b>192,292,020</b>



For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayan*

*W. S. Khondar*  
DIRECTOR

3 LONG TERM BORROWINGS

(Amount in Rs.)

Particulars	As at 31st March,2012		As at 31st March,2011	
	Non Current	Current	Non Current	Current
Unsecured Inter Corporate Loans	22,750,000	-	24,592,750	-
<b>Total</b>	<b>22,750,000</b>	<b>-</b>	<b>24,592,750</b>	<b>-</b>

3.1 Maturity Profile of Unsecured Term Loans are set out below :-  
(Rate of Interest on Unsecured Loan is 9%)

Particulars	Maturity Profile			
	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years
Inter Corporate Loans	-	-	-	22,750,000

4 TRADE PAYABLES

(Amount in Rs.)

Particulars	As at 31st March,2012		As at 31st March,2011	
	Micro, Small and Medium Enterprises (Refer to Note No. 4.1 & 4.2 ) Others (Refer to Note No 4.3)	-	283,048	-
		283,048		27,575

- 4.1 There are no information available with the management, regarding the supplier covered by Micro, Small & Medium Enterprises Under Micro, Small and Medium Enterprises Development Act, 2006.
- 4.2 As of 31<sup>st</sup> March, 2012, it can not be verified whether the Company had any outstanding dues to Micro, Small & Medium Enterprises for sum of Rs.1 lakh or more than 30 days.
- 4.3 Other Trade Payable includes Sundry Creditors for Expenses

(Amount in Rs.)

Particulars	As at 31st March,2012		As at 31st March,2011	
	Sundry Creditors for Expenses	-	283,048	-
		283,048		27,575

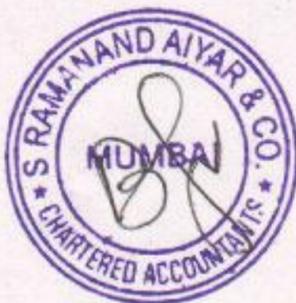
5 OTHER CURRENT LIABILITIES

(Amount in Rs.)

Particulars	As at 31st March,2012		As at 31st March,2011	
	Other Payables ( Refer Note No. 5.1 - Statutory Dues) Share Application Money	-	31,487	-
		2,338,500		2,338,500
<b>Total</b>		<b>2,369,987</b>		<b>2,543,250</b>

- 5.1 \* Amount includes dues outstanding towards TDS Liability and which is subsequently paid before filing of Return of Income.

For ARUN VARUN TRADE & INVESTMENT LTD.



*Jayan*  
*Arshankar*  
DIRECTOR

## 6 NON CURRENT INVESTMENTS

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
Booking Deposits for Immovable Properties	6,812,610	6,812,610
Investment in Capital of Partnership Firm - Schwabe Incoat (Company is Partner in Schwabe Incoat ) Total Capital of the Firm - Rs.10,00,000 Profit Sharing Ratio is 10%	100,000	100,000
Investment in Capital of Partnership Firm - Greens Investments Inc. (Company is Partner in Greens Investments Inc. ) Total Capital of the Firm - Rs. 4,42,04,070 /- Profit Sharing Ratio is 50 %	22,101,072	-
	<u>29,013,682</u>	<u>6,912,610</u>

## 7 LONG TERM LOANS AND ADVANCES

( Unsecured and Considered Good)

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
Booking Advances for Immovable Properties	194,779,125	191,716,457
Deposits	11,000,000	11,000,000
Joindra Capital Services - Deposit	600	600
Advance / Self Asst. Income Tax (Net of Provision for Taxes)	(1,254,387)	380,598
	<u>204,525,338</u>	<u>203,097,655</u>

## 8 INVENTORIES

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
[As Taken Valued & Certified by Directors] Trading Goods	144,476	385,254
	<u>144,476</u>	<u>385,254</u>

## 9 CASH AND CASH EQUIVALENTS

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
Balances with Banks	976,500	2,513,816
Cash on hand	47,140	44,140
Deposits with Bank - Indusind Bank Ltd.	1,534,977	1,538,247
<b>Total</b>	<u>2,558,617</u>	<u>4,096,202</u>

## 10 SHORT TERM LOANS AND ADVANCES

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
Advance / Self Asst. Income Tax (Net of Provision for Taxes)	-	2,021,877
<b>Total</b>	<u>-</u>	<u>2,021,877</u>



For ARUN VARUN TRADE &amp; INVESTMENT LTD.

*Jayas*  
*Uthkandaz*  
DIRECTOR

**11 OTHER CURRENT ASSETSS**

(Amount in Rs.)

Particulars	As at 31st March,2012	As at 31st March,2011
Accrued Interest	349	438
Current Account - Schwabe Incoat	649,592	6,941,559
<b>Total</b>	<b>649,941</b>	<b>6,941,997</b>

**12 REVENUE FROM OPERATIONS**

(Amount in Rs.)

Particulars	2011-12	2010-11
Sale of Products	-	-
Income From Investment and Finance	22,235,787	22,906,714
<b>Total</b>	<b>22,235,787</b>	<b>22,906,714</b>

**OTHER INCOME**

(Amount in Rs.)

Particulars	2011-12	2010-11
Interest on Fixed Deposit	187,323	183,912
Interest On Income Tax Refund	311,905	132,190
Share of Profit from partnership firm	668,835	963,538
<b>Total</b>	<b>1,168,063</b>	<b>1,279,640</b>

**Particulars of Other Income**

Particulars	2011-12	2010-11
<b>Interest on Fixed Deposit</b>		
Indusin Bank	187,323	183,912
	<b>187,323</b>	<b>183,912</b>
<b>Interest On Income Tax Refund</b>		
Interest on Income Tax Refund for A.Y. 2008-09	147,325	132,190
Interest on Income Tax Refund for A.Y. 2009-10	164,580	-
	<b>311,905</b>	<b>132,190</b>
<b>Share of Profit from Partnership Firm</b>		
Share of Profit from Partnership Firm - Schwabe Incoat (For FY 2009-10)	-	339,652
Share of Profit from Partnership Firm - Schwabe Incoat (For FY 2010-11)	-	623,886
Share of Profit from Partnership Firm - Schwabe Incoat (For FY 2011-12)	667,763	-
Share of Profit from Partnership Firm - Greens Investments Inc. (For FY 2011-12)	1,072	-
	<b>668,835</b>	<b>963,538</b>
<b>Total</b>	<b>1,168,063</b>	<b>1,279,640</b>

For ARUN VARUN TRADE &amp; INVESTMENT LTD.



*Jayar*  
*Chandak*  
DIRECTOR

**14 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE**

(Amount in Rs.)

Particulars	2011-12	2010-11
<b>Inventories (At Close)</b>		
Trading Goods	144,476	385,254
<b>Inventories (At Commencement)</b>		
Trading Goods	385,254	390,346
<b>Total</b>	<b>240,778</b>	<b>5,092</b>

**15 EMPLOYEE BENEFITS EXPENSES**

(Amount in Rs.)

Particulars	2011-12	2010-11
Salary to staff	72,000	-
<b>Total</b>	<b>72,000</b>	<b>-</b>

**16 FINANCE COST**

(Amount in Rs.)

Particulars	2011-12	2010-11
Interest Expenses (Refer to Note No.16.1)	2,047,500	2,047,500
<b>Total</b>	<b>2,047,500</b>	<b>2,047,500</b>

**Particulars of Interest Expenses**

(Amount in Rs.)

Particulars	2011-12	2010-11
Interest on Loan	2,047,500	2,047,500
<b>Total</b>	<b>2,047,500</b>	<b>2,047,500</b>

**17 OTHER EXPENSES**

(Amount in Rs.)

Particulars	2011-12	2010-11
<b>OPERATIONAL / ESTABLISHMENT EXPENSES</b>		
Auditors's Remuneration ( Refer to Note No.17.1)	28,090	27,575
Certification Charges	-	5,000
E-Token Fees	-	4,000
ROC Filling Charges	5,000	12,500
Listing Fees	16,950	11,030
Professional Charges	19,303	12,000
Share Trading Expenses	-	510
Share Transfer Chrages	-	10,000
BSE Compliance Fees	386,050	-
BSE Re-instatement Fees	1,356,690	-
CSDL Annual Fees	6,618	-
CSDL Regisration Fees	22,060	-
DMAT Charges	1,134	-
Printing and Stationery Expenses	10,900	-
Website Development Charges	9,213	-
Sundry Balance W/off	3	-
<b>Total</b>	<b>1,862,011</b>	<b>82,615</b>



For ARUN VARUN TRADE &amp; INVESTMENT LTD.

DIRECTOR

**Particular's of Auditor's Remuneration as :**

(Amount in Rs.)

Particulars	2011-12		2010-11	
<b>(a) Auditor</b>				
Statutory Audit Fees	10,000		10,000	
Tax Audit fees	10,000		10,000	
Taxation Services	5,000		5,000	
Service Tax	3,090	28,090	2,575	27,575
		<u>28,090</u>		<u>27,575</u>

**18 EARNINGS PER SHARE (EPS)**

(Amount in Rs.)

Particulars	2011-12		2010-11	
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders		15,196,999		17,766,568
(ii) Weighted Average number of equity shares used as denominator for calculating EPS		400,000		400,000
(iii) Basic and Diluted Earnings per share		37.99		44.42
(iv) Face Value per equity share		10		10

**19 CONTINGENT LIABILITIES AND COMMITMENTS**

(to the extent not provided for)

(Amount in Rs.)

Particulars	As at 31st March,2012		As at 31st March,2011	
<b>Contingent liabilities</b>				
Claims against the company not acknowledged as debt	NIL	NIL	NIL	NIL
Guarantees	NIL		NIL	
Other Money for which the company is contingently liable	NIL		NIL	
<b>Commitments</b>				
Estimated amount of contracts unexecuted on capital account	NIL	NIL	NIL	NIL
Uncalled liability on shares and other investments partly paid	NIL		NIL	
Other commitments	NIL		NIL	
<b>Total</b>		<u>NIL</u>		<u>NIL</u>

**MANAGERIAL REMUNERATION U/S 198 OF THE COMPANIES ACT, 1956, PAID OR PAYABLE DURING THE FINANCIAL PERIOD IS AS UNDER :**

Particulars	As at 31st March,2012		As at 31st March,2011	
Salary		NIL		NIL
<b>Total</b>		<u>NIL</u>		<u>NIL</u>



For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayan*

*Ushankar*

DIRECTOR

21 PARTICULARS IN RESPECT OF OPENING STOCK, PURCHASES, SALES AND CLOSING STOCK OF SHARES, DEBENTURES/GOODS ETC.:

Shares / Debentures	As at 31st March, 2012		As at 31st March, 2011	
	Quantity (Nos.)	Value	Quantity (Nos.)	Value
<u>Opening Stock</u> Equity Shares	3468	144,476	3468	385,254
<u>Purchases during the Year</u> Equity Shares	NIL	NIL	NIL	NIL
<u>Sales during the Year / Conversion into Investments</u> Equity Shares	NIL	NIL	NIL	NIL
<u>Closing Stock</u> Equity Shares	3468	144,476	3468	385,254

Note: Shares are fully / partly paid up.



For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayans*

*W. Shandee*  
DIRECTOR

ARUNVARUN TRADE & INVESTMENT LTD.

Notes on Financial Statements for the Year ended 31st March, 2012

22. Related Party Disclosure :

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :-

22.1 List of related parties where control exists and related parties with whom transactions have been taken place and relationships :-

Sr.No.	Name of The Related Party	Relationship
1	Jayanti R Bhandari (Director)	Key Managerial Personnel
2	Gautam R Bhandari (Director)	
3	Shailesh R Agarwal (Director)	
4	Schwabe Incoat	Enterprises over which Key Managerial Personnel are able to exercise significance influence
5	Solitaire Construction	
6	Greens Investments Inc.	

22.2 Transactions during the year with related parties :

Sr.No.	Nature of Transactions (Excluding reimbursements)	Enterprises over which Key Managerial Personnel are able to exercise significance influence	Total
1	<b>Schwabe Incoat (Partnership Firm)</b>		
	Amount on current account received during the year	9,200,000 (L.Y. 12,55,387 /-)	9,200,000 1,255,387
	Amount on current account paid during the year	2,000,000 (L.Y. NIL)	2,000,000 NIL
	Interest on Current Account	240,270 (L.Y. 8,07,808 /-)	240,270 807,808
	Share of Profit from firm	667,763 (L.Y. 6,23,886 /-)	667,763 623,886
2	<b>Green Investments Inc. (Partnership Firm)</b>		
	Investment in Capital	22,100,000 (L.Y. NIL)	22,100,000 NIL
	Share of Profit from firm	1,072 (L.Y. NIL)	1,072 NIL

23. Advances, Sundry Debtors, Sundry Creditors, Security Deposits, Loans and Deposits in the absence of confirmation are as per the books of accounts and records and are subjects to reconciliation, if any.

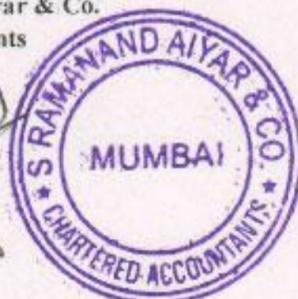
24. In the opinion of management, the Current Assets, Loans & Advances have a value on realisation in the ordinary course of business, at least to the sum of amount at which they are stated in the Balance sheet.

25. The figures for the previous period are regrouped/reclassified wherever necessary to make them comparable with that of the current year.

As per our Report of even date

For S.Ramanand Aiyar & Co.  
Chartered Accountants  
( FRNo.000990 N )

B.J. Vyas  
(Partner)  
( M.No.033533 )



For and on behalf of Board of Directors  
of Arun Varun Trade & Investment Ltd.

J. R. Bhandari  
(Chairman, Director)

G. R. Bhandari  
(Director)

Place: Mumbai  
Dated: 8/8/2012

# ARUN VARUN TRADE & INVESTMENT LTD.

## SIGNIFICANT ACCOUNTING POLICIES

### (a) PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS

During the year ended 31<sup>st</sup> March, 2012 the Revised Schedule VI notified under Companies Act, 1956 has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified previous year figures in accordance with the requirements applicable in the current year

### (b) SIGNIFICANT ACCOUNTING POLICIES

i) **AS-1 Disclosure of Accounting Policies**

The financial statements are prepared under historical cost convention, in accordance with the generally accepted accounting principles in India and provision of the Companies Act, 1956. The accounts are maintained on accrual basis as a going concern.

ii) **AS-2 Valuation of Inventories**

Inventories are valued at cost or Market Value whichever is lower, The value of diminution in unquoted securities is unascertainable as the necessary information is not available and is considered to be valued at market value as cost.

iii) **AS-3 Cash Flow Statement**

Cash flow statement is prepared under "Indirect Method" and the same is annexed.

iv) **AS-4 Contingencies and Events Occurring after Balance Sheet date**

There were no contingencies and events occurred after balance sheet date.

v) **AS-5 Net Profit or Loss for the period, Prior Period Items and Changes in Accounting policies**

The nature and amount of prior period item is separately disclosed in the profit & Loss account.

vi) **AS-6 Depreciation on Fixed Assets**

There are no existing fixed assets or not purchased during the year. Therefore, this standard is not applicable for the current reporting period.

vii) **AS-7 Accounting for construction contracts**

This Accounting standard is not applicable.

viii) **AS-8**

This Accounting standard is withdrawn and included in AS-26.

ix) **AS-9 Revenue Recognition**

The income of the company is derived from trading in shares and interest on loan given to companies & investments in properties.



For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayans*

*Uthandaz*  
DIRECTOR

# ARUN VARUN TRADE & INVESTMENT LTD.

## SIGNIFICANT ACCOUNTING POLICIES

Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

The revenue and expenditure are accounted on a going concern.

x) **AS-10 Accounting for Fixed Assets**

There are no existing fixed assets or no purchased during the year. Therefore, this standard is not applicable for the current reporting period.

xi) **AS-11 Accounting for the effects of changes in Foreign exchange rates**

The company has not incurred any transaction in foreign currencies. Therefore, this standard is not applicable for the current reporting period.

xii) **AS-12 Accounting for Government grants**

The company has not received any grants from the Government. Therefore, this standard is not applicable for the current reporting period.

xiii) **AS-13 Accounting for Investments**

The company has made investment in immovable properties.

a) Long-term Investments are valued at cost less provision for permanent diminution in value of such investments.

b) Current Investments are valued at lower of cost and market value.

During the F.Y. 2009-10 the company has made capital investments in the partnership firm – Schwabe Incoat, in which company is the partner.

During the F.Y. 2011-12 the company has made capital investments in the partnership firm – Green Investment Inc, in which company is the partner.

xiv) **AS-14 Accounting for Amalgamation**

During the year, there was no amalgamation.

xv) **AS-15 Accounting for Employee Benefits**

a) **Short Term Employees Benefits:**

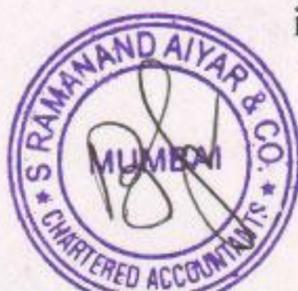
All employee benefits payable wholly within twelve months of rendering the services are classified as short term employee benefit.

Benefits such as salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related services.

b) **Post - employment benefit**

(a) **Defined Contribution plans:**

State Governed provident fund cum employees pension scheme, are defined contribution plans. The contribution paid / payable under the schemes is recognized during the period in which the employees render the related services.



For ARUN VARUN TRADE & INVESTMENT LTD.

  
DIRECTOR

# ARUN VARUN TRADE & INVESTMENT LTD.

## SIGNIFICANT ACCOUNTING POLICIES

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- xvi) **AS-16 Borrowing Cost**  
The company has not borrowed any fund to acquire, build and install the fixed assets and other assets; Therefore, This standard is not applicable for the current reporting period.
- xvii) **AS-17 Segment Reporting**  
The company operates in only one segment and there are no separate reportable segments. Therefore, this standard is not applicable for the current reporting period.
- xviii) **AS-18 Related Party Disclosures**  
Refer note no. 20 from Notes on financial statements.
- xix) **AS-19 Accounting for Lease**  
The company has not taken any asset on lease. Therefore, this standard is not applicable for the current reporting period.
- xx) **AS-20 Earning Per Share**  
EPS is calculated in accordance with accounting standard prescribed.  
Basic/Diluted earning per share are calculated by dividing Net profit for the period attributable to the Equity shareholder (after deducting preference dividend and attributable taxes) by the weighted average number of equity shares outstanding during the period.
- xxi) **AS-21 Consolidated Financial Statements**  
Since the company does not have any subsidiary company or control over any other company. Therefore, this standard is not applicable for the current reporting period.
- xxii) **AS-22 Accounting for Taxes on Income**  
Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for taxes on Income" (AS 22) issued by The Institute of Chartered Accountants of India. Tax comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities using the applicable tax rates. Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted tax rates.

The Company has brought forward losses available for set off under the Income Tax Act, 1961. However in view of the present uncertainty regarding generation of sufficient future income, net deferred tax asset at the year end, including related credit for the year, has not been recognized in these accounts on prudent basis.

Provision for current taxation for the Company of Rs.38,53,300 /- represents the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.



For ARUN VARUN TRADE & INVESTMENT LTD.

*Jayaram*

*Chandrababu*  
DIRECTOR

# ARUN VARUN TRADE & INVESTMENT LTD.

## SIGNIFICANT ACCOUNTING POLICIES

Earlier the company was paying the taxes as per the provision of Minimum Alternate Tax pursuant to the provisions of Section 115JB of the Income Tax Act, 1961 of India. The Finance Act, 2005 inserted sub section (1A) to section 115JAA to grant tax credit in respect of MAT paid under section 115JB of the Act with effect from assessment year 2006-07 and carry forward the credit for a period of 10 years. Accordingly, the MAT Credit of **Rs.98,30,037/-** [Rs.6,84,604/- of A.Y.2008-09, Rs.17,36,809/- of A.Y.2009-10, Rs.32,46,605/- of A.Y.2010-11 and Rs.41,62,019/- of A.Y.2011-12] is available to be set off against future tax liability after setting off of the MAT Credit of Rs.21,95,458 /- [ Rs.14,35,975 /- of A.Y. 2007-08 and Rs.7,59,483/- of A.Y. 2008-09 ] from the current year tax liability.

- xxiii) AS-23 Accounting for Investments in Associates in Consolidated Financial Statements**  
The company is not making any consolidated financial statement as stated in above AS 21. Therefore, this standard is not applicable for the current reporting period.
- xxiv) AS-24 Discontinuing operations**  
The company has not discontinued any operation during the year. Therefore, this standard is not applicable for the current reporting period.
- xxv) AS-25 Interim Financial Reporting**  
The company is in process of compiling and publishing interim financial reporting.
- xxvi) As-26 Intangible Assets.**  
During the year, the company has no intangible assets. Therefore, this standard is not applicable for the current reporting period.
- xxvii) AS-27 Financial Reporting of Interest in Joint Venture**  
The company has no interest in joint venture. Therefore, this standard is not applicable for the current reporting period.
- xxviii) As-28 Impairment of Assets**  
The company does not have any fixed assets. Therefore, this standard is not applicable for the current reporting period.
- xxix) AS-29 Provision, Contingent Liabilities and Contingent Assets**  
There are no Contingent Liabilities as Certified by Management.

As per our report of even date

For S.Ramanand Aiyar & Co.  
Chartered Accountants  
(Firm Reg. No. 000990 N)

(B.J.Vyas)  
Partner  
Mem.No.033533



Place: Mumbai

Date: 8/8/2012

For and on behalf of Board of Directors of  
Arun Varun Trade & Investment Ltd.,

(J.R. Bhandari)  
Director, Chairman

(G.R. Bhandari)  
Director