

HINDUSTAN APPLIANCES LIMITED

=====

ANNUAL REPORT 2011-2012

=====

DIRECTORS:-

MR. MEHUL J. SHAH
MR. SANJAY A. DESAI
MR. RAVINDRA K. MYTRA
MR. SUNIL HIRJI SHAH
MR. KALPESH RAMESH SHAH

REGISTERED OFFICE:-

C 101 Innova Marathon Next Gen.
Off G. K. Marg,
Opp. Peninsula Corporate Park,
Lower Parel (W), Mumbai 400013

AUDITORS

M/s. A.C. MODI & ASSOCIATES
Chartered Accountants

BANKERS

Bank of India

Hindustan Appliances Limited

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of HINDUSTAN APPLIANCES LIMITED will be held at the Registered Office of the Company at C-101, Innova, Marathon Next Gen, Off G.K. Marg, Opp. Peninsula Corporate Park, Lower Parel (W), Mumbai - 400 013 on 14TH August ,2012 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Mehul J. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Director in place of Mr. Ravindra K. Mytra , who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. A.C. Modi & Associates, Chartered Accountants as Auditors and to fix their remuneration.

For and on behalf of the Board

K. R. Shah
KRS

S H Shah

Directors

REGISTERED OFFICE:

C-101, Innova, Marathon Next Gen,
Off. G.K. Marg, Opp. Peninsula Corporate Park,
Lower Parel (W),
Mumbai - 400 013

Place : Mumbai

Dated : 11/07/2012

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should be deposited at the registered office of the Company not less than 48 hours before commencing of this meeting.
3. The register of members and transfer books of the Company will remain closed from 7th August ,2012 to 14th August , 2012. (both days inclusive).

HINDUSTAN APPLIANCES LIMITED

=====

DIRECTORS' REPORT

=====

To,
The Members

The Directors have pleasure in presenting their Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2012.

Particulars	(Rs.in Lacs)	(Rs.in Lacs)
	Year ended 31.3.2012	Year ended 31.3.2011
Income from operation	86.66	1.70
Total	86.66	1.70
Gross Profit/ loss Before Depreciation and Taxation	84.85	0.29
Add : Income Tax of earlier year	0.01	2.15
Deduct:-		
Depreciation	0.00	0.00
Provision for taxation	26.30	0.10
Deferred tax liabilities	0.00	0.00
Net profit / Loss for the year	58.56	2.34
Balance brought forward	111.40	109.06
Balance carried forward	169.96	111.40

DIVIDEND:

In view of the loss the directors are unable to recommend any dividend for the year under the report.

OPERATION:

The Company has earned a gross total Income of Rs 86.66 lacs for the year under review against the gross total income of Rs1.70 lacs during the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussion and analysis report for the year under review as required under Clause 49 of the Listing Agreement with the Stock Exchange is given in the report as a separate statement.

CORPORATE GOVERNANCE

Necessary measures have been adopted to comply with the requirements of the listing agreement with stock exchange wherein the company's shares are listed. A separate Section on corporate governance report forms part of this annual report.

A certificate from the auditors of the company regarding compliance of the conditions of corporate governance as stipulated under clause 49 of the listing agreement is attached to this report.

SUBSIDIARIES

Pursuant to the Provision of section 212 of the Companies Act ,1956 statement & other documents relating to the subsidiaries of the company are annexed to this report.

DIRECTORS.

Mr. Mehul J. Shah and Mr. Ravindra K. Myatra , Directors retire by rotation retires by rotation and being eligible offer themselves for reappointment.

PARTICULARS OF EMPLOYEES :

The company did not employ anybody drawing remuneration of Rs. 60,00,000/- or more per annum or Rs.5,00,000/-or more per month and hence the question of providing information under section 217(2A) of the companies Act, 1956 does not arise.

PUBLIC DEPOSIT :

The Company has not accepted any deposit from public. Therefore provision of section 58(A) of Companies Act,1956 are not applicable to the Company. There are no unclaim or unpaid deposits for which information to be given in this report.

DISCLOSURES OF PARTICULARS WITH RESPECT TO CONSERVATION ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGES EARNINGS AND OUTGO. :

Particulars regarding conservation of energy, technology absorption as required pursuant to section 217 (1) (e) of the Companies Act, 1956, as amended are not given since the said section is not applicable to the Company.

Foreign exchange earnings. : Rs. Nil

Foreign exchange outgo. : Rs. Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provision of Sub-Section (2AA) of section 217 of the companies Act, 1956 your directors confirm:

1. that in the preparation of the annual accounts for year ended 31st March, 2012 the applicable accounting standards have been followed with no departures there from;

2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2012 and of the loss of the Company for that year;
3. that the Directors have 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 for preventing and detecting fraud and other irregularities ;
4. that the Directors have prepared the annual accounts for the year ended 31.3.2012 on a going concern basis.

The above statements have been noted by the Audit Committee at its meeting held on 30th June 2012.

CONSOLIDATED FINANCIAL STATEMENTS:

The Audited Financial Statement for the year under review ended 31st, march 2012 is annexed to this report. The Report and standalone audited accounts of all subsidiary companies along with statement pursuant to section 212 of the companies Act,1956 containing full details of the performance also form part of this Annual Report. These statements have been prepared on the basis of audited financial statement received from the subsidiary Companies as approved by their respective Boards.

AUDITORS:

M/S. A. C. MODI & ASSOCIATES, Chartered Accountants, the present Auditors of the Company have furnished a certificate regarding their eligibility for re-appointment. You are requested to appoint auditors of the company and fix their remuneration.

FOR AND ON BEHALF OF THE BOARD

KRS
K-R. Shah *S H Shah*

DIRECTORS

PLACE: MUMBAI,

DATED:

ANNEXURE TO DIRECTORS' REPORTS**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,
1956 RELATING TO SUBSIDIARY COMPANIES.**

S. No.	Particulars	Name Of The Company	
1	NAME OF THE SUBSIDIARY	JOGINDRA EXPORTS LIMITED	KSHANIKA TRADING LIMITED
2	HOLDING COMPANY'S INTEREST	5000 EQUITY SHARES OF 100 EACH FULLY PAID UP	5000 EQUITY SHARES OF 100 EACH FULLY PAID UP
3	EXTENT F HOLDING	100%	100%
4	SUBSIDIARY FINANCIAL YEAR	31ST MARCH, 2012	31 ST MARCH, 2012
5	NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/(LOSS) NOT DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS:		
(i)	i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES	Rs. Nil	Rs24,86.00
(ii)	ii) FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECOME THE HOLDING COMPANY'S SUBSIDIARIES.	Rs.Nil	(Rs7,751.00)
6	NET AGGREGATE AMOUNT OF SUBSIDIARIES' PROFIT/ (LOSS) DEALT WITHIN THE HOLDING COMPANY'S ACCOUNTS	Nil	Nil
(i)	i) FOR THE CURRENT FINANCIAL YEAR OF THE SUBSIDIARIES.	Nil	Nil
(ii)	FOR THE PREVIOUS FINANCIAL YEARS OF THE SUBSIDIARIES SINCE THEY BECOME THE HOLDING: COMPANY'S SUBSIDIARIES.	Nil	Nil

FOR AND ON BEHALF OF THE BOARD*K. R. Shah S. H. Shah***DIRECTORS****PLACE: MUMBAI
DATED**

HINDUSTAN APPLIANCES LIMITED

CORPORATE GOVERNANCE

1 PHILOSOPHY:

Your Company believes that the Corporate Governance is a powerful medium to serve the long-term interest of all stockholders. Corporate Governance strengthens investors' trust and ensures a long term partnerships, which helps your Company in fulfilling its quest for achieving significant growth and profits. A sound governance process consists of a combination of business practices, which results in enhanced shareholder value and enable the Company to fulfill its commitment to customers, employees, lenders and the society in general. Your Company further believes that such practices are founded upon the core values of transparency, empowerment, accountability and independent monitoring.

Your Company is committed to bench marking itself with the best in all areas including Corporate Governance . Your Company has bench marked its practices with the prevailing guidelines by upholding the core values across all aspects of its operation.

Your Company believes that Corporate Governance is not merely compliance - it is an ongoing measure of superior delivery of Company's objects with a view to translate opportunities into reality.

2 BOARD OF DIRECTORS

The Board consists of five members. The composition of Board of Directors, the number of other directorships or board committees of which he is a member/ chairman are as under:

DIRECTORS	CATEGORY	No. of Outside Directorship Held		No. of other Company's Positions Held	
		Public	Private	Member	Chairman/Chairperson
Mr.Sanjay A. Desai	Chairman & Director	1	8	-	-
Mr.Mehul J. Shah	Non Executive Director	5	83	-	-
Mr. Ravindra Myatra	Non Executive Director independent	0	2	-	-
Mr. Sunil Hirji Shah	Non Executive Director independent	1-	5	-	-
Mr. Kalpesh R. Shah	Non Executive Director independent	----	11	-	-

Brief resume of the directors being Re-appointed/appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional areas and name of Companies in which they hold directorship and the membership of the committees of the board are furnished here under.

1) Mr. Mehul J. Shah, aged 41 years. He has vast experience of about 25 years in the field of Marketing of Electricals and Electronics goods. He is director of following Companies:

S No	Name of the Company	S No	Name of the Company
1	HIGHWAY FINANCE AND HOLDING (BOMBAY) LIMITED	45	ANCHOR EARTH PRIVATE LIMITED
2	ANCHOR COSMETICS (INDIA) PVT LTD	46	ANCHOR HOMES PRIVATE LIMITED
3	ANCHOR KOPP ENTERPRISES PRIVATE LIMITED CN	47	AS SMART AS POSSIBLE DESIGN RETAIL PRIVATE LIMITED
4	GALAN REAL ESTATES P.LTD.	48	NEOLI STEELS PRIVATE LIMITED
5	APPLE COSMETICS PRIVATE LIMITED	49	HANSIKA CONSULTANTS PRIVATE LIMITED
6	APPLE PHARMACEUTICALS PRIVATE LIMITED	50	GEENA ALUMINIUM PRIVATE LIMITED
7	AVANTI HEALTH CARE PRIVATE LIMITED	51	ROMA ELECTRICALS PRIVATE LIMITED
8	KYORI METALS PRIVATE LIMITED	52	QUICK STOCKTRADE PRIVATE LIMITED
9	HINDUSTAN APPLIANCES LIMITED	53	TENDRIL CHEMICALS P LTD
10	ANCHOR MEDICARE PRIVATE LIMITED	54	ATUL TRADING AND FINANCIAL SERVICES PRIVATE LIMITED
11	AVE ANCHOR PRIVATE LIMITED	55	VIJAY BHOOMIPROP PRIVATE LIMITED
12	ROMA COSMETICS PRIVATE LIMITED	56	ANCHOR COLOURS PRIVATE LIMITED
13	ANCHOR SOAP PRIVATE LIMITED	57	CLASSIC ELECTRICALS LIMITED
14	TRIPLE SECURITIES PRIVATE LIMITED	58	GIRNAR PLASTICS PVT LTD
15	GREATWHITE HARDWARE PRIVATE LIMITED	59	ALFA INFOSYS PRIVATE LIMITED
16	OLIVE HOLDINGS PRIVATE LIMITED	60	VAIDEHI FISCAL PRIVATE LIMITED
17	GOOD VALUE FINANCIAL SERVICES PRIVATE LIMITED	61	SCOTT REMEDIES PVT LTD
18	THIRDWAVE CONSTRUCTIONS PRIVATE LIMITED	62	MOUNT BLANC REAL ESTATES PRIVATE LIMITED
19	KENT PROJECTS PRIVATE LIMITED	63	ANCHOR PENS AND STATIONERY PRIVATE LIMITED
20	PRANAY TELE-SYSTEMS PRIVATE LIMITED	64	ROMA WRITING INSTRUMENTS PRIVATE LIMITED
21	ANCHOR LEASING PRIVATE LIMITED	65	HUGES REAL ESTATES DEVELOPERS PRIVATE LIMITED
22	SHAH CONSTRUCTION COMPANY LIMITED	66	KRUSHMI DEVELOPERS PRIVATE LIMITED
23	KSHANIKA TRADING LIMITED	67	ANCHOR LANDSCAPES PRIVATE LIMITED
24	DEMAG REAL ESTATES PRIVATE LIMITED	68	ANCHOR LIFESCAPES PRIVATE LIMITED
25	NINE X REAL ESTATES DEVELOPERS PRIVATE LIMITED	69	ANCHOR ART PRIVATE LIMITED
26	RAJESH REAL ESTATE DEVELOPERS PRIVATE LIMITED	70	POPLEY BUILDCON PRIVATE LIMITED
27	EUREKA EARTH DEVELOPERS PRIVATE LIMITED.	71	GREAT WHITE LANDSCAPES PRIVATE LIMITED

28	AKSHAR INFRATECH PRIVATE LIMITED	72	COSMIC LANDSCAPES PRIVATE LIMITED
29	Akshar Accommodations Private Limited	73	N. L. LOGISTICS PRIVATE LIMITED
30	Akshar Land Developers Private Limited	74	ARROTIC REAL ESTATE PRIVATE LIMITED
31	AKSHAR INFRAPROJECTS PRIVATE LIMITED	75	TATVAM CONSTRUCTIONS PRIVATE LIMITED
32	ASSOCIATION OF ELECTRICALS & ELECTRONICS GOODS MANUFACTURERS	76	BLACK STONE LANDSCAPES PRIVATE LIMITED
33	DUPONT TRADING AND INVESTMENTS LIMITED	77	ENGENIA TRADERS PVT LTD
34	ANCHOR ACCOMMODATIONS PRIVATE LIMITED	78	Akshar Space Private Limited
35	VIJAY GRIHANIRMAN PRIVATE LIMITED	79	ROBUST LANDSCAPES PRIVATE LIMITED
36	SECO ENGINEERS (INDIA) PVT LTD	80	KOCHI CRICKET PRIVATE LIMITED
37	PILEATED FINVEST PRIVATE LIMITED	81	ANCHOR MOTION PICTURES PRIVATE LIMITED
38	HARIT BARAN FINVEST PRIVATE LIMITED	82	ANCHOR BUILDCON PRIVATE LIMITED
39	RIDER SWITCHES PRIVATE LIMITED	83	GREAT WHITE ELECTRICALS PRIVATE LIMITED
40	QUIET AGRO FARMS PRIVATE LIMITED	84	ANCHOR ENTERPRISES PVT LTD
41	PURNIMA FILMS PRIVATE LIMITED	85	Anchor Realty Projects Private Limited
42	KARAN ELECTRONICS & ELECTRICALS PRIVATE LIMITED.	86	ANCHOR HOUSING PRIVATE LIMITED
43	JIVITESH EXPORTS PRIVATE LIMITED	87	ANCHOR PAINTS (INDIA) PRIVATE LIMITED
44	SHRAVAN DEVELOPERS PRIVATE LIMITED	88	LA KOZY BUILDERS PRIVATE LIMITED

He is a member of audit committee and shareholders committee of the Company. He does not hold any Equity Share of the Company.

2) Mr. Ravindra Myatra is aged 55 years . He has vast experience of over 30 years in the field of Marketing of Electricals and Electronics goods. He is director of the following companies.

S. No.	Name of the Company.
1	Jalaja Stock Trade Pvt. Ltd.
2	Anchor Enterprises Pvt. Ltd.

He is a member of shareholders committee of the Company. He does not hold any Equity Share of the Company.

BOARD MEETINGS : 7 Meetings of the Board of directors were held during the financial year ended on 31st March,2012.

Dates of Board Meeting :
5 th April,2011
30 th June ,2011
14 th August,2011
5 th September,2011
14 th November,2011
14 th February,2012
31st March,2012

Attendance of the directors at the Board Meetings and last Annual General Meeting:

Name of the Director	Attendance Particulars	
	No of Board Meetings attended	AGM
Mr.Sanjay A. Desai	7	Present
Mr.Mehul J. Shah	7	Present
Mr.Ravindra K. Mytra	7	Present
Mr. Sunil H. Shah	7	Present
Mr. Kalpesh R. Shah	7	Present

3 AUDIT COMMITTEE:

Broad terms of reference is in accordance with the provisions of Section 292 A of the Companies Act, 1956 and Clause 49 of the Listing Agreement inter alia is as under:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statement is correct, sufficient and credible.
- (b) To recommend the appointment/removal of external auditors, fixing audit fees.
- (c) To review with the management the annual financial statements before submission to the Board, focusing primarily on :
- * Any changes in accounting policies and practices.
 - * Major accounting entries based on exercise of judgment by management .
 - * Qualifications in draft Audit Report
 - * The going concern assumption
 - * Compliance with the accounting standards.
 - * Compliance with Stock Exchanges and legal requirements concerning financial statements.
 - * Any related party transactions.
- (d) To review with management the efficacy of internal control systems
Composition, Name of Members and Chairman

Name	Designation	Number of Meetings	
		Held	Attended
Sunil H. Shah	Chairman -Non Executive Director & independent	6	6
Ravindra K. Myatra	Non Executive Director & independent	6	6
Kalpesh R. Shah	Non Executive Director & independent	6	6

(e) 6 Meetings of the Audit Committee were held during the financial year ended 31/3/2012 as under:

1)	05/04/2011.	2)	30/06/2011.
3)	14/08/2011.	4)	14/11/2011..
5)	14/02/2012	6)	31/03/2011.

4 REMUNERATION COMMITTEE :

Broad Term of reference : To approve the appointment of Managing/Whole time Director and the remuneration thereof.

Name	Designation	Number of Meetings	
		Held	Attended
Mr Sanjay A.Desai	Chairman-	0	0
Mr. RavindraK. Myatra	Non executive Director	0	0

Number of Meetings held Nil

5 SHAREHOLDERS COMMITTEE :

2 Meetings of the shareholders Committee were held during the financial year ended 31/3/2012 as under:

1)	05/04/2011.	2)	30/06/2011.
----	-------------	----	-------------

Name	Designation	Number of Meetings	
		Held	Attended
Mr.Sanjay A. Desai	Chairman	2	2
Mr. Mehul J. Shah	Director	2	2
Mr. Kalpesh R. Shah	Non Executive Independent Director	2	2

Mr.Mehul J.Shah director has been appointed as compliance officer.

Particulars	Numbers of Complaint
Number of complaint received	Nil
Number of complaint not solved	Nil
Number of pending share transfer	Nil

6 GENERAL BODY MEETINGS: The detail regarding location and time where the last three AGMS were held are as under:

Financial Year	General Meeting	Location	Date	Time
31/03/2011	AGM	33,HUGES, 3 RD FLOOR, OPP. PREM PURI ASHRAM, N.S PATKAR MARG GRANT ROAD (W) ,MUMBAI 400 007	30/06/2011	11.00 AM
31/3/2010	AGM	33,HUGES, 3 RD FLOOR, OPP. PREM PURI ASHRAM, N.S PATKAR MARG GRANT ROAD (W) ,MUMBAI 400 007	30/09/2010	11.00(A.M)
31/3/2009	AGM	33,HUGES, 3 RD FLOOR, OPP. PREM PURI ASHRAM, N.S PATKAR MARG GRANT ROAD (W) ,MUMBAI 400 007	30/9/2009	11.00(A.M.)

There were no Special Resolution passed in the last three AGMs held. No Special Resolutions are proposed to be passed through postal ballot at the ensuing annual general meeting.

7 DISCLOSURES :

- (a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature ,with its promoters or the management ,their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company
- (b) Details of non compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

The Company has complied with all the requirements of the listing agreement with the stock exchange as well as regulations and guidelines of SEBI. No penalties and strictures have been imposed by SEBI, Stock Exchange or Statutory authorities on matters relating to capital markets during the last three years.

8 MEANS OF COMMUNICATION :

* Half yearly report sent to each household of shareholders	No
<ul style="list-style-type: none">• Quarterly Results• Which newspapers normally published	Yes Free Press Journal Nav Shakti
* Any web site, where displayed	No
* Whether it also displays official news releases and the presentations made to intuitional investors or to the analysts.	No
* Whether MD & A is a part of the Annual Report	No

9 GENERAL SHAREHOLDER INFORMATION

1 Annual General Meeting

Day and Date	Venue:	TIME
14 th August, 2012 at 11.00 AM.	C 101 Innova Marathon Next Gen. Off G. K. Marg, Opp. Peninsula Corporate Park, Lower Parel (W), Mumbai 400013	11.00 A.M.

2. Financial Calender

Financial reporting for the Quarter ending

Reporting date as on	Due date as on by
30/06/2011	14/08/2011
30/09/2011	14/11/2011
31/12/2011	14/02/2012
31/03/2012	14/05/2012

3. Book Closure Date 7/8/2012. To 14/8/2012

4. Address for Correspondence:

C -101 Innova Marathon Next Gen.
Off G. K. Marg, Opp. Peninsula Corporate Park,
Lower Parel (W), Mumbai 400013

5. Listing on Stock Exchange:

Bombay Stock Exchange Ltd.
Mumbai,
Phiroze JeeJeebhoy Towers,
Dalal street,Mumbai 400023.
and Pune Stock Exchange, Pune.

6. Stock Code : 53 19 18

7. Market Data High/Low during each month in last financial year. The Equity Shares of the Company is infrequently traded on the Stock Exchange, Mumbai and hence the data is not available.

8 Registrar and transfer agents : The Company has in house share department.

9 Share Transfer System : The Shares of the Company are registered and returned between 15 to 30 days from the date of receipt, if documents are in order in all respects.

10 Distribution of Share holding;

DISTRIBUTION TABLE OF HOLDING AS ON 31/03/2012

Share holding	SHARE HOLDIERS	SHARE HOLDIERS	SHARE AMOUNT	SHARE AMOUNT
Nominal value	NUMBERS	% OF TOTAL	In Rs.	% of Total
Up to - 5,000	894	52.77%	3692000	3.68%
5,001- 10,000	549	32.41%	3918000	3.91%
10,001- 20,000	28	1.65%	499000	0.50%
20,001- 30,000	37	2.18%	953000	0.95%
30,001- 40,000	135	7.97%	5194000	5.18%
40,001- 50,000	13	0.77%	602000	0.60%
50,000- 1,00,000	8	0.41%	617000	0.62%
1,00,000 and above	30	1.77%	84785000	84.57%
Total	1694	100%	100260000	100%

11 Compliance with other mandatory requirements:

11.1 Management Discussion and analysis:

A Management Discussion and analysis report forms part of the Annual Report.

11.2 The Company has complied the provisions related to subsidiary companies.

11.3 Disclosures

11.3.1 Related Party Transaction :

The details of all transactions with related parties are placed before the audit committee.

11.3.2 Disclosure of Accounting Treatment :

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

11.3.3 Code of Conduct:

The board has formulated a code of conduct for the board members and senior management of the Company. All the board members and senior management personnel have affirmed their compliance with the code. A declaration to this effect signed by the Chairman is given elsewhere in the Annual Report.

11.3.4 CEO/CFO Certification :

A certificate from Chairman and Finance Head on the financial statements of the Company was placed before the board.

11.3.5 Review of Directors Responsibility Statement:

The Board in its report have confirmed that the annual accounts for the year ended 31st March,2012 have been prepared as per applicable accounting standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

12 Compliance with Non Mandatory requirements:

The board will consider Compliance with Non Mandatory requirements relating to tenure of independent directors, Training of the Board members, Whistle Blower policy at appropriate time.

The audit report of the company for the year ended 31/3/2012 is unqualified.

Declaration on compliance of code of conduct:

It is hereby confirmed that all the Directors and senior management personnel have complied with the code of Conduct framed by the Company and confirmation to that effect has been obtained from the Directors and senior management.

FOR AND ON BEHALF OF THE BOARD

K.R. Sheth

CHAIRMAN.

PLACE: MUMBAI, DATED:

Management Discussion and Analysis Report:

I) Industry Structure and Developments :

There is fierce competition in the business of Leasing and Finance activity and Service activity which is normal for any business.

II) Opportunities and Threats :

The Company sees good opportunity in the areas in which it operates. The Company perceives normal business threats of competition from new entrants.

III) Segment-wise or Product-wise Performance :

The performance of the company in Leasing and Finance activity activity is stable.

IV) Outlook :

The out look of the Company is positive.

V) Risks and Concerns:

The Company perceives normal business risks and concerns.

VI) Internal Control systems and their adequacy:

The Company has adequate internal control systems.

VII) Discussion on financial performance:

The Company has earned gross total income of Rs. 86.66 lacs for the year under report as against Rs 0.29 lacs in the previous year.

VIII) Material developments in human resources/ Industrial Relations front, and number of people employed:

There are no material developments in human resources front.

No. of employees : Nil

FOR AND ON BEHALF OF THE BOARD

K. R. Shah

CHAIRMAN.

PLACE: MUMBAI

DATED:



A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM. F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF
CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S).**

To the Members of : HINDUSTAN APPLIANCES LIMITED.

We have Examined the relevant documents and records relating to compliance of conditions of corporate Governance by **Hindustan Appliances Limited ('The Company')** for the year ended **31st March, 2012**, as stipulated in clause 49 of the listing agreement of the said company with the stock Exchanges in India.

The Compliance of Conditions of corporate governance is responsibilities of management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, We certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

We state that as per record maintained by the investors grievances committee, no investor grievances was received during the year ended **31st March, 2012**.

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

for **A.C.MODI & ASSOCIATES**
Chartered Accountants

Firm's registration number: 116555W


Alpesh C. Modi
Proprietor

Membership number: 101342



Place: Mumbai

Date:



A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM. F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

Independent Auditor's Report

To the Members of Hindutan Appliances Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Hindutan Appliances Limited ('the Company') which comprise the Balance Sheet as at 31 March 2012, the Statement of Profit and Loss and cash flow statement for the year ended on that date.

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 flow 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 control 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.

Auditor's Responsibility

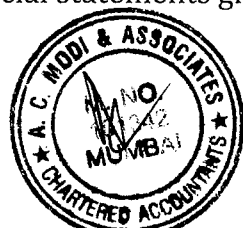
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the





A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM. F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet and Statement of Profit and Loss and Cash flow statement dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956; and
 - e) on the basis of written representations received from the directors as on 31 March 2012, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 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.

for **A.C.MODI & ASSOCIATES**

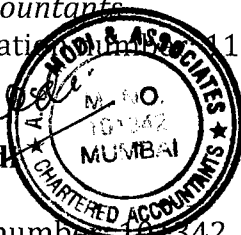
Chartered Accountants

Firm's registration number: 116555W

Alpesh C. Modi

Proprietor

Membership number: 101342



Place: Mumbai, Date:



A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM. F.C.A.
6. Ruxmani Niwas. opp. Ajanta Hotel.
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

ANNEXURE TO AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 2 OF OUR REPORT OF EVEN DATE

1. In respect of its fixed assets:-

- a) The Company has maintained proper records showing full particulars including quantitative detail and situation of fixed assets on basis of available information.
- b) As explained to us, the fixed assets have been physical verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. There were no material discrepancies noticed on such verifications.
- c) In our opinion, the Company has not disposed of substantial part of fixed assets during the year and accordingly the going concern status of the company is not affected.

2. In respect of its inventories:

As the Company is not engaged in the business of manufacturing or trading of goods clause (ii) of paragraph 4 of the Order is not applicable.

3. In respect loans taken from persons covered U/s.301 of the companies Act:

- (i) According to the information and explanations given to us, the company has not taken unsecured loans from parties covered under the register maintained u/s.301 of the Companies Act,1956.

4. In respect loans granted to persons covered U/s.301 of the companies Act:

- (i) According to the information and explanations given to us, the company has not given any loan to any parties/persons covered under the register maintained u/s.301 of the Companies Act,1956.

5. In our opinion and according to the information and explanations given to us, there are adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of inventory and fixed assets and also for the sale of goods and Services. However the company has not purchase any of inventory and fixed assets and also not sold any goods during the year.





A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI

B.COM. F.C.A.

6, Ruxmani Niwas, opp. Ajanta Hotel,

Daftary Road, Malad (East)

Mumbai 400 097

Tel : 022-28888790

Email : Alpesh.modi@gmail.com

6. In respect of transaction covered under section 301 of the Companies Act,1956:
 - a) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts or arrangement that needed to be entered in to in the register maintained under section 301 of the Companies Act,1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us there are no transactions in pursuance of contract or arrangement entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5 Lacs (Rupees Five Lacs Only) or more in respect of any party.
7. The Company has not accepted any deposit from the public within the meaning of section section 58A and 58AA of the Act and the companies (Acceptance of Deposits) Rules,1975. Accordingly the provision of clause 4(vi) of the order are not applicable.
8. In our opinion, The company has an internal audit system commensurate with its size and nature of its business.
9. The central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the Companies Act,1956. Accordingly the provision of clause 4(viii) of the order is not applicable.
10. In respect of statutory dues:
 - a) According to the records provided to us, the Company is generally regular in depositing with appropriate authority undisputed statutory dues including amount of Provident fund, Investor education and protection fund, Employee's state insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other Material statutory dues, applicable to it.

According to the Information and Explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st march,2012 for a period of more than six months from the date of becoming payable.
 - b) According to the records of the company and information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty/ cess which have not been deposited on account of any dispute.





A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI

B.COM. F.C.A.

6. Ruxmani Niwas, opp. Ajanta Hotel.

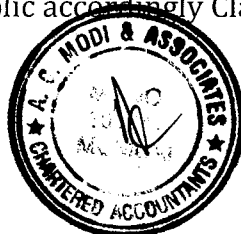
Daftary Road, Malad (East)

Mumbai 400 097

Tel : 022-28888790

Email : Alpesh.modi@gmail.com

11. The Company does not have accumulated losses. The company has not incurred cash losses during the financial year covered by our audit. The company has not incurred any loss in the immediately preceding financial year.
12. According to the information and explanation given to us, we are of the opinion that the Company has not taken / availed any loans from the financial institutions, Banks or Debenture Holders and accordingly the provision of clause 4(xi) of the order is not applicable.
13. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
14. In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund / society. Accordingly, clause 4 (xiii) of the order is not applicable.
15. According to the Information and explanation given to us the company is not dealing or Trading in Shares, Securities and Debentures. Investments in respect of all shares, debentures and other investments have been held by the company in its own name and has also maintained adequate and proper records.
16. According to the Information and Explanations given to us, and the representations made by the management, company has not given any guarantee for loans taken by others from any banks or financial institution, during the year.
17. The Company has not obtained any term loan during the year. There was no terms loan outstanding at the beginning of the year Accordingly clause 4 (xvi) of the order is not applicable.
18. The company has not raised any fund on short term basis and accordingly clause 4 (xvii) of the order is not applicable.
19. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956.
20. During the year the Company has not issued any debenture and also there is no any outstanding during the year accordingly Clause 4(xix) of the order is not applicable.
21. During the year the Company has not raised any money by way of issue of shares to the public accordingly Clause 4(xx) of the order is not applicable.





A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM. F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

22. During the course of examination of the books and records of the company carried out in accordance with generally accepted auditing practices in India 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 been informed of such cases by the Management.

for A.C.MODI & ASSOCIATES

Chartered Accountants

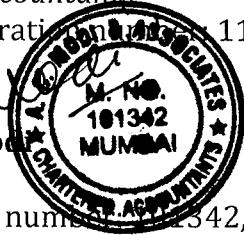
Firm's registration number: 116555W

Alpesh C. Modi

Proprietor

Membership number: 101342,

Place : Mumbai, Date:



HINDUSTAN APPLIANCES LIMITED			
BALANCE SHEET AS AT 31ST MARCH, 2012			
			(FIGURES IN ₹)
PARTICULARS	NOTES	31/03/2012	31/03/2011
<u>I. EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS' FUNDS</u>			
(a) Share Capital	2.01	99,888,000	99,888,000
(b) Reserves and Surplus	2.02	16,995,933	11,139,863
		116,883,933	111,027,863
<u>CURRENT LIABILITIES</u>			
(a) Other Current Liability	2.03	10,000	14,622
(b) Short-term provisions	2.04	13,380	10,000
TOTAL		116,907,313	111,052,485
<u>II. ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
(a) Fixed Assets	2.05	-	-
(b) Non current Investments	2.06	2,776,000	2,776,000
(c) Long term Loans & Advances	2.07	25,736,000	22,181,000
<u>CURRENT ASSETS</u>			
(a) Cash and cash equivalents	2.08	88,257,752	86,095,485
(b) Other Current Assets	2.09	137,561	-
TOTAL		116,907,313	111,052,485

Significant accounting policies & Notes to the accounts

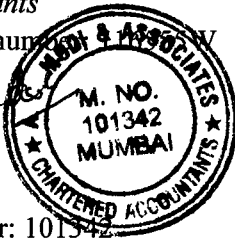
1 & 2

Per our report of even date attached for A.C.MODI & ASSOCIATES Chartered Accountants Firm's registration number

ALPESH C. MODI

Proprietor

Membership number: 101342



For and on behalf of the Board of Directors

K. R. Shelu S. H. Shah

Directors

Place : Mumbai

Dated:

HINDUSTAN APPLIANCES LIMITED			
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED ON 31.03.2012			
			(FIGURES IN ₹)
PARTICULARS	NOTES	31/03/2012	31/03/2011
Revenue:			
Other income	2.10	8,666,291	169,563
Total Revenue		8,666,291	169,563
Expenses:			
Employee Benefit	2.11	89,727	-
Other expenses	2.12	90,993	94,200
Finance cost	2.13	500	46,219
Total expenses		181,220	140,419
Profit/ (Loss) before tax		8,485,070	29,144
Tax expense:			
- Current tax		2,630,000	10,000
- Deferred tax		-	-
- Income Tax of Earlier Years		1,000	214,941
Profit/ (Loss) for the Year		5,856,070	234,085

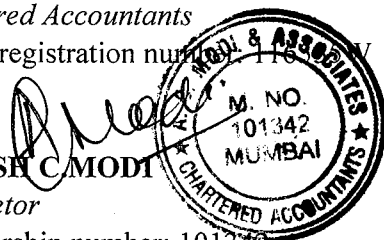
Earnings per equity share:	2.23		
(1) Basic		0.59	0.02
(2) Diluted		0.59	0.02

Significant accounting policies & Notes to the accounts 1 & 2

Per our report of even date attached for A.C.MODI & ASSOCIATES Chartered Accountants Firm's registration number 116

ALPESH C MODI
Proprietor

Membership number: 101342



For and on behalf of the Board of Directors

K.R. Shah & H. Shah

Directors

Place :Mumbai

Dated:

HINDUSTAN APPLIANCES LIMITED

Significant Accounting policies & Notes to the accounts to financial statements for the year ended **31ST, March 2012.**

Companies Overview:

Hindustan Appliances Limited (the company) is a public Limited company incorporated under the provisions of the companies Act, 1956 vide CIN : **L18101MH1984PLC034857**

1. Significant Accounting Policies:

Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. Accounting Policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles. All income and expenditure items having a material bearing on the financial statements are generally recognised on accrual basis, material known liabilities are provided for on the basis of available information/ estimation, however certain claims and income which are not ascertainable/ acknowledged by customers are not taken into accounts.

Presentation and disclosure of financial statements

During the year ended **31, March 2012**, the revised **Schedule VI** notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

Revenue recognition

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made. Revenue in respect of Insurance / Other Claims, etc., is recognized only when it is admitted by the insurance / other authorities and there is reasonable certainty that the ultimate collection will be made.

Fixed Assets

Tangible Fixed Assets

Fixed Assets are valued at cost of acquisition or construction inclusive of duties (net of cenvat/Vat), taxes, incidental expenses, erecting expenses & interest cost etc. up to the date asset is put / ready to use. They are stated at historical costs or other amounts substituted for historical costs. Cenvat/Vat credit availed on purchase of fixed assets are reduced from the purchase cost of Fixed Assets.(whenever and wherever required)



Method of Depreciation

Depreciation on fixed assets is provided on the written down value of the assets at the rates prescribed under Schedule XIV to the Companies Act, 1956.

Assets below Rs.5000/- are depreciated @100% in the year of purchase.

Valuation of Investments:

Long Term Investments are shown at cost unless there is a permanent decline in value thereof, in which case, adequate provision is made in the accounts.

Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

2. Notes to the accounts for the year ended 31.03.2012

2.01 Share Capital

Particulars	As at March 31.	
	2012	2011
	₹	₹
AUTHORISED SHARE CAPITAL : 1,03,00,000 Equity Shares of Rs.10/- each.	103,000,000	103,000,000
ISSUED, SUBSCRIBED AND PAID UP : 99,76,400 Equity Shares of ₹10/- Each Fully paid Up. 49,600 Equity Shares of ₹10/- Each. ₹ 7.50 per shares Not paid up (call of ₹ 7.50 per shares in arrears.)	99,764,000 124,000	99,764,000 124,000
Equity Shares Outstanding as at 01.04.2011 Nos: 10026000 Equity Shares Outstanding as at 31.03.2012 Nos: 10026000		
Balance C/D	99,888,000	99,888,000

Details of Share Holders holding more than 5% shares in the company.

31/03/2012			31/03/2011		
Name of shareholders	No. of Shares	(%)	Name of shareholders	No. of shares	(%)
Mehul Jadavji Shah	6,582,000	66%	Mehul Jadavji Shah	6,582,000	66%
TOTAL	6,582,000		TOTAL	6,582,000	



2.02 Reserve & Surplus

Particulars	As at March 31,	
	2012	2011
	₹	₹
(a) Profit & Loss A/c.		
Opening Balance B/ f	11,139,863	10,905,778
Add: Profit /(Loss) for the Year	5,856,070	234,085
Balance C/F	16,995,933	11,139,863

2.03 Other Current Liability

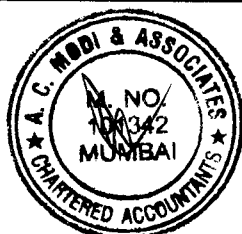
Particulars	As at March 31,	
	2012	2011
	₹	₹
Statutory Dues	-	4,622
Other Payable(Includes Liabilities for expenses)	10,000	10,000
Balance C/F	10,000	14,622

2.04 Short Term Provisions

Particulars	As at March 31,	
	2012	2011
	₹	₹
Provision for taxation	13,379	10,000
Balance C/F	13,379	10,000

2.06 Other Non Current Investments

Particulars	As at March 31,	
	2012	2011
	₹	₹
(a) Investment in Equity Instruments :		
<u>Quoted, (At cost)</u>		
8,000 Equity Shares of ₹ 100/- Each of Shah Construction Ltd.	800,000	800,000
73,000 Equity Shares of Rs.10/- Each of Classic Electricals Limited.	219,000	219,000
49,000 Equity Shares of Rs.10/- Each of Shikhar Leasing & Trading Ltd.	147,000	147,000
<u>Unquoted,Non Trade (At cost)</u>		
6,10,000 Equity Shares of ₹10/- Each of Kalpana Lamps & Components Ltd	610,000	610,000
<u>Investment in Equity Shares of Subsidiaries:</u>		
<u>Unquoted,Non Trade (At cost)</u>		
5000 Equity Shares of ₹100/-Each of Jogindra Exports Pvt. Ltd.	500,000	500,000
5000 Equity Shares of ₹100/- Each of Kshanika Trading Pvt. Ltd.	500,000	500,000
Balance C/F	2,776,000	2,776,000



HINDUSTAN APPLIANCES LIMITED

2.05 : FIXED ASSETS :

(Amount in ₹)

Particulars	Gross Block			Depreciation/Amortisation					Net Block	
	As At 1-Apr-11	Additions	Deductions	As At 31-Mar-12	As At 1-Apr-11	For the Year	Deductions	As At 31-Mar-12	As At 31-Mar-12	As At 31-Mar-11
TANGIBLE ASSETS										
Computer System	47,000	-	-	47,000	47,000	-	-	47,000	-	-
Total Current Year	47,000	-	-	47,000	47,000	-	-	47,000	-	-
Total Previous Year	47,000	-	-	47,000	47,000	-	-	47,000	-	-



Particulars	As at March 31,	
	2012	2011
	₹	₹
Aggregate amount of quoted investments	1,166,000	1,166,000
Aggregate market value of listed and quoted investments	3,409,600	3,409,600
Aggregate amount of unquoted investments	1,610,000	1,610,000

2.07 Long Term Loans & Advances

Particulars	As at March 31,	
	2012	2011
	₹	₹
(Unsecured, Considered good)		
Loan to Subsidiary company	25,281,000	22,181,000
Loans to employee	455,000	-
Balance C/F	25,736,000	22,181,000

2.08 Cash & Cash Equivalent

Particulars	As at March 31,	
	2012	2011
	₹	₹
Cash on Hand	640	1,510
Balance with Schedule Bank in:		
(a) Current Account	2,257,112	93,975
(b) Fixed Deposit A/c.	86,000,000	86,000,000
Balance C/F	88,257,752	86,095,485

2.09 Other Current Assets

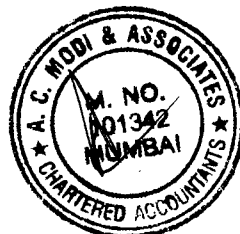
Particulars	As at March 31,	
	2012	2011
	₹	₹
(Unsecured, Considered good)		
Interest Accrued but not due	137,561	-
Balance C/F	137,561	-

2.10 Other Income

Particulars	For the year ended	For the year ended
	31 March 2012	31 March 2012
	₹	₹
Interest from Bank on Deposits	8,666,291	-
Interest on Income Tax refund	-	169,563
Total Rs.	8,666,291	169,563

2.11 Employee Benefit Expenses

Particulars	For the year ended	For the year ended
	31 March 2012	31 March 2012
	₹	₹
Salary & Allowances	89,727	-
Total Rs.	89,727	-



2.12 Other Expenses

Particulars	For the year ended	For the year ended
	31 March 2012	31 March 2012
	₹	₹
Legal & Professional Fee	20,648	11,650
Miscellaneous expenses	12,615	810
Rates & Taxes	2,580	31,740
Audit Fees	55,150	50,000
Total Rs.	90,993	94,200

2.13 Finance Cost

Particulars	For the year ended	For the year ended
	31 March 2012	31 March 2012
	₹	₹
Interest Expenses on Borrowings	-	46,219
Interest Others	500	-
Total Rs.	500	46,219

2.14 In the opinion of the management, Current Assets, Loans & Advances, in most of the cases are subject to confirmations, reconciliations and adjustments, if any and have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.

2.15 Dues to Micro Small and Medium Enterprises:

The Company does not possess information as to which of its suppliers are ancillary Industrial undertaking/ small scale undertaking holding permanent registration on certificate issued by the director of the industrial of state or union territory consequently the liabilities if any, of interest which would be payable under interest on deferred payment to small scale land ancillary industrial undertaking ordinance, 1992 can not be ascertained. However the Company has not received any claim in respect of interest from such suppliers.

2.16 :Calculation of deferred tax (Assets)/Liabilities (Net) as on **31st March, 2012** : In view of Uncertainty as to utilization of Deferred Tax assets in relation to Long term and short term capital loss the same is not recognized in the financial statement considering prudence and conservative accounting basis.

2.17 The Company does not have any operational Business and Hence Segment reporting is not applicable to the company.

2.18 Related party disclosure in accordance with the Accounting Standard 18-issued by the Institute of chartered Accountants of India.

Note : related party relationship is as identified by the company and relied upon by the auditor.



Subsidiaries Companies	
Jogindra Exports Limited	Subsidiary
Kshnika Trading Limited	Subsidiary

Associated Companies.....NIL	
Key Managerial Personnel & Their	
Shri Sunil Hirji Shah	Director
Shri Mehul Jadavji Shah	Director
Shri Sanjay A. Desai	Director
Shri Kalpesh R. Shah	Director
Shri Ravindra Kanji Maytra	Director

The following transactions were carried out with the related parties in the						
Name of the related parties with whom the transaction have been made	Description of relationship with the party	Nature of Transaction	Loan Amount paid/(refund) 2011-2012	Loan Amount paid/(refund) 2010-11	Amount out standing as on 31.03.2012	Amount out standing as on 31.03.2011
			₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Jogindra Exports Ltd.	Subsidiary	Loan	Nil	(886.70)	Nil	Nil
Kshnika Trading Ltd.	Subsidiary	Loan	31.00	37.75	252.81	221.81

2.19 C.I.F. value of import: ₹ Nil (Previous Year ₹ NIL).

2.20 F.O.B value of goods exports: ₹ Nil (Previous year ₹ Nil).

2.21 Expenditure in foreign currency: ₹ Nil (Previous year ₹ Nil)

2.22 Earnings in foreign currency: ₹ Nil (previous year ₹ Nil)

2.23 Earning per Shares.(EPS)

Particulars	As at March 31,	
	2012	2011
	₹	₹
a) Net profit/(loss) as per Profit & Loss	5,856,070	234,085
b) Profit/(Loss) available to Equity Share	5,856,070	234,085
c) Weighted Average number of Equity	9,988,800	9,988,800
d) Basis and diluted earning per share of	0.59	0.02

2.24 Previous year's figures have been regrouped recast and reclassified wherever necessary to make them comparable with the figures of current year.

Per our report of even date attached

for A.C.MODI & ASSOCIATES

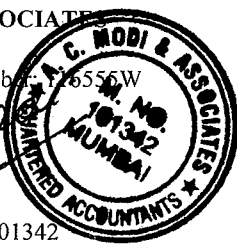
Chartered Accountants

Firm's registration number: 6556W

ALPESH C. MODI

Proprietor

Membership number: 101342



For and on behalf of the board of directors

K. R. Shah & H. Shah

Directors

Place : Mumbai

Dated:

**HINDUSTAN APPLIANCES LIMITED,
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

PARTICULARS	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
A. CASH FLOW ARISING FROM OPERATING ACTIVITIES :		
Net Profit Before Tax & Extra ordinary Items	84.85	0.29
<u>Adjustment for:</u>		
a) Interest Income	(86.66)	(1.69)
	(86.66)	(1.69)
Operating Profit Before working capital changes	(1.81)	(1.40)
<u>Adjustment for:</u>		
a) Trade Payable & Other Liabilities	0	0.05
b) Loans & Advances	(35.56)	860.38
	(35.56)	860.43
Cash flow before extra-ordinary items	(37.37)	859.03
Less: Income Tax Paid	26.30	-
Net Cash from operating Activities (A)	(63.67) (A)	859.03
B) Cash flow from Investing Activities		
a) Interest Income	85.29	1.69
	85.29	1.69
Net Cash used in investing activities (B)	85.29 (B)	1.69
Net increase in cash and cash equivalent (A+B+C)	21.62	860.72
Cash and cash equivalent at the beginning	860.95	0.24
Cash and cash equivalent at the end	882.58	860.96

Per our report of even date attached.

for A.C.MODI & ASSOCIATES

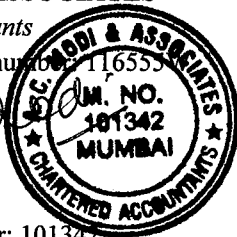
Chartered Accountants

Firm's registration number: 116555

ALPESH C. MODI

Proprietor

Membership number: 101342



For and on behalf of the board of directors

KPS K-R Shah *3 H Shah*
SMS

Directors

Place : Mumbai

Dated:

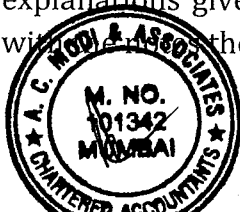


A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

ALPESH C. MODI
B.COM, F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF HINDUSTAN APPLIANCES LIMITED MUMBAI ON THE CONSOLIDATED FINANCIAL STATEMENT INCLUDING ITS SUBSIDIARIES FOR THE YEAR ENDED 31ST MARCH, 2012

- 1) We have audited the attached **Consolidated Balance Sheet** as at 31st March, 2012 , **consolidated profit & Loss** accounts for the year ended on that date ("Consolidated Financial Statements") and **consolidated cash flow statement** for the year then ended of **Hindustan Appliances Limited** and its subsidiary Companies. These financial Statements are the responsibility of **the Hindustan Appliances Limited's** management. our Responsibility is to express an opinion on these financial statements based on our audit.
- 2) We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by managements, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We have not audited the financial statements of any of the subsidiaries viz. (a) Jogindra Exports Limited and (b) Kshnika Trading Limited. These financial statements have been audited by other auditor whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on the reports of the other auditors.
- 4) We report that the consolidated financial statements have been prepared by the company in accordance with the requirement of accounting standard (AS) 21, consolidated Financial statements, issued by the institute of Chartered Accountants of India and on the basis of separate audited financial statements of Hindustan Appliances Limited and its subsidiaries included in the consolidated financial statement after incorporating changes to the extent they were material and identifiable from the audited accounts of each of its Subsidiaries.
- 5) Subject to foregoing and on consideration of separate Audit report on Individual Audited financial statements of Hindustan Appliances Limited and its subsidiaries, In our opinion and to the best of information and according to the explanations given to us, the consolidated Financial Statements read together with the notes thereon , give a true and fair view :





A.C. MODI & ASSOCIATES
CHARTERED ACCOUNTANTS

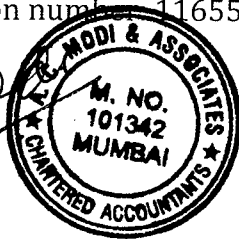
ALPESH C. MODI
B.COM. F.C.A.
6, Ruxmani Niwas, opp. Ajanta Hotel,
Daftary Road, Malad (East)
Mumbai 400 097
Tel : 022-28888790
Email : Alpesh.modi@gmail.com

- a. In the case of consolidated Balance Sheet, of the state of affairs of Hindustan appliances Limited and its subsidiary Companies as at 31st March, 2012 ,
- b. In the case of the consolidated Profit & Loss Account of the Profit of Hindustan appliances Limited and its subsidiary Companies for the year ended on that date
- c. In the case of the consolidated cash flows of Hindustan appliances Limited and its subsidiary Companies for the year ended on that date.

for A.C.MODI & ASSOCIATES

Chartered Accountants

Firm's registration number: 116555W



Alpesh C.Modi

Proprietor

Membership number: 101342

Place: Mumbai

Date:

HINDUSTAN APPLIANCES LIMITED
Consolidated Balance Sheet as at 31st March, 2012

(Amount in ₹)

Particulars		Note No.	As at 31st March, 2012	As at 31st March, 2011
I.	EQUITY AND LIABILITIES			
	1. Shareholders' funds			
	(a) Share capital	2.01	99,888,000	99,888,000
	(b) Reserves and surplus	2.02	16,999,126	11,092,695
	2. Non-current liabilities			
	(a) Long term Borrowings	2.03	336,472,642	304,613,456
	3. Current liabilities			
	(a) Other current liabilities	2.04	3,557,155	978,603
	(b) Trade Payables	2.05	83,624	310,991
	(c) Short Term Provisions	2.06	13,379	10,000
	TOTAL		457,013,926	416,893,745
II.	ASSETS			
	1. Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	2.07	4,084,060	4,743,941
	(b) Project Development A/c	2.08	285,206,722	245,514,272
	(c) Non-current investments	2.09	24,906,549	24,370,549
	(d) Long-term loans and advances	2.10	54,355,842	54,605,726
	2. Current assets			
	(a) Cash and cash equivalents	2.11	88,319,103	87,655,167
	(b) Other Current Assets	2.12	137,561	-
	(c) Preliminary Exp. Not W/off	2.13	4,090	4,090
	TOTAL		457,013,926	416,893,745

Significant accounting policies & Notes to the accounts 1 & 2

Per our report of even date attached
for A.C.MODI & ASSOCIATES
Chartered Accountants

Firm's registration number

ALPESH C. MODI

Proprietor

Membership number: 101342

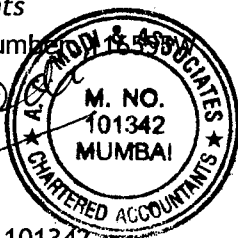
Place :Mumbai

Dated:

For and on behalf of the Board of Directors

K. R. Shah & H. Shah

Directors



HINDUSTAN APPLIANCES LIMITED

Consolidated Profit and loss statement for the year ended 31st March, 2012

(Amount in ₹)

Particulars	Refer Note No.	For the year ended 31 March 2012	For the year ended 31 March 2011
I. Other income	2.14	8,741,664	169,563
II. Total Revenue		8,741,664	169,563
III. Expenses:			
Employee benefits expense	2.15	89,727	-
Other expenses	2.16	92,741	95,547
Finance costs	2.17	765	46,219
Depreciation and amortization expense	2.07	-	-
IV. Total expenses		183,233	141,766
V. Profit/(Loss) before tax		8,558,431	27,797
VI. Tax expense:			
(1) Current tax		2,653,000	10,000
(2) Deferred tax Assets/(Liability)		-	-
(3) Income Tax of earlier Years		1,000	214,941.00
VII. Profit (Loss) for the Year		5,906,431	232,738
Earnings per equity share:	2.21		
(1) Basic		0.59	0.02
(2) Diluted		0.59	0.02

Significant accounting policies & Notes to the accounts

1 & 2

Per our report of even date attached

for A.C.MODI & ASSOCIATES

Chartered Accountants

Firm's registration number

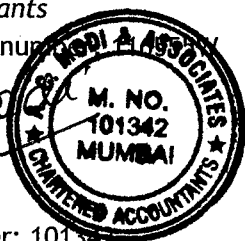
ALPESH C. MODI

Proprietor

Membership number: 101342

Place : Mumbai

Dated:



For and on behalf of the Board of Directors

K.R. Shah

Directors

**HINDUSTAN APPLIANCES LIMITED,
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012**

(RS. IN 'Lacs)

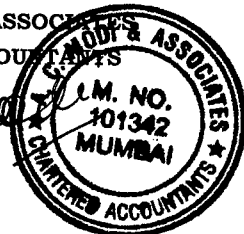
PARTICULARS	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
<u>A. Cash Flow Arising From Operating Activities :</u>		
Net Profit Before Tax & Extra ordinary Items	85.58	0.27
Adjusment for:		
A) Interest Income	(87.42)	(1.70)
	(87.42)	(1.70)
<u>Operating Profit Before working capital changes</u>	(1.83)	(1.42)
Adjusment for:		
a) Current Liabilities	23.55	93.54
b) Construction Work in Project A/c.	(390.32)	(1,642.15)
c) Loans & Advances	1.12	74.71
	(365.66)	(1,473.90)
<u>Cash flow before extra-ordinary items</u>	(367.49)	(1,475.32)
Less: Income Tax Paid	26.53	0.10
Add: Income Tax of Earlier Year	0.01	2.15
Net Cash from operating Activities	(A) (394.01)	(A) (1,473.07)
<u>B) Cash Flow from Investment Activities</u>		
a) Investment in Fixed Assets	(5.36)	(84.98)
Net Cash from Investment Activities	(B) (5.36)	(B) (84.98)
<u>C) Cash Flow from Financing Activities</u>		
a) Interest Income	87.42	1.70
b) Unsecured Loans Received/Paid	318.59	2,431.94
	406.01	2,433.64
Net Cash from financing Activities	(C) 406.01	(C) 2,433.64
Net increase in cash and cash equivalent (A+B+C)	6.64	875.99
Cash and cash equivalent at the beginning	876.55	1.17
Cash and cash equivalent at the end	883.19	876.75

Per our report of even date attached.

For A.C. MODI & ASSOCIATES

CHARTERED ACCOUNTANTS

(ALPESH C. MODI)
PROPRIETOR



FOR HINDUSTAN APPLIANCES LTD

K.R. Shah S.H. Bhan
Directors

M.NO. 101342

FRNO. 116555W

PLACE:MUMBAI

DATE:

HINDUSTAN APPLIANCES LIMITED

Notes forming part of consolidated financial statements and significant Accounting policies for the year ended 31st March, 2012.

Companies Overview:

Hindustan Appliances Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") engaged in the business of Financing and Real Estate Business.

Significant Accounting Policies:

PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements comprise the financial statement of Hindustan Appliances Limited (hereinafter referred to as the holding company) and its subsidiary companies. The list of the subsidiary companies considered for consolidation together with the proportion of share holding by the group is as follows.:

Name of subsidiary			Country of Incorporation	% of Group Holding
Jogindra Exports Limited			India	100%
Kshnika Trading Limited			India	100%

b) The Financial Statements of each of the subsidiaries drawn up to the same reporting date viz. year ended on 31st March, 2012 have been used for the purpose of consolidation.

c) The Consolidated Financial Statements have been prepared in the same format as adopted by the holding company to the extent possible, required by accounting standard (AS) 21, Consolidated Financial Statements, issued by the institute of Chartered Accountants of India.

d) Changes have been made in the accounting policies followed by each of the subsidiaries to the extent they were material and identifiable from their respective audited accounts to make them uniform with the accounting policies followed by the holding company

Basis of Accounting:

All income and expenditure items having a material bearing on the financial statements are generally recognised on accrual basis. Material known liabilities are provided for on the basis of the available information/estimates. However, certain claims and income which are not ascertainable/acknowledged are not taken into account. The accounts are prepared on historical cost basis. Accounting policies not referred to otherwise are consistent with generally accepted accounting policies.

Presentation and disclosure of financial statements

During the year ended 31st March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

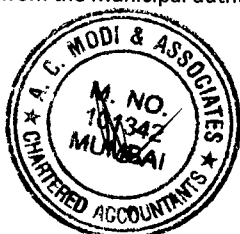
Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

Revenue Recognition:

Revenue is recognized only when it is reasonably certain that the ultimate collection will be made. Revenue in respect of Insurance / Other Claims, etc., is recognized only when it is admitted by the insurance / other authorities and there is reasonable certainty that the ultimate collection will be made.

In respect of Real Estate Development activity, the company is following Project completion method of accounting for revenue recognition in order to depict the reasonable picture of the project. Revenue is recognized when Project is completed, Occupancy Certificate (OC) is obtain from the Municipal authority and possession along with risk and reward in the property is transferred to the prospective buyer.



Project Development A/c.

In respect of Real Estate Development activity of the company, the work in progress consist of the cost of materials, labour charges and other incidental expenses for the project till the date of the Balance sheet.

In view of the project completion method of accounting followed by the company, work in progress along with the booking amount received (if any) carried forward to subsequent year.

Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed at their estimated value in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Fixed assets and depreciation:

Fixed assets are stated at cost of acquisition/construction less accumulated depreciation. The depreciation has been provided on the written down value basis at the rates and in the manner prescribed in Schedule XIV of the Companies Act 1956.

Investments:

Long Term Investments are shown at cost. However, when there is a decline, other than temporary, in the value of a long term investment, the carrying amount is reduced to recognise the decline.

Debtors:

Debtors are stated at book value after making provisions for doubtful debts.

Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed at their estimated value in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

Taxes on Income:

In accordance with Accounting Standard (AS-22) – Accounting for Taxes on Income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as of the balance sheet date.

Deferred tax assets arising from timing differences are recognised to the extent that it is more likely than not that future taxable profits will be available against which the asset can be utilised.

Impairment of Assets:

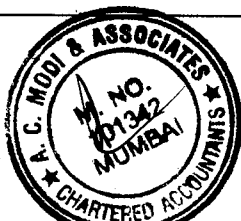
An assets is treated as impaired when carrying cost of assets exceeds its recoverable value. An Impairment loss is charged to the Profit & Loss A/c. in the year in which an assets are identified as impaired.

2. Notes to the accounts for the year ended 31.03.2012

2.01 Share Capital

Share Capital	As at 31 March 2012		As at 31 March 2011	
	Number	₹	Number	₹
Authorised Equity Shares of ` 10/- each	10,300,000	103,000,000	10,300,000	103,000,000
Issued, Subscribed & Paid up Equity Shares of ` 10/- each fully paid up.	9,976,400	99,764,000	9,976,400	99,764,000
Equity Shares of ` 10/- each partly paid up.@ Rs 2.50/-	49,600	124,000	49,600	124,000
Total	10,026,000	99,888,000	10,026,000	99,888,000

Particulars	Equity Shares
	Number
Shares outstanding at the beginning of the year	10,026,000
Shares Issued during the year	-
Shares bought back during the year	-
Shares outstanding at the end of the	10,026,000



Details of Share Holders holding more than 5% shares in the company at the end of the Year.

Name of Shareholder	As at 31 March 2012		As at 31 March 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mehul Jadavji Shah	6,582,000	66%	6,582,000	66%

2.02 Reserves and Surplus

Reserves & Surplus	As at 31 March 2012	As at 31 March 2011
	₹	₹
a. Profit & Loss account		
Opening balance	11,092,695	10,860,372
Add: Net Profit/(Net Loss) For the current year	5,906,431	232,323
Closing Balance	16,999,126	11,092,695
Total	16,999,126	11,092,695

2.03 Long Term Borrowings

Long Term Borrowings	As at 31 March 2012	As at 31 March 2011
	₹	₹
Unsecured loans from Corporate Bodies	336,472,642	304,613,456
Total	336,472,642	304,613,456

2.04 Trade Payables

Trade Payables	As at 31 March 2012	As at 31 March 2011
	₹	₹
Trade Payable for expenses	83,624	310,991
Total	83,624	310,991

2.05 Other Current Liabilities

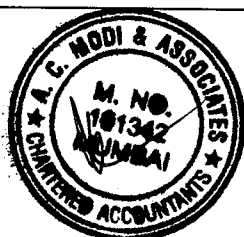
Other Current Liabilities	As at 31 March 2012	As at 31 March 2011
	₹	₹
Statutory Dues	3,541,280	963,103
Other Payable(Includes Liabilities for expenses)	15,875	15,500
Total	3,557,155	978,603

2.06 Short Term Provisions

Short Term Provisions	As at 31 March 2012	As at 31 March 2011
	₹	₹
Provision for Taxation	13,379	10,000
Total	13,379	10,000

2.08 Project Development A/c.

Project Development A/c.	As at 31 March 2012	As at 31 March 2011
	₹	₹
Construction Work in Progress		
Opening Balance	245,514,271	81,299,251
Add: Expenses capitalised during the Year	39,692,450	164,215,020
	285,206,722	245,514,271
Less: Rent collected & Miscellaneous Income	-	-
Total	285,206,722	245,514,271



2.09 Non Current Investments

Non Current Investments	As at 31 March 2012	As at 31 March 2011
	₹	₹
(a) Investment in Equity instruments (Quoted) (at Cost)		
8,000 Equity Shares of ` 100/- Each of Shah Construction Ltd.	800,000	800,000
73,000 Equity Shares of Rs.10/- Each of Classic Electricals Limited.	219,000	219,000
49,000 Equity Shares of Rs.10/- Each of Shikhar Leasing & Trading Ltd.	147,000	147,000
Unquoted, Non Trade (At cost)		
6,10,000 Equity Shares of `10/- Each of Kalpana Lamps & Components Ltd	610,000	610,000
Investment In Property (at Cost)	23,130,549	22,594,549
Total	24,906,549	24,370,549

Particulars	2012	2011
	₹	₹
Aggregate amount of quoted	1,166,000	1,166,000
Aggregate Market value of quoted	3,409,600	3,409,600
Aggregate amount of unquoted	23,740,549	23,204,549

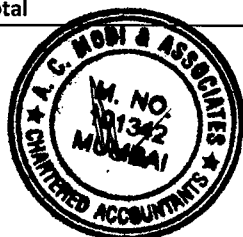
2.10 Long Term Loans and Advances

Long Term Loans and Advances	As at 31 March 2012	As at 31 March 2011
	₹	₹
Unsecured, considered good		
Loans to corporate body	2,637,836	-
Loans to Employee	455,000	-
Advance payment of taxes (Net of Security Deposits	2,537	-
Advances to Suppliers	648,860	623,860
Total	54,355,842	54,605,726

Particulars	As at 31 March	As at 31 March
Directors *	-	-
Other officers of the Company *	-	-
Firm in which director is a partner *	-	-
Private Company in which any Director is a Director or Member	-	-
Total		

2.11 Cash and Cash equivalents

Cash and Cash equivalents	As at 31 March 2012	As at 31 March 2011
	₹	₹
a. Cash on hand	10,371	48,046
b. Balances with schedule banks		
- In Current accounts	2,308,732	1,607,121
- In Fixed Deposit Account	86,000,000	86,000,000
Total	88,319,103	87,655,167



2.12 Other Current Assets

Other Current Assets	As at 31 March 2012	As at 31 March 2011
	₹	₹
(Unsecured Considered Good) Interest Accrued but not Due	137,561	-
Total	137,561	-

2.13 Preliminary Exp. Not W/ off

Other Current Assets	As at 31 March 2012	As at 31 March 2011
	₹	₹
Opening Balance	4090	4090
Less : W/ Off During the year	-	-
Closing Balance	4,090	4,090
Total	4,090	4,090

2.14 Other Income

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Interest on Loan given	75,373	-
Interest on Bank Fixed Deposits	8,666,291	-
Interest on Income Tax Refund	-	169,563
Total	8,741,664	169,563

2.15 Employee benefits expenses

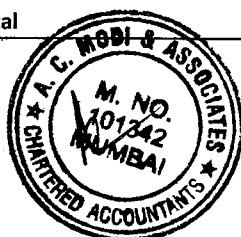
Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Salary Bonus & other allowances	89,727	-
Total	89,727	-

2.16 Other Expenses:

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Rates & Taxes	3,828	32,442
Legal & Professional Fees	20,648	11,650
Audit Fees	55,650	50,500
Miscellaneous Expenses	12,615	810
Preliminary Exp W/ off	-	145
Total	92,741	95,547

2.17 Finance Cost

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Interest Expenses on borrowings	-	46,219
Interest Others	765	415
Total	765	46,219



2.18 Provision for accruing of liabilities for gratuity in terms of Accounting Standard 15 [AS-15 (revised 2005)] "Accounting for Employee Benefits" issued by The Institute of Chartered Accounts of India has not been made in the accounts. The figure of which is not ascertainable.

2.19 In the opinion of the management, Loans & Advances and trade receivables have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated in the books of accounts.

2.20 Segment Reporting : The Company is engaged in single business activities (i.e. Real Estate) within in India , There are no other Geographical and business Segment . Hence Segment reporting is not applicable to the company.

2.21 Earning per share as computed in accordance with accounting standard 20:

Particulars	For the year ended 31 March 2012.	For the year ended 31 March 2011
	₹	₹
Net Profit/(Loss) after tax (Rs. in lacs)	5,906,431	232,738
Weighted average No. of Shares	10,026,000	10,026,000
Nominal value per Share (Rs.)	10	10
Earnings per Share (Rs.)	0.59	0.02
Diluted Earnings per Share (Rs.)	0.59	0.02

2.22 Imports (Valued on the Cost, Insurance and Freight)

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
CIF value of Imports	Nil	Nil

2.23 Activity in Foreign Currency

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
Earnings in Foreign currency	Nil	Nil
Expenditure in Foreign currency	Nil	Nil

2.24 Remittance in Foreign currency

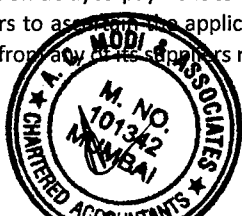
Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
For payment of Dividend	Nil	Nil

2.25 FOB value of goods exported

Particulars	For the year ended 31 March 2012	For the year ended 31 March 2011
	₹	₹
FOB value of goods exported	Nil	Nil

2.26 Balances in respect of Trade receivables, Loans & advances and Liabilities in most of the cases are subject to confirmations, reconciliations and adjustments, if any.

2.27 "The Micro, Small and Medium Enterprises Development Act, 2006" has come into force from October 2, 2006 which has repealed the provisions of Interest on delayed payment to Small Scale and Ancillary Industrial Undertaking Act, 1993. The Company is in communication with its suppliers to ascertain the applicability of this Act. As on the date of this Balance sheet, the company has not received any communications from any of its suppliers regarding the applicability of this Act to them. This has been relied upon by the Auditors.



2.28 Related Party Transactions

Related party disclosure in accordance with the Accounting Standard 18-issued by the Institute of chartered Accountants of India is as under

Note : related party relationship is as identified by the company and relied upon by the auditor.

Subsidiaries Companies	
Jogindra Exports Limited	Subsidiary
Kshnika Trading Limited	Subsidiary

Holding Companies.....Hindustan Appliances Limited
--

Associated Companies.....NIL	
Key Managerial Personnel & Their Relatives	
Shri Sunil Hirji Shah	Director
Shri Mehul Jadavji Shah	Director
Shri Sanjay A. Desai	Director
Shri Kalpesh R. Shah	Director
Shri Ravindra Kanji Maytra	Director
Bharat Chhotalal Bhayani	Director
Dhanesh Vipin Parikh	Director
Mehul Jadavji Shah	Director
Shri Sunil Hirji Shah	Director
Shri Rajesh N Karani	Director
Shri Dinesh K Poddar	Director
Shri Hiten Jayntilal Vakharia	Director

Name of the related parties with whom the transaction have been made	Description of relationship with the party	Nature of transaction	Loan Amount paid/ (Refund) For 2011-2012	Loan Amount paid/ (Refund) For 2010-2011	Amount out standing as on 31.03.2012	Amount out standing as on 31.03.2011
Jogindra Exports Ltd.	Subsidiary	Loan	Nil	(8,86,70,000/-)	Nil	Nil
Kshnika Trading Ltd.	Subsidiary	Loan	36,00,000/-	37,75,000/-	2,52,81,000/-	2,21,81,000/-

1) During the year there are no other transactions were carried out with KMP or their relatives in the ordinary course of business.

2) related party relationship is as identified by the company and relied upon by the auditor.

2.28 The previous year's figures have been regrouped & recast wherever necessary to make them comparable.

Per our report of even date attached

for A.C.MODI & ASSOCIATES

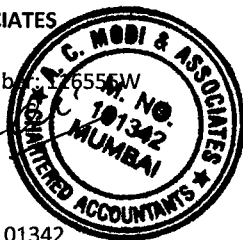
Chartered Accountants

Firm's registration number: 26555W

ALPESH C. MODI

Proprietor

Membership number: 101342



For and on behalf of the Board of Directors

K.R. Shah & H. Shah

Directors

Place : Mumbai

Dated: