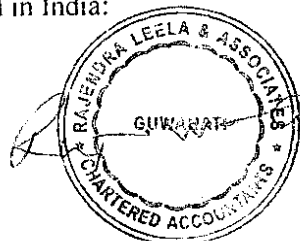




Auditors' Report

To the Members of
M/s. Sharnarathi Leasing & Finance Private Limited

1. We have audited the attached Balance Sheet of M/s. **Sharnarathi Leasing & Finance Private Limited** as at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Further we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.
 - iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v) On the basis of written representations received from the directors, as on 31st March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanations 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:



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD

DIRECTOR



- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012, and
- (b) In the case of the profit and Loss Account, of the Profit for the year ended on that date.

This report does not include a statement on the matters specified in paragraph 4 of the Companies (Auditor's Reports) Order, 2003, issued by the Department of Company Affairs, in terms of Section 227 4(A) of the Companies Act, 1956, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the company.

For Rajendra Leela & Associates
Chartered Accountants
Firm Registration No. 322234E

R K Gupta
Proprietor
M. No. 56123

Place: Guwahati (Assam)
Date: 25 June 2012



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD

DIRECTOR

SHARNARTHI LEASING & FINANCE PRIVATE LIMITED

Balance Sheet as at March 31, 2012

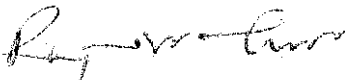
Particulars	Note No.	As at March 31, 2012	As at March 31, 2011
		Rupees	Rupees
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	3	3,220,000	3,220,000
(b) Reserves and surplus	4	(653,675)	(658,562)
2 Non-current liabilities			
(a) Long term provisions	5	552	-
3 Current liabilities			
(a) Other current liabilities	6	26,483	5,729
(b) Short-term provisions	7	2,432	-
TOTAL		2,595,792	2,567,167
B ASSETS			
1 Non-current assets			
(a) Long-term loans and advances	8	220,661	2,502,795
2 Current assets			
(a) Cash and cash equivalents	9	2,368,246	64,372
(b) Other current assets	10	6,885	-
TOTAL		2,595,792	2,567,167

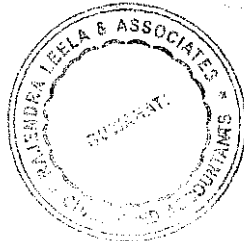
Accompanying notes forming part of the financial statements 1 to 20

In terms of our report attached
For Rajendra Leela & Associates

For Sharnarthi Leasing & Finance Private Limited

Chartered Accountants
Firm Registration No: 322234E


R K Gupta
Proprietor
M. No. 56123



Place : Guwahati (Assam)
Date : 25-Jun-12

FOR SHARNARTHI LEASING & FINANCE (PVT) LTD


DIRECTOR
Director

FOR SHARNARTHI LEASING & FINANCE (PVT) LTD


DIRECTOR
Director

DIRECTOR

Place : Guwahati (Assam)
Date : 25-Jun-12

SHARNARTHI LEASING FINANCE PRIVATE LIMITED
'Notes forming part of the financial statements

Note no. 1 Corporate Information

Sharnarthi Leasing & Finance Private Limited was incorporated on 20 July 1989 in National Capital Territory of Delhi vide registration no. 55-037029 to carry on the business of Non-banking Finance Company.

The registered office of the company was shifted from NCT of Delhi to the State of Punjab in the year 1999.

The company was granted a Certificate of Registration (CoR) bearing no. B-06.00271 dated 10 May 2000 by Reserve Bank of India, Chandigarh to carry on the business of non-banking finance company under section 45(IA) of Reserve Bank of India Act, 1934.

During the financial year, the company has been taken over by a new management.

Note no. 2 Significant accounting policies

(a) Basis of 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. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialise.

(c) Revenue recognition

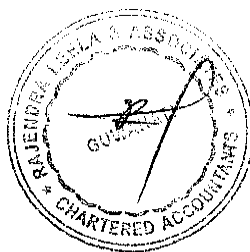
Interest earned from lending activities is accounted on accrual basis.

(d) Other Income

Revenue in respect of interest on fixed deposit with banks is recognized on accrual basis at the rate at which such entitlement accrue.

(e) Employee benefits

The amount of employee benefits expected to be paid in exchange of services rendered by employees is recognized during the year when the employee renders the services. These benefits include salaries, bonus and compensated absences.



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD


DIRECTOR

SHARNARTHI LEASING FINANCE PRIVATE LIMITED

'Notes forming part of the financial statements

(f) Income tax

Current tax is 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.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

(g) Earnings per share

Basic earnings per share are computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

(h) 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. Contingent liabilities are disclosed in the Notes.

(i) Material events

Material events occurring after the Balance Sheet date are taken into cognizance.

(j) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD
DIRECTOR

SHARNARTHI LEASING & FINANCE PRIVATE LIMITED

Notes forming part of the financial statements

Note no. 3 Share capital

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Rupees	Number of shares	Rupees
(a) Authorised				
Equity shares of Rs. 10 each	500,000	5,000,000	500,000	5,000,000
	500,000	5,000,000	500,000	5,000,000
(b) Issued, Subscribed and fully paid up				
Equity shares of ` Rs 10 each	322,000	3,220,000	322,000	3,220,000
Total	322,000	3,220,000	322,000	3,220,000

Refer to Notes (i) to (iii) below

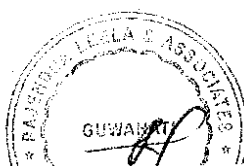
Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number of shares	Rupees	Number of shares	Rupees
Equity shares				
Shares outstanding at the beginning of the year	322,000	3,220,000	322,000	3,220,000
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	322,000	3,220,000	322,000	3,220,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Ashok Ahuja	-	-	99,650	30.95
Vijay Ahuja	-	-	105,850	32.87
Anu Ahuja	-	-	52,000	16.15
Meenu Ahuja	-	-	64,500	20.03
Sarat Chandra Das	50,000*	15.53	-	-
Tapan Chandra Kalita	24,390	7.57	-	-
Mahendra Kalita	24,390	7.57	-	-
Subhash Kalita	24,390	7.57	-	-
Parthosakti Patwari	24,390	7.57	-	-
Ajanta Sharma	20,000	6.21	-	-
Nandita Sinha	20,000	6.21	-	-
Sunita Devi	20,000	6.21	-	-
Vikramaditya Das	20,000	6.21	-	-
Hiranya Kalita	20,000	6.21	-	-
Mira Das	20,000	6.21	-	-
Sujit Banik	20,000	6.21	-	-
Prabin Chandra Das	20,000	6.21	-	-



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD
 DIRECTOR

SHARNARTHI LEASING FINANCE PRIVATE LIMITED
Notes forming part of the financial statements

Note no. 4 Reserves and surplus

Particulars	As at March 31, 2012	As at March 31, 2011
	Rupees	Rupees
A) Statutory Reserve		
Opening balance	-	-
Add: Transfer during the year	977	-
	977	-
B) General Reserve		
Opening balance	450,482	450,482
Add: Transfer during the year	-	-
	450,482	450,482
C) Deficit in Statement of Profit and Loss		
Opening balance	1,109,044	1,124,044
Less: Profit for the year	3,910	15,000
	1,105,134	1,109,044
Grand Total of Reserve & Surplus	(653,675)	(658,562)

Note no. 5 Long term provisions

Particulars	As at March 31, 2012	As at March 31, 2011
	Rupees	Rupees
(a) Provisions against standard assets	552	-
Total	552	-

Note no. 6 Other current liabilities

Particulars	As at March 31, 2012	As at March 31, 2011
	Rupees	Rupees
(a) Audit fee payable	13,483	5,000
(b) Professional Fee Payable	13,000	-
(c) Miscellaneous Liabilities	-	729
Total	26,483	5,729

Note no. 7 Other short term provisions

Particulars	As at March 31, 2012	As at March 31, 2011
	Rupees	Rupees
(a) Income Tax Provisions	2,432	-
Total	2,432	-



FOR SHARNARTHI LEASING & FINANCE (PVT) LTD
DIRECTOR

SHARNARTHI LEASING FINANCE PRIVATE LIMITED
Notes forming part of the financial statements

Note no. 15- According to the records available with the Company, dues payable to entites that are classified as Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 during the year is Rs. Nil (previous year Rs. Nil). Accordingly, disclosures relating to amounts unpaid as the year end together with the interest paid/ payable as required under the said Act are not applicable. Further no interest has been paid or was payable to such parties under the said Act in the previous year.

Dues to Micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Note no. 16 - Since there are less then 10 employees in the Company, the employee benefits with respect to gratuity, provident fund and ESI are not applicable to the Company.

Note no. 17 Related Party Disclosures

In the normal course of business, the Company has not entered into transactions with affiliated companies, key management personnel and relatives of such personnel.

Note no. 18 Earning Per Share

Particulars	(Amount in Rupees)	
	For the year ended March 31, 2012	For the year ended March 31, 2011
Earnings/(losses) per share		
Net profit / (loss) for the year	3,910	15,000
Weighted average number of equity shares	322,000	3,220,000
Effect of potential dilutive equity shares*	Nil	Nil
Weighted average number of equity shares in computing dilutive earning per share	322,000	3,220,000
Par value per share	10	10
Basic and diluted earnings/(losses) per share (in Rs.)	0.012	0.005

* Nil, as anti-dilutive potential shares in view of loss for the year.

Note no. 19 Previous year's figures

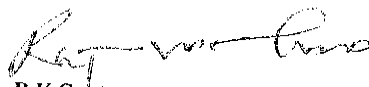
The Revised Schedule VI has become effective from 1 April, 2011 for the preparation of financial statements. This has significantly impacted the disclosure and presentation made in the financial statements. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

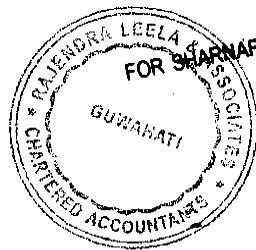
Note no. 20 Provision for standard and non-performing assets

In view of guidelines issued by Reserve Bank of India on 17 January 2011 vide ref. RBI/2010-11/370 and DNBS.PD.CC.No.207/03.02.002 /2010-11, the Company has created a provision against standard assets amounting to Rs. 552/- (previous year Rs. Nil).

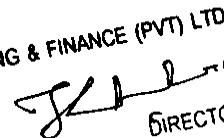
In terms of our report attached
For Rajendra Leela & Associates

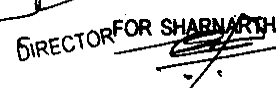
Chartered Accountants
Firm Registration No: 322234E


R K Gupta
Proprietor
M. No. 56123



For Sharnarthi Leasing & Finance Private Limited


Director


DIRECTOR FOR SHARNARTHI LEASING & FINANCE (PVT) LTD
Director

DIRECTOR

Place: Guwahati (Assam)
Dated: 25 June 2012

Place: Guwahati (Assam)
Dated: 25 June 2012