

# JAI CORP FINANCE & HOLDING LIMITED

## DIRECTORS' REPORT

Your Directors are pleased to present the Seventh Annual Report and the Audited Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS:

(Amount in Rs. Lakh)

Particulars	Year Ended 31-03-2013	Year Ended 31-03-2012
<b>Total Income</b>	<b>29.65</b>	17.25
<b>Total Expenditure including Depreciation</b>	<b>0.46</b>	0.44
<b>Profit before tax</b>	<b>29.18</b>	16.81
<b>Less: Provision for tax</b>	<b>8.00</b>	3.44
<b>Profit after tax</b>	<b>21.18</b>	13.37

### OPERATIONS:

During the year under review, your Company stopped all Non Banking Financial Institution (NBFI) activities with a view to have its Non Banking Financial Company (NBFC) license cancelled. The Reserve Bank of India has cancelled the Certificate of Registration as a Non Banking Financial Company (NBFC) vide its Order dated 04<sup>th</sup> January, 2013.

Your Company has earned an income of Rs. 29.65 lakhs by way of interest on fixed deposits and dividend received from mutual funds in the financial year 2012-13.

### DIVIDEND:

In order to conserve the resources of your Company, your Directors do not recommend any dividend.

### DIRECTORS:

Mr. Ashok Tak, who retires by rotation and being eligible, has offered himself for re-appointment.

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is, hereby, confirmed:

- (i) that in the preparation of the accounts for the financial period ended 31<sup>st</sup> March, 2013, applicable accounting standards have been followed along with proper explanation relating to material departure ;
- (ii) that appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2013 and of the profit of the Company for the period ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that accounts for the financial period ended 31<sup>st</sup> March, 2013 have been prepared on a 'going concern' basis.

**AUDITORS AND AUDITORS' REPORT:**

Messrs Chaturvedi & Shah, Chartered Accountants, Mumbai, hold office as statutory auditors of the Company until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting. Pursuant to the provisions of Section 224 (1B) of the Companies Act, 1956 your Company has received a certificate from Messrs Chaturvedi & Shah, Chartered Accountants confirming their eligibility for re-appointment.

**COMPLIANCE CERTIFICATE:**

Secretarial Compliance certificate as required under the provisions of Section 383A of the Companies Act, 1956 is annexed hereto and forms part of the Report.

**DISCLOSURE OF PARTICULARS RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Nil

**FIXED DEPOSIT:**

Your Company has not accepted any fixed deposit during the year under review.

**PARTICULARS OF EMPLOYEES:**

There are no employees whose remuneration requires disclosure in terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

**ACKNOWLEDGEMENT:**

Your Directors express their grateful appreciation for the assistance and co-operation received from the banks and other institutions, government authorities and shareholders during the period under review.

**For and on behalf of the Board of Directors**

Date: 06.05.2013  
Place: Mumbai

**Director**

**G.B.B. BABUJI, B.Com (Hons), FCS**

**Company Secretary**  
FCS 1182, CP No.8131

**48-203, Seawoods Estates, Phase II**  
**Palm Beach Road, Nerul**  
**Navi Mumbai 400706**  
Mobile : 9322653720/9819099046  
e-mail: gbbbabuji@yahoo.co.in

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**Compliance Certificate**

(Pursuant to proviso of sub-section (1) of Section 383A of the Companies Act, 1956)  
[See Rule 3 of The Companies (Compliance Certificate) Rules, 2001]

To,

The Members

**M/s. JAI CORP FINANCE AND HOLDING LIMITED**  
11-B, Mittal Tower, Free Press Journal Marg,  
Nariman Point,  
Mumbai-400 021.

CIN : U65990MH2006PLC159173  
Nominal Capital: Rs.2,10,00,000/-  
Paid up Capital: Rs.150,00,000/-

I have examined the registers, records, books and papers of M/s. JAI CORP FINANCE AND HOLDING LIMITED, (CIN **U65990MH2006PLC159173** - Regn No. No.11-159173) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended 31<sup>st</sup> March, 2013 (financial year). In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Register of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the act and the rules made thereunder.
3. The Company being a Public Limited Company, comments are not required.
4. The Board of Directors duly met 6 times on 11/04/2012, 24/05/2012, 13/07/2012, 08/09/2012, 02/11/2012 and 02/03/2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.

5. The Company has not closed its Register of Members and Transfer Books during the financial year.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2012 was held on 31/08/2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year.
8. The Company has not advanced any loan to its Directors or persons or firms or companies referred to in section 295 of the Act.
9. The Company has not entered into any contract falling within the purview of section 297 of the Act.
10. The entries as required under section 301(3) of the Act, have been made in the Register.
11. There were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificate during the financial year.
13. During the financial year
  - a) there was no allotment /transfer/transmission of securities;
  - b) the Company has not deposited any amount in a separate Bank Account as no dividend was declared;
  - c) the Company was not required to post warrants to any member of the Company as no dividend was declared.
  - d) the Company has not declared any dividend and there were no deposit matured, or matured debentures and the interest accrued thereon etc. the provision of transfer of unclaimed or unpaid Accounts to the Investors Education and Protection Fund does not apply to the Company.
  - e) the Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment Additional Directors, Alternate Director or Director to fill causal vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
16. The Company has not appointed any sole selling agent during the financial year.

17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies, during the year under review.
18. The Directors have disclosed their interest in the firms/companies to the Board of Directors pursuant to the provisions of the Act.
19. The Company has not issued any securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transaction necessitating the Company to keep in abeyance the right to dividend, right shares and bonus shares pending registration of the shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the provisions of Section 58A during the financial year.
24. The Company has not made any borrowing during the financial year ended 31<sup>st</sup> March, 2013.
25. The Company is Non Banking Financial Company and Section 372A of Companies Act 1956 not applicable for any loan or advances or given guarantee or provided securities to other bodies corporate. The Company has stopped undertaking NBFC business with effect from 23/05/2012 and had applied to the Reserve Bank of India vide its letter dated 04/01/2012 for cancellation of the Registration as NBFC. The Reserve Bank of India, vide its letter No.DBNS.MRO.CMd.No.3850/1310.77/2012-13 dated 18/02/2013 has informed the Company that it has cancelled the Certificate of Registration No.N-13.01922.
26. The Company has not altered the provisions of the Memorandum of Association with respect to the situation of the Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum of Association with respect to the object of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum of Association with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum of Association with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There were no prosecution(s) initiated against or show cause notices received by the Company, during the financial year for offences under the Act.

32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted Provident Fund pursuant to Section 418 of the Act, during the financial year.

Place: Mumbai  
Date: May 06, 2013

Signature: \_\_\_\_\_  
Name of Company Secretary: **G.B.B.Babuji**  
CP No.: 8131

ANNEXURE 'A'

*M/s. JAI CORP FINANACE AND HOLDING LIMITED*

Statutory Registers

1. Register of Member U/s 150
2. Register of Directors, Managing Director, Manager and Secretary U/s 303
3. Register of Directors shareholdings U/s 307
4. Minutes Book of all Board Meetings and general Meetings U/s 193 of the Act

***Other Registers***

1. Register of Application and allotment of shares
2. Register of Share Transfers

Place: Mumbai

Date: May 06, 2013

Signature: \_\_\_\_\_

Name of Company Secretary: G.B.B.Babuji

CP No.: 8131

**ANNEXURE 'B'***M/s. JAI CORP FINANCE AND HOLDING LIMITED*

1. Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the Financial Year ended 31<sup>st</sup> March, 2013

Sr No.	Form No.	Filed U/Section	For	Dt of Filing	Whether filed on time Yes/No.	If delay in filing whether requisite additional fee paid Yes/ No.
1	Balance Sheet Form No. 23AC/ACA	220	Annual requirement for the year ended 31 <sup>st</sup> March, 2012 SRN P89877781	11/10/2012	Yes	NA
2	Annual return Form No. 20B	159	Annual requirement for the year ended 31 <sup>st</sup> March, 2012 SRN- P88939426	17/09/2012	Yes	N.A.
3	Secretarial Compliance Certificate FormNo.66	383A	Annual Requirement for the year ended 31 <sup>st</sup> March, 2012 SRN- P88850649	11/09/2012	Yes.	NA

Place: Mumbai  
Date: May 06, 2013

Signature: \_\_\_\_\_  
Name of Company Secretary: G.B.B.Babuji  
CP No.: 8131

## INDEPENDENT AUDITORS' REPORT

To the Members of **Jai Corp Finance & Holding Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of '**Jai Corp Finance & Holding Limited**' ("the Company") which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including 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.

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## **Opinion**

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

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

## **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order 2003 ("the Order"), issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure hereto, a statement on the matters specified in the paragraphs 4 and 5 of the said 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, 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 sub-section (3C) of section 211 of the Companies Act, 1956;

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- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2013 and taken on records by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

**For Chaturvedi & Shah**  
Chartered Accountants  
(Firm Registration No. 101720W)

**R. Koria**  
Partner  
Membership No.: 35629

Place: Mumbai  
Date: 6<sup>th</sup> May 2013

## **ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

**(Annexure referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date to the members of Jai Corp Finance & Holding Limited on the accounts for the year ended 31<sup>st</sup> March 2013 )**

- (i) In respect of its fixed assets:  
The Company does not have any fixed assets, accordingly the provisions of the clause 4 (i) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (ii) In respect of its inventories:  
The Company does not have any inventory, accordingly the provisions of Clause 4 (ii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has neither granted nor taken any loan, secured or unsecured to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly the provisions of Clause 4(iii) of Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the financial year, the Company did not undertake any activity of purchase of fixed assets, inventory and sale of goods. In our opinion, and according to the information and explanations given to us, there is no continuing failure to correct major weakness in the internal control system.
- (v) According to the information and explanations given to us, there are no contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered in the register required to be maintained under that section.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public and hence directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable for the year under audit.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.

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- (viii) According to the information and explanations given to us, Central Government has not prescribed maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of activities carried on by the Company. Accordingly the provisions of Clause 4 (viii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (ix) According to the information and explanations given to us, and the records of the Company examined by us:
  - (a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom Duty, Excise Duty and any other material statutory dues as applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding, as at 31<sup>st</sup> March 2013 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Service Tax and Excise Duty, Cess, as applicable, which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of financial year. It has not incurred any cash losses during the financial year covered by audit and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, the Company has not taken any borrowings from financial institutions, banks or debenture holders, accordingly the provisions of Clause (xi) of paragraph 4 of the Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund, a nidhi or a mutual benefit fund /society. Accordingly the provisions of Clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

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- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of the mutual fund units and timely entries have been made therein. The Company does not have any investment as on 31<sup>st</sup> March 2013.
- (xv) According to the information and explanations given by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) According to the information & explanations given to us, the Company has not raised any term loan during the year.
- (xvii) On review of utilization of funds based on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that prima facie, funds raised on short-term basis have not been utilized for long term investment.
- (xviii) During the year the Company has not made any preferential allotment of the shares to the parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures during the year accordingly the provisions of Clause 4 (xix) of the Companies (Auditor's Report) Order 2003 are not applicable to the company.
- (xx) The Company has not raised any monies by way of public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Chaturvedi & Shah**

Chartered Accountants

(Firm Registration No. 101720W)

**R. Koria**

Partner

Membership No.: 35629

Place: Mumbai

Date: 6<sup>th</sup> May 2013

**JAI CORP FINANCE & HOLDING LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2013**

**(Amount in Rs.)**

Particulars	Note	As At 31 <sup>st</sup> March, 2013		As At 31 <sup>st</sup> March, 2012	
<b>I EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' funds</b>					
Share Capital	3	15,000,000		15,000,000	
Reserves and Surplus	4	<u>14,788,542</u>	<b>29,788,542</b>	<u>12,670,398</u>	27,670,398
<b>2 Current Liabilities</b>					
Short-term Borrowings	5	215,000		-	
Trade Payables	6	11,236		-	
Other Current Liabilities	7	<u>14,045</u>	<b>240,281</b>	<u>14,045</u>	14,045
<b>TOTAL</b>			<u><b>30,028,823</b></u>		<u><b>27,684,443</b></u>
<b>II ASSETS</b>					
<b>1 Non-current Assets</b>					
Long-term Loans and Advances	8		<b>245,533</b>		165,797
<b>2 Current Assets</b>					
Current Investments	9	-		11,518,223	
Cash and Bank Balances	10	27,911,191		15,012,489	
Short-term Loans and Advances	11	<u>1,872,099</u>	<b>29,783,290</b>	<u>987,934</u>	27,518,646
<b>TOTAL</b>			<u><b>30,028,823</b></u>		<u><b>27,684,443</b></u>
<b>Significant Accounting Policies</b>	1				
<b>Notes on Financial Statements</b>	2 to 17				

As per our report of even date  
**For Chaturvedi & Shah**  
Chartered Accountants

For and on behalf of the Board of Directors

**R.Koria**  
Partner

**R.K.Bhutoria**  
Director

**A.Datta**  
Director

**Place :** Mumbai

**Date :** 6<sup>th</sup> May, 2013

**JAI CORP FINANCE & HOLDING LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013****(Amount in Rs.)**

<b>Particulars</b>	<b>Note</b>	<b>Year Ended 31<sup>st</sup> March, 2013</b>	<b>Year Ended 31<sup>st</sup> March, 2012</b>
<b>I Other Income</b>	<b>12</b>	<b>2,964,526</b>	1,725,269
<b>II Total Revenue</b>		<b>2,964,526</b>	<b>1,725,269</b>
<b>III Expenses:</b>			
Other Expenses	<b>13</b>	<b>46,382</b>	44,400
<b>Total Expenses</b>		<b>46,382</b>	<b>44,400</b>
<b>IV Profit Before Tax (II- III)</b>		<b>2,918,144</b>	1,680,869
<b>V Tax Expense:</b>			
Current Tax		<b>800,000</b>	344,000
<b>VI Profit for the year (IV - V)</b>		<b>2,118,144</b>	<b>1,336,869</b>
<b>VII Earnings per Equity Share of Rs.10 each (Basic and Diluted) (in Rs.)</b>	<b>14</b>	<b>1.41</b>	0.89
<b>Significant Accounting Policies Notes on Financial Statements</b>	<b>1 2 to 17</b>		

As per our report of even date

**For Chaturvedi & Shah**

Chartered Accountants

For and on behalf of the Board of Directors

**R.Koria**  
Partner**R.K.Bhutoria**  
Director**A.Datta**  
Director

Place : Mumbai

Date : 6<sup>th</sup> May, 2013

**JAI CORP FINANCE & HOLDING LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2013**

(Amount in Rs.)

Particulars	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before tax as per Statement of Profit and Loss	2,918,144	1,680,869
<b>Adjusted for</b>		
Dividend Income	(95,561)	(566,829)
Profit on Sale of Current Investments	(321,603)	-
Interest Income	(2,547,362)	(1,158,440)
<b>Operating (Loss) before Working Capital Changes</b>	(46,382)	(44,400)
<b>Adjusted for</b>		
Trade and Other Payables	11,236	257
<b>Cash (used in) Operations</b>	(35,146)	(44,143)
Direct Taxes Paid	(879,736)	(430,844)
<b>Net Cash (used in) Operating Activities</b>	(914,882)	(474,987)
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Investments	(95,561)	(1,641,829)
Sale of Investments	11,935,387	335,000
Fixed Deposit with Bank having maturity of more than three months (Matured)	15,000,000	14,850,000
Fixed Deposit with Bank having maturity of more than three months (Placed)	(27,900,000)	(15,000,000)
Interest Received	1,663,197	1,376,952
Dividend Received	95,561	566,829
<b>Net Cash From Investing Activities</b>	698,584	486,952
<b>C. Cash Flow from Financing Activities</b>		
Movement in Short Term Borrowings	215,000	-
<b>Net Cash From Financing Activities</b>	215,000	-
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	(1,298)	11,965
<b>Opening Balance of Cash and Cash Equivalents #</b>	12,489	524
<b>Closing Balance of Cash and Cash Equivalents #</b>	11,191	12,489

# Components of Cash and Cash equivalents Refer note 10

**Notes :**

- 1 Figures in brackets represent cash outflow.
- 2 The above Cash Flow Statements has been prepared under the "Indirect Method" as set out in Accounting Standard-3 "Cash Flow Statement" as notified in the Companies (Accounting Standards) Rules, 2006.
- 3 The previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

As per our report of even date

**For Chaturvedi & Shah**

Chartered Accountants

For and on behalf of the Board of Directors

**R.Koria**  
Partner

**R.K.Bhutoria**  
Director

**A.Datta**  
Director

Place : Mumbai

Date : 6<sup>th</sup> May, 2013

## JAI CORP FINANCE & HOLDING LIMITED

### Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013

#### Note 1 Significant Accounting Policies

**(A) Basis Of Preparation Of Financial Statements**

The financial statements have been prepared as a going concern under historical cost convention, in accordance with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the provisions of the Companies Act, 1956 as adopted consistently by the Company.

**(B) Use Of Estimates**

The preparation of financial statements 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. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

**(C) Investments**

Current Investments are carried at lower of cost and market value/NAV, computed individually. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary in the opinion of the management.

**(D) Preliminary And Share Issue Expenses**

Preliminary and Share Issue expenses are charged to the Statement of Profit and Loss in the year in which they are incurred.

**(E) Provision For Current And Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future.

**(F) Provision ,Contingent Liabilities And Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation , in respect of which a reliable estimate can be made. Provisions are not discounted to 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. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote. Contingent assets are neither recognized nor disclosed in the financial statements.

**(G) Revnue Recognition**

Dividend Income is recognised when right to receive the payment is established by the balance sheet date. Interest income is recognised on time proporation basis taking into account the amount outstanding and rate applicable.

**Note 2** As decided by Board of Directors in its meeting held on 30th December 2011, the Company applied to Reserve Bank of India ( RBI) for Cancellation of Certificate of Registration of Non Banking Finance Company(NBFC). During the year RBI cancelled the Certificate of Registarion of NBFC vide its order dated 4th January 2013 . Accordingly the Company is not in operation of Non banking financing activities.

## Note 3 - Share Capital

			(Amount in Rs.)	
Particulars	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012		
<b>Authorised</b>				
<b>1,500,000</b> Equity Shares of Rs. 10 each (1,500,000)	<b>15,000,000</b>	15,000,000		
<b>600,000</b> 1% Optionally Convertible Non-Cumulative, Redeemable (600,000) Preference Shares of Rs. 10 each	<b>6,000,000</b>	6,000,000		
	<u><b>21,000,000</b></u>	<u>21,000,000</u>		
<b>Issued, Subscribed and fully paid up</b>				
<b>1,500,000</b> Equity Shares of Rs. 10 each (1,500,000)	<b>15,000,000</b>	15,000,000		
<b>Total</b>	<u><b>15,000,000</b></u>	<u>15,000,000</u>		

Figures in bracket represent previous year figures.

## 3.1 Reconciliation of number of Equity Shares outstanding.

Particulars	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
Number of Shares outstanding at the beginning of the year	<b>1,500,000</b>	1,500,000
Number of Shares outstanding at the end of the year	<b>1,500,000</b>	1,500,000

## 3.2 The Terms / Rights attached to the Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10 each. Holders of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by shareholders.

## 3.3 Details of Equity shares in the Company held by Holding Company

			(In Nos.)	
Particulars	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012		
Jai Corp Limited Equity Shares ( Including Equity Shares held jointly with nominees)	<b>1,500,000</b>	1,500,000		
	<u><b>1,500,000</b></u>	<u>1,500,000</u>		

## 3.4 Details of Equity Shares in the Company held by each shareholder holding more than 5% shares:

Name of Shareholder	As At 31 <sup>st</sup> March, 2013		As At 31 <sup>st</sup> March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jai Corp Limited ( Including Equity Shares held jointly with nominees)	<b>1,500,000</b>	<b>100</b>	1,500,000	100

**JAI CORP FINANCE & HOLDING LIMITED**

Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013

**Note 4 - Reserves and Surplus**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Securities Premium Reserve</b>		
As per Last Balance Sheet	6,500,000	6,500,000
<b>Statutory Reserve Fund</b> (Created pursuant to section 45 IC of RBI Act, 1934)		
As per Last Balance Sheet	1,040,912	773,538
Add : Transferred from Surplus	-	267,374
	1,040,912	1,040,912
<b>Surplus -</b>		
As per Last Balance Sheet	5,129,486	4,059,991
Add : Profit for the year	2,118,144	1,336,869
Amount available for Appropriations	7,247,630	5,396,860
Less: Transfer to Statutory Reserve Fund	-	267,374
	7,247,630	5,129,486
<b>Total</b>	<b>14,788,542</b>	<b>12,670,398</b>

**Note 5 - Short - Term Borrowings**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Unsecured Loans</b>		
Loan from Related Party	215,000	-
<b>Total</b>	<b>215,000</b>	<b>-</b>

5.1 The above interest free loan from Jai Corp Limited, holding company.

**Note 6 - Trade Payables**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
Micro, Small and Medium Enterprises	-	-
Others	11,236	-
<b>Total</b>	<b>11,236</b>	<b>-</b>

6.1 The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act 2006 and hence disclosures as required by notification dated 16.11.2007 issued by the Ministry of Company Affairs have not been given.

**Note 7 - Other Current Liabilities**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Other Payables</b>		
Statutory Dues	3,652	-
Expenses Payable	10,393	14,045
<b>Total</b>	<b>14,045</b>	<b>14,045</b>

**Note 8 - Long - Term Loans and Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>(Unsecured, Considered Good)</b>		
Advance Income Tax (Net)	245,533	165,797
<b>Total</b>	<b>245,533</b>	<b>165,797</b>

**JAI CORP FINANCE & HOLDING LIMITED**

Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013

**Note 10 - Cash and Bank Balances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Cash and Cash Equivalents</b>		
Balance with a Bank in Current Account	11,191	12,489
<b>Other Bank Balances</b>		
Fixed Deposit with Bank having more than 12 months maturity	27,900,000	15,000,000
<b>Total</b>	<u>27,911,191</u>	<u>15,012,489</u>

**Note 11 - Short - Term Loans and Advances**

Particulars	(Amount in Rs.)	
	As At 31 <sup>st</sup> March, 2013	As At 31 <sup>st</sup> March, 2012
<b>Other Loans and Advances (Unsecured, Considered Good)</b>		
Interest Receivable on Fixed Deposits	1,872,099	987,934
<b>Total</b>	<u>1,872,099</u>	<u>987,934</u>

**Note 12 - Other Income**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Interest Income (Gross)		
- On Fixed Deposits	2,547,362	1,158,440
Dividend Income		
- On Current Investments	95,561	566,829
Profit on Sale of Investments		
- On Current Investments	321,603	-
<b>Total</b>	<u>2,964,526</u>	<u>1,725,269</u>

**Note 13 - Other Expenses**

Particulars	(Amount in Rs.)	
	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
<b>Administrative and General Expenses</b>		
Rates and Taxes	6,365	4,000
Legal & Professional Fees	3,500	2,500
Miscellaneous Expenses	-	1,795
<b>Payment to Auditors :</b>		
Audit Fees	14,045	14,045
Certification Charges	22,472	22,060
<b>Total</b>	<u>46,382</u>	<u>44,400</u>

**JAI CORP FINANCE & HOLDING LIMITED**  
**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**

**Note 9 - Current Investments**

Particulars	As at 31st March, 2013 Quantity (Nos.)	As at 31st March, 2012 Quantity (Nos.)	Face value (Rs.)	As at 31st March, 2013 (Amount in Rs.)	As at 31st March, 2012 (Amount in Rs.)
<b>In Mutual Funds ( units)</b>					
<b>Unquoted Fully Paid up</b>					
Birla Sun Life - ST Opportunities Fund - Retail Growth	-	199,428.503	10	-	3,076,759
ICICI Prudential Liquid Super Institutional Plan - Dividend Daily	-	84,395.567	10	-	8,441,464
<b>Total Mutual Fund</b>				-	11,518,223
<b>Total Current Investments</b>				-	11,518,223

**9.1** Current investments are carried at lower of cost and market value/NAV, computed individually.

**9.2** Aggregate Amount of unquoted Investments Rs. NIL ( Previous Year Rs.11,518,223/-)

**JAI CORP FINANCE & HOLDING LIMITED**Notes on Financial statements for the year ended 31<sup>st</sup> March, 2013**Note 14 - Earnings Per Equity shares**

Particulars	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Net Profit After Tax Attributable to Equity Shareholders for Basic EPS and Diluted EPS (Rs.)	2,118,144	1,336,869
Weighted Average Number of Equity Shares Outstanding During the Year for Basic EPS and Diluted EPS (in Nos.)	1,500,000	1,500,000
Basic and Diluted Earning per share of Rs. 10 each (in Rs.)	1.41	0.89
Face Value per Equity Share (in Rs.)	10.00	10.00

**Note 15 - Segment Reporting**

The Company has no separate reportable segment, hence there is no additional information which is required to be given in accordance with Accounting Standard 17 "Segment Reporting"

**Note 16 - Related Party Disclosure**

Information on Related Parties Disclosures as per Accounting Standard (AS-18) - "Related Party Disclosures" are given below:

**(A) List of Related Parties :**

Jai Corp Limited

Holding Company

**(B) Transactions with Related Parties :****Name of the Party**

Jai Corp Limited

**Nature of Transaction****Share Capital**

-- Opening Balance

-- Closing Balance

**2011-13**

15,000,000

15,000,000

**(Amount in Rs.)****2011-12**

15,000,000

15,000,000

**Short - Term Borrowings**

-- Opening Balance

-- Received During the year

-- Refund/Adjusted During the year

-- Closing Balance

-

625,000

410,000

215,000

-

315,000

315,000

-

**Note 17**

Previous year's figures have been re-grouped, reworked, reclassified and re-arranged wherever necessary.

**As per our report of even date****For Chaturvedi & Shah**

Chartered Accountants

For and on behalf of the Board of Directors

**R.Koria**

Partner

**R.K.Bhutoria**

Director

**A.Datta**

Director

Place : Mumbai

Date : 6<sup>th</sup> May, 2013