

**26<sup>TH</sup>**  
**ANNUAL REPORT**  
**2009-2010**

**JUMBO FINANCE LIMITED**

**JUMBO FINANCE LIMITED**

**BOARD OF DIRECTORS**

Meena Ranka

Smriti Ranka

J. P. Khandelwal

**AUDITORS**

M/s. Karnavat & Co.  
Chartered Accountants  
192, Dr. D. N. Road,  
Mumbai - 400 001.

**BANKERS**

UCO Bank  
Mamlatdar Wadi,  
Malad (West),  
Mumbai - 400 064.

**REGISTERED OFFICE**

805, Corporate Avenue,  
Sonawala Road,  
Goregaon (E), Mumbai- 400063

**NOTICE**

NOTICE is hereby given that the 26th Annual General Meeting of the members of the company will be held at the registered office of the company at 805, Corporate Avenue, Sonawala Road, Goregaon (E), Mumbai- 400063 on Monday 13th September, 2010 at 11: 00 A.M. for transacting the following business.

**ORDINARY BUSINESS**

1. To consider and adopt the Audited Profit & Loss Account of the company for the year ending 31st March, 2010 and the Balance Sheet as at 31st March, 2010 together with the report of the Board of Directors and Auditors thereto.
2. To appoint Auditors and to fix their remuneration.

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the company. A blank form of proxy is enclosed and if intended to be used it should be returned to the Company not less than forty-eight hours before the commencement of the Annual General Meeting, duly completed.
2. The Share Transfer Books and Register of Members of the Company will remain closed from 10.9.10 to 13.9.10 (Both day including).

By order of the Board

Sd/-  
(J. P. Khandelwal)  
DIRECTOR

Dated: 4th August 2010

Place : Mumbai

# JUMBO FINANCE LIMITED

## DIRECTORS' REPORT

To,

The Members,

The Directors of your company have pleasure in presenting their Report and Audited Statements of Accounts for the year ended March 31, 2010.

### FINANCIAL RESULTS

The salient features of the Company's financial results for the year under review are summarized below :

| Particulars                             | Current year<br>2009-10<br>(Amount in Rs.) | Current year<br>2008-09<br>(Amount in Rs.) |
|---|--|--|
| Profit before Depreciation and Taxes    | 629146                                     | 1136879                                    |
| Less : Depreciation                     | 39499                                      | 10567                                      |
| <b>Profit after depreciation</b>        | <b>589647</b>                              | <b>1126312</b>                             |
| Less : <u>Provision for Taxation</u>    |  |  |
| Current Tax                             | 148000                                     | 117000                                     |
| Deferred Tax                            | 6023                                       | 61445                                      |
| Income tax for earlier year             | -  | 1794                                       |
| <b>Profit for the year</b>              | <b>435624</b>                              | <b>946073</b>                              |
| Add : Balance brought forward           | 6415187                                    | 5469114                                    |
| <b>Balance carried to Balance Sheet</b> | <b>6850811</b>                             | <b>6415187</b>                             |

### DIVIDEND

In view of meager amount of profit during the year and to strengthen the financial position of the company, your directors have not recommended any dividend for the year under review.

### PARTICULARS OF EMPLOYEES

There was no employee during the year, covered by section 217 (2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

The company is not covered under any of the industry specified in schedule under rule 2(A) of the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 as such the company is not required to submit particulars of Energy Conservation as required under Rule 2(A) and there is no activity which should be disclosed as per Rule 2(B) and 2(C) about Technology Absorption and Foreign Outgo.

## **JUMBO FINANCE LIMITED**

### **AUDITORS**

M/s Karnavat & Co., Chartered Accountants, Mumbai will cease to be Auditors of the Company at the conclusion of the ensuing Annual General Meeting and being eligible, they offered themselves for re-appointment.

### **COMPLIANCE CERTIFICATE**

Your company has complied with all the provisions of companies Act, 1956, a certificate to this effect has been obtained from M/s. Alka Modi & Associates, Company Secretaries, Mumbai, a copy of which is enclosed.

### **RESPONSIBILITY STATEMENT**

Your Directors confirm :

- a) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) That they 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 affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for the period;
- c) That they have taken proper and sufficient care 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;
- d) That they have prepared the Annual accounts on a going concern basis.

### **CORPORATE GOVERNANCE**

The Company is making all efforts for complying the provisions relating to Corporate Governance pursuant to clause 49 of the Listing Agreement with Stock Exchange.

**FOR AND ON BEHALF OF THE BOARD**

Sd/-

**(J. P. Khandelwal )**  
DIRECTOR

Place: Mumbai

Dated: 4th August, 2010

**AUDITORS' REPORT****TO THE MEMBERS OF  
JUMBO FINANCE LIMITED**

1. We have audited the attached Balance Sheet of **JUMBO FINANCE LIMITED** as at **31st March, 2010** and also the Profit and Loss Account for the year ended on that date annexed thereto, and the Cash Flow Statement for the year ended on that date. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'order'), issued by the Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. We have to further report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (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 the profit and loss account dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the balance sheet and the 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;
  - (e) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and notes on accounts in schedule 9 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:
    - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at **31st March 2010**; and
    - (ii) In the case of the Profit and Loss Account, 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.

For and on behalf of  
**KARNAVAT & CO.**  
Chartered Accountants  
Firm Regn. No. 104863W  
Sd/-  
(Krishna Karundia)  
Partner  
Membership No. 36681

192, Dr. D.N. Road  
Mumbai-400 001  
Dated:4th August,2010

## JUMBO FINANCE LIMITED

### ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date:

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off a substantial part of its fixed assets so as to affect the going concern status of the Company.
- (ii) As per the information and explanations given to us, the Company does not have any inventory and hence in our opinion the requirement of clause (ii)(a), (ii)(b), and (ii)(c) of Paragraph 4 of the above Order are not applicable.
- (iii) (a) As per the information and explanations given to us, the company has not granted any loan secured or unsecured to Company, firms or other party covered in the register maintained under section 301 of the Companies Act, 1956 during the year. Accordingly, in our opinion, the requirement of clauses (iii)(b) to (iii)(d) of paragraph 4 of the above Order are not applicable to the Company.
- (b) As per the information and explanations given to us, the company has not taken any loan, secured or unsecured to Company, firms or other party covered in the register maintained under section 301 of the Companies Act, 1956 during the year, and hence, in our opinion, the requirement of Clause (iii)(e) to (iii)(f) of paragraph 4 of the above Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of inventory. During the course of our audit, no major weakness has been noticed in the internal controls system.
- (v) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Accordingly, in our opinion, provision of clause (v)(b) of Paragraph 4 of the aforesaid Order is not applicable to the company.
- (vi) The Company has not accepted any deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under. We have been informed by the management that no order has been passed by the Company Law Board –or National Company Law Tribunal or Reserve Bank of India or any Court or Tribunal in this regard.
- (vii) As informed to us though there is no formal internal audit system, in our opinion, the Company's internal system is adequate and commensurate with the size and nature of its business.
- (viii) In view of nature of Company's business the matters specified in paragraph 4 (viii) of the order are not applicable to the Company.
- (ix) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, custom duty, excise-duty, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31-3-2010 for a period of more than six months from the date of becoming payable.
- (c) According to the information and explanations given to us, there are no dues of income tax, wealth tax, service tax, sales tax, customs duty, and excise duty and cess, which have not been deposited on account of any dispute.

## JUMBO FINANCE LIMITED

- (x) The company does not have accumulated losses. The company has not incurred any cash loss during the financial year covered by our audit and also in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that there are no dues payable to financial institution, debenture holder or bank.
- (xii) Based on our examination of documents and records, we are of the opinion that the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or nidhi, mutual benefit fund/ society. Therefore the provision of clause 4 (xiii) of the Order are not applicable to the company.
- (xiv) Based on our examination of the records and evaluation of the related internal controls, we are of opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other investments in its own name.
- (xv) The Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, provisions of clause (xv) of Paragraph 4 of the aforesaid Order are not applicable to the Company.
- (xvi) During the period covered by our audit report, no term loan has been raised by the Company and therefore, requirement of clause (xvi) of Paragraph 4 of the Order is not applicable to the Company.
- (xvii) Based on our examination of the balance sheet of the Company as at 31st March 2010, we report that the Company has not raised any long term funds during the year and no funds raised on short term basis have been used for the long term purposes.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 and, therefore, the requirement of clause (xviii) of Paragraph 4 of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us, during the period covered by our audit report the Company has not issued any debentures and hence in our opinion, the question of creation of securities does not arise.
- (xx) According to the information and explanations given to us, during the period covered by our audit report no public issue has been made by the Company during the year and requirement of clause (xx) of Paragraph 4 of the Order is not applicable to the Company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and to the best of our knowledge and belief, and according to the information and explanations given to us by the management, which have been relied upon by us, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For and on behalf of  
**KARNAVAT & CO.**  
Chartered Accountants  
Firm Regn. No. 104863W

Sd/-

(Krishna Karundia)  
Partner  
Membership No. 36681

192, Dr. D.N. Road  
Mumbai-400 001  
Dated: 4th August, 2010



## JUMBO FINANCE LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2010

|  | SCHEDULE     | As at<br>31-3-2010<br>(Rupees) | As at<br>31-3-2009<br>(Rupees) |
|--|--------------|--------------------------------|--------------------------------|
| <b>SOURCES OF FUNDS</b>  |              |                                |                                |
| Shareholders Funds   |              |                                |                                |
| Share Capital  | 1            | 3,700,000                      | 3,700,000                      |
| Reserves and Surplus   | 2            | 9,337,381                      | 8,901,757                      |
| Deferred Tax Liability   |              | 3,208                          | -                              |
|  | <b>Total</b> | <b>13,040,589</b>              | <b>12,601,757</b>              |
| <b>APPLICATION OF FUNDS</b>  |              |                                |                                |
| Fixed Assets   |              |                                |                                |
| Gross Block  | 3            | 682,420                        | 402,561                        |
| Less : Depreciation  |              | 426,210                        | 386,711                        |
| Net Block  |              | 256,210                        | 15,850                         |
| Investments  | 4            | 11,915,000                     | 11,540,000                     |
| Deferred Tax Asset   |              | -                              | 2,815                          |
| Current Assets, Loans and Advances                                 |              |                                |                                |
| Inventories  | 5            | -                              | -                              |
| Sundry Debtors   |              | -                              | 132,500                        |
| Cash and Bank Balances   |              | 131,625                        | 364,154                        |
| Loans and Advances   |              | 1,515,445                      | 807,940                        |
|  | (A)          | 1,647,070                      | 1,304,594                      |
| Less: Current Liabilities and Provisions                           | 6            |                                |                                |
| Current Liability  |              | 431,191                        | 63,002                         |
| Provision  |              | 346,500                        | 198,500                        |
|  | (B)          | 777,691                        | 261,502                        |
| Net Current Assets(A-B)  |              | 869,379                        | 1,043,092                      |
|  | <b>Total</b> | <b>13,040,589</b>              | <b>12,601,757</b>              |
| Significant Accounting Policies and Notes Forming Part of Accounts | 9            |                                |                                |

As per our Report of even date attached

For and on behalf of

**KARNAVAT & CO.**

Chartered Accountants

(Smriti Ranka)

Director

Sd/-

(Krishna Karundia)

Partner

(J.P. Khandelwal)

Director

192, Dr.D.N.Road  
Mumbai 400 001

Dated : 4th August, 2010

Membership No. 036681

## JUMBO FINANCE LIMITED

### PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2010

|   | SCHEDULE     | Year Ended<br>31-3-2010<br>(Rupees) | Year End<br>31-3-2009<br>(Rupees) |
|---|--------------|-------------------------------------|-----------------------------------|
| <b>INCOME</b>   |              |                                     |                                   |
| Other Income  | 7            | 1,232,787                           | 1,400,000                         |
|   | <b>Total</b> | <b>1,232,787</b>                    | <b>1,400,000</b>                  |
| <b>EXPENDITURE</b>  |              |                                     |                                   |
| Administrative and Other Expenses   | 8            | 603,641                             | 263,000                           |
|   | <b>Total</b> | <b>603,641</b>                      | <b>263,000</b>                    |
| Profit before depreciation  |              | 629,146                             | 1,136,000                         |
| Less : Depreciation   |              | 39,499                              | 10,000                            |
| Profit before Taxation  |              | 589,647                             | 1,126,000                         |
| Less : Provision for Taxation   |              |                                     |                                   |
| Current (Net of MAT Credit of Rs 35,599)  |              | 148,000                             | 117,000                           |
| Deferred Tax  |              | 6,023                               | 61,000                            |
| Income Tax For earlier year   |              | -                                   | 1,000                             |
| <b>Profit for the year after Tax</b>  |              | <b>435,624</b>                      | <b>946,000</b>                    |
| Balance of Profit brought forward   |              | 6,415,187                           | 5,469,000                         |
| <b>Balance Profit carried to Balance Sheet</b>                                      |              | <b>6,850,811</b>                    | <b>6,415,000</b>                  |
| Earning per Equity Share<br>(Face value of Rs. 10/- per share)<br>Basic and diluted |              | 1.18                                | 2                                 |
| Significant Accounting Policies and<br>Notes Forming Part of Accounts               | 9            |                                     |                                   |

As per our Report of even date attached

For and on behalf of

**KARNAVAT & CO.**

Chartered Accountants

(Smriti Rani

Direct

Sd/-

(Krishna Karundia)

Partner

(J.P. Khandekar

Direct

192, Dr.D.N.Road

Mumbai 400 001

Dated : 4th August, 2010

Membership No. 036681

**JUMBO FINANCE LIMITED**

**SCHEDULES FORMING PART OF ACCOUNTS**

|   | As at<br>31-3-2010<br>(Rupees) | As at<br>31-3-2009<br>(Rupees) |
|---|--------------------------------|--------------------------------|
| <b>SCHEDULE - 1 SHARE CAPITAL</b>   |                                |                                |
| <b>Authorised</b>   |                                |                                |
| 5,00,000 Equity shares of Rs.10 each  | 5,000,000                      | 5,000,000                      |
|   | <u>5,000,000</u>               | <u>5,000,000</u>               |
| <b>Issued, Subscribed &amp; paid up</b>   |                                |                                |
| 3,70,000 Equity shares of Rs. 10 each fully paid up   | 3,700,000                      | 3,700,000                      |
|   | <u>3,700,000</u>               | <u>3,700,000</u>               |
| <b>SCHEDULE - 2 RESERVE AND SURPLUS</b>   |                                |                                |
| Capital Reserve   | 66,570                         | 66,570                         |
| Securities Premium Account  | 2,420,000                      | 2,420,000                      |
| Profit and Loss Account   | 6,850,811                      | 6,415,187                      |
|   | <u>9,337,381</u>               | <u>8,901,757</u>               |
| <b>SCHEDULE - 4 INVESTMENTS (At Cost)</b>   |                                |                                |
| <b>Long-term</b>  |                                |                                |
| <i>Unquoted, Non-trade</i>  |                                |                                |
| <b>In Bonds</b>   |                                |                                |
| Icici Bonds - Regular Income Bonds  | 1,890,000                      | 1,890,000                      |
| <b>In Fixed Deposit Accounts</b>  |                                |                                |
| Bank of Rajasthan   | 6,875,000                      | 6,500,000                      |
| State Bank of India   | 3,150,000                      | 3,150,000                      |
|   | <u>11,915,000</u>              | <u>11,540,000</u>              |
| [Aggregate Book Value of Unquoted Investments<br>C.Y Bonds Rs.18,90,000/- P.Y. Rs. 18,90,000) |                                |                                |
| <b>SCHEDULE - 5 CURRENT ASSETS, LOANS AND ADVANCES</b>  |                                |                                |
| <b>A) CURRENT ASSETS</b>  |                                |                                |
| <i>Sundry Debtors</i>   |                                |                                |
| (Unsecured, considered good)  |                                |                                |
| Outstanding exceeding six months  | -                              | 132,500                        |
|   | -                              | <u>132,500</u>                 |
| <b>Cash and Bank Balances</b>   |                                |                                |
| Cash in Hand  | 17,500                         | 17,500                         |
| Balance with Scheduled Banks :  |                                |                                |
| In Current Accounts   | 114,125                        | 346,654                        |
|   | <u>131,625</u>                 | <u>629,154</u>                 |

# JUMBO FINANCE LIMITED

|   | As at<br>31-3-2010<br>(Rupees) | As at<br>31-3-2009<br>(Rupees) |
|---|--------------------------------|--------------------------------|
| <b>B) LOANS AND ADVANCES</b>  |                                |                                |
| (Unsecured, considered good)  |                                |                                |
| Advance recoverable in cash or in kind<br>or for value to be received.        | 1,247,833                      | 681,440                        |
| Income Tax Deposits   | 267,612                        | 126,500                        |
|   | <u>1,515,445</u>               | <u>807,940</u>                 |
| <b>SCHEDULE - 6 CURRENT LIABILITIES AND PROVISIONS</b>                        |                                |                                |
| <b>CURRENT LIABILITIES</b>  |                                |                                |
| Sundry Creditors  |                                |                                |
| Due to Micro, Small and Medium Enterprises                                    | -                              | -                              |
| Due to Other Enterprises  | -                              | -                              |
| Other Liabilities   | 431,191                        | 38,002                         |
| Advance against services  | -                              | 25,000                         |
|   | <u>431,191</u>                 | <u>63,002</u>                  |
| <b>PROVISIONS</b>   |                                |                                |
| Provision for Taxation  | 346,500                        | 198,500                        |
|   | <u>777,691</u>                 | <u>261,502</u>                 |
| <b>SCHEDULE - 7 OTHER INCOME</b>  |                                |                                |
| Interest on Bank deposits (Gross)<br>(TDS Rs. 100752/- Prev. year Rs.23705/-) | 1,043,787                      | 442,700                        |
| Interest from Icci Bonds  | 189,000                        | 189,518                        |
| Profit on Sale of Investments   | -                              | 768,308                        |
|   | <u>1,232,787</u>               | <u>1,400,526</u>               |
| <b>SCHEDULE - 8 ADMINISTRATIVE AND OTHER EXPENSES</b>                         |                                |                                |
| Interest on Bank OD   | -                              | 45,952                         |
| Directors' Remuneration   | 300,000                        | 150,000                        |
| Listing Fees  | 11,030                         | 11,084                         |
| Postage & Courier   | -                              | 80                             |
| Office Expenses   | 25,000                         | 8,493                          |
| Filing Fees   | 1,530                          | 2,028                          |
| Bank Charges  | -                              | 330                            |
| Legal & Professional Charges  | 31,751                         | 30,017                         |
| Auditor's Remuneration  |                                |                                |
| Audit Fees  | 15,700                         | 14,000                         |
| Service tax On audit fees   | 1,617                          | 1,463                          |
| Reimbursement of expenses   | -                              | 200                            |
| Sundry Balances written back  | 96,467                         | -                              |
| Office Rent   | 120,000                        | -                              |
| Printing and Stationery   | 546                            | -                              |
|   | <u>603,641</u>                 | <u>263,647</u>                 |

**SCHEDULE '3' : FIXED ASSETS**

| Particulars          | GROSS BLOCK         |                                 |                                  |                                | DEPRECIATION       |                 |                  |                             | NET BLOCK                   |                    |                    |
|----------------------|---------------------|---------------------------------|----------------------------------|--------------------------------|--------------------|-----------------|------------------|-----------------------------|-----------------------------|--------------------|--------------------|
|                      | As at<br>31-03-2009 | Additions<br>during the<br>year | Deductions<br>during the<br>year | Balance<br>As at<br>31-03-2010 | Upto<br>31-03-2009 | For the<br>year | Written/<br>back | Total<br>upto<br>31-03-2010 | Total<br>upto<br>31-03-2010 | As at<br>31-3-2010 | As at<br>31-3-2009 |
| Computers            | 402,561             | 78,793                          | -                                | 481,354                        | 386,711            | 22,099          |                  | 408,810                     | 408,810                     | 72,544             | 15,850             |
| Furniture & Fixtures | -                   | 163,076                         | -                                | 163,076                        | -                  | 14,758          |                  | 14,758                      | 14,758                      | 148,318            | -                  |
| Air Conditioner      | -                   | 33,240                          | -                                | 33,240                         | -                  | 2,312           |                  | 2,312                       | 2,312                       | 30,928             | -                  |
| Office Equipment     | -                   | 4,750                           | -                                | 4,750                          | -                  | 330             |                  | 330                         | 330                         | 4,420              | -                  |
| <b>Total</b>         | <b>402,561</b>      | <b>279,859</b>                  | <b>-</b>                         | <b>682,420</b>                 | <b>386,711</b>     | <b>39,499</b>   | <b>-</b>         | <b>426,210</b>              | <b>426,210</b>              | <b>256,210</b>     | <b>15,850</b>      |
| Previous Year        | 402,561             | -                               | -                                | 402,561                        | 376,144            | 10,567          | -                | 386,711                     | 386,711                     | 15,850             | -                  |

# JUMBO FINANCE LIMITED

## SCHEDULE - 9

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES

1) **BASIS OF PREPARATION :**

Accounting Convention:

The accounts have been prepared under historical cost convention on accrual basis and comply with the applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.

2) **USE OF ESTIMATES :**

The preparation of financial statement in conformity with generally accepted accounting principles requires management to make estimate and assumption that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statement and the result of operation during the reporting period end. Although these estimate are based upon management's best knowledge of current events and action, actual result could differ from these estimates.

3) **REVENUE RECOGNITION :**

The Income and Expenses are accounted on accrual basis.

4) **INVENTORIES :**

Stock of shares is valued on average cost basis.

5) **INVESTMENTS :**

Investments held for long term are stated at cost.

6) **PROVISIONS & CONTINGENT LIABILITIES.**

Contingent liabilities are not provided for in the accounts but the same are disclosed in notes to accounts, if any.

Provision is not discounted to its present value and is determined based on the last estimate required to settle the obligation at the year end. These are reviewed at each year end and adjusted to reflect the best current estimate.

7) **PROVISION FOR DEFERRED TAX :**

The Deferred Tax for the timing difference between the books and tax profits has been recognized by the Company in terms of Accounting Standard 22, issued by the Institute of Chartered Accountants of India.

#### B. NOTES FORMING PART OF ACCOUNTS

- 1) In the opinion of the Board of Directors the current Assets, Loans and Advances have a value on realisation in the ordinary course of business, at least equal to the amount at which they are stated in the foregoing Balance Sheet and adequate provision for all known liabilities of the company have been made.

## JUMBO FINANCE LIMITE

- 2) There are no Micro Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- 3) The above information regarding Micro, Small and Medium Enterprises is on the basis of information available with the Company and this has been relied upon by the auditors.
- 4) Provision for gratuity is not made as there is no employee in the Company.
- 5) The Company has a single segment namely "Shares and Securities" and the Company's business does not fall under different business segments as defined by AS- 17- "Segmental Reporting" issued by ICAI.

6) Related Parties Disclosures (AS-18)

**A) Information about Related Parties** **2009-10**      **2008-09**

(i) **Key Management Personnel**

|                  |          |          |
|------------------|----------|----------|
| Smriti Ranka     | Director | Director |
| J. P. Khandelwal | Director | Director |

(ii) **Enterprises owned or significantly influenced by any management personnel or their relatives :**

Trishul Traders Pvt. Ltd. (Associate Company)

**B) Transaction with Related Parties**

(i) **Key Management Personnel:**

|                  |     |     |
|------------------|-----|-----|
| Smriti Ranka     | NIL | NIL |
| J. P. Khandelwal | NIL | NIL |

(ii) **Enterprises owned or significantly influenced by any management personnel or their relatives:**

Trishul Traders Pvt. Ltd. (Associate Company)

|                            |            |     |
|----------------------------|------------|-----|
| a) Purchase of Fixed Asset | 2,79,859/- | NIL |
| b) Rent                    | 1,20,000/- | NIL |

**C) Outstanding Balance as at 31-03-2010**

|   |               |     |
|---|---------------|-----|
| a) Trishul Traders Pvt. Ltd.<br>(Sundry Creditor) | 2,79,859/- Cr | NIL |
|---|---------------|-----|

7) EPS is calculated as under :

|   | Year Ended<br><u>31-03-2010</u> | Year Ended<br><u>31-03-2009</u> |
|---|---------------------------------|---------------------------------|
| i) Numerator – Net Profit disclosed in P & L A/c. | 4,35,624                        | 9,46,073                        |
| ii) Denominator – No. of Equity Shares            | 3,70,000                        | 3,70,000                        |
| iii) Basic & Diluted (Rs.)                        | 1.18                            | 2.56                            |
| iv) Nominal Value of Shares (Rs.)                 | 10                              | 10                              |

## JUMBO FINANCE LIMITED

- 8) Accounting for taxes on income ( AS – 22 )  
The break up of net deferred tax Asset/(Liability) as at 31st March, 2010 is as under :

|   | 2009-2010     | 2008-2009   |
|---|---------------|-------------|
| <b>Items leading to Deferred Tax Liabilities</b>      |               |             |
| Depreciation  | (6023)        | 64260       |
| <b>Items leading to Deferred Tax Assets</b>           |               |             |
| Unabsorbed Losses                                     | Nil           | 61445       |
| <b>(Deferred Tax Liability) / Deferred Tax Assets</b> | <b>(3208)</b> | <b>2815</b> |

- 9) a) Previous year figures have been regrouped and rearranged wherever necessary to make them comparable with current year's figures.  
b) Figures have been rounded off to nearest rupee.

(Signatures to Schedules 1 To 9)

AS PER OUR REPORT OF EVEN DATE ATTACHED

For and on behalf of  
KARNAVAT & CO.  
Chartered Accountants

Sd/-  
(Krishna Karundia)  
Partner  
Membership No. 036681

192, Dr. D.N. Road  
Mumbai - 400001  
Dated: - 4th August, 2010

On behalf of the Board of directors

(Smriti Ranka)  
Director

(J.P.Khandelwal)  
Director



**Balance Sheet abstract and Company's general business profile :**

|   |                |                     |
|---|----------------|---------------------|
| i) Registration Details :   |                |                     |
| Registration No.  | :              | 11-32766            |
| State Code  | :              | 11                  |
| Balance Sheet Date  | :              | 31-03-2010          |
| ii) Capital raised during the year<br>(Amount in Rs. thousands)     |                |                     |
| Public Issue  | :              | Nil                 |
| Right Issue   | :              | Nil                 |
| Bonus Issue   | :              | Nil                 |
| Private Placement   | :              | Nil                 |
| iii) Payment of funds(Amount in Rs. thousands)                      |                |                     |
| Total Liabilities   | :              | 13818               |
| Total Assets  | :              | 13818               |
| <b>Source of Funds :</b>  |                |                     |
| Paid up Capital   | :              | 3700                |
| Reserves and Surplus  | :              | 9337                |
| Secured Loans   | :              | --                  |
| Unsecured Loans   | :              |                     |
| Deferred Tax Liability  | :              |                     |
| <b>Application of Funds :</b>                                       |                |                     |
| Net Fixed Assets  | :              | 256                 |
| Investments   | :              | 11915               |
| Net Current Assets  | :              | 869                 |
| Miscellaneous Expenditure   | :              | --                  |
| Accumulated Losses  | :              | --                  |
| Deferred Tax Assets   | :              | (3)                 |
| iv) Performance of Company<br>(Amount in Rs. thousands)             |                |                     |
| Turnover / Income   | :              | 1233                |
| Total Expenditure   | :              | 643                 |
| Profit / (Loss) before Tax  | :              |                     |
| Deferred Tax  | :              | 6                   |
| Profit / (Loss) after Tax   | :              | 436                 |
| Earnings per share (Rs.)  | :              | 1.18                |
| Dividend Rate (Rs.)   | :              | Nil                 |
| v) Generic Names of principal<br>products / services of the Company |                |                     |
| Item Code No. (ITC No.)   | :              | N.A.                |
| Product Description   | :              | Shares & Securities |
| For and on behalf of board of directors                             |                |                     |
|   | (Smriti Ranka) | (J. P. Khandelwal)  |
|   | Director       | Director            |

Place : Mumbai

Dated : 4th August,2010

**JUMBO FINANCE LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

|  | 2009 - 10<br>(In lakhs) | 2008 - 09<br>(In lakhs) |
|--|-------------------------|-------------------------|
| <b>A CASH FLOW FROM OPERATING ACTIVITIES</b>             |                         |                         |
| Net profit before Tax and Extra Ordinary Activities      | 5.90                    | 11.26                   |
| Adjustments for :  |                         |                         |
| (Profit)/ Loss on Sale of Investments                    | -                       | (7.68)                  |
| Depreciation   | 0.39                    | 0.10                    |
| Capital Issue Exps. W/off                                | 0.97                    | -                       |
| Operating Profit before Working Capital Changes          | 7.26                    | 3.68                    |
| Adjustments for :  |                         |                         |
| Trade & other receivables                                | 5.66                    | -                       |
| Trade payables and Provisions                            | (3.68)                  | (0.05)                  |
| Cash Generated from Operations                           | 9.24                    | 3.63                    |
| Direct Taxes/FBT (paid)/refund received                  | (0.73)                  | (0.04)                  |
| Cash flow before Extra Ordinary Items                    | 8.51                    | 3.59                    |
| Net Cash from Operating Activities                       | 8.51                    | 3.59                    |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>             |                         |                         |
| Increase in Loans, advances and deposits                 | (7.08)                  | (3.63)                  |
| Sale/(Purchase) of Fixed Assets (net)                    | -                       | -                       |
| Sale/(Purchase) of Investments                           | (3.75)                  | 0.70                    |
| Net Cash from Investing Activities                       | (10.83)                 | (2.93)                  |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>             |                         |                         |
| Proceeds from short term loans (Net of repayments)       | -                       | -                       |
| Net Cash from Financing Activities                       | -                       | -                       |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b> | <b>(2.32)</b>           | <b>0.66</b>             |
| Cash and Cash Equivalents Opening Balance                | 3.64                    | 2.98                    |
| Cash and Cash Equivalents Closing Balance                | 1.32                    | 3.64                    |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>         | <b>(2.32)</b>           | <b>0.66</b>             |

AS PER OUR REPORT OF EVEN DATE ATTACHED

For and on behalf of  
KARNAVAT & CO.  
Chartered Accountants

Sd/-  
(Krishna Karundia)  
Partner  
Membership No. 036681

192, Dr. D.N. Road  
Mumbai - 400001  
Dated: - 4th August, 2010

On behalf of the Board of directors

(Smriti Ranka)  
Director

(J.P.Khandelwal)  
Director

## JUMBO FINANCE LIMITED

Regd. Office: 805, Corporate Avenue, Sonawala Road, Goregaon (E), Mumbai - 400 063.

### PROXY

I/We \_\_\_\_\_  
of \_\_\_\_\_ being a member/members of  
**JUMBO FINANCE LIMITED**, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ or failing to him \_\_\_\_\_  
of \_\_\_\_\_ as my/our proxy attend and vote of  
my/our behalf at the 26<sup>th</sup> Annual General Meeting of the Company to be held on 13<sup>th</sup> September, 2010 at 11.00 A.M.  
and at adjournment thereof.

As witness my / our hand this \_\_\_\_\_ day \_\_\_\_\_ 2010.

Signed by the said

Affix Rs. 1  
Revenue  
Stamp

Note : The Proxy must be return so as to reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting.

Reg. Folio No.: \_\_\_\_\_

Share : \_\_\_\_\_

### ATTENDANCE SLIP

## JUMBO FINANCE LIMITED

Regd. Office: 805, Corporate Avenue, Sonawala Road, Goregaon (E), Mumbai - 400 063.

Please sign this attendane slip and hand it over at the entrance of the registered office.

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting held at Company registered office on 13<sup>th</sup> September, 2010.

Signature of the Shareholder / Proxy

Name of the Share-Holders (In Block Letters)

Reg. Folio No. \_\_\_\_\_

No. of Share held \_\_\_\_\_

Joint Holder \_\_\_\_\_

Book - Post

To, \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If undelivered, Please return to :

**JUMBO FINANCE LIMITED**

Regd. Office: 805, Corporate Avenue, Sonawala Road, Goregaon (E), Mumbai - 400 063.