

# **nuZone Electronics Limited**

Annual Report

2010 - 11

## **Directors' Report**

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To,  
The Members,  
nuZone Electronics Limited

Your Directors are pleased to present the First Annual Report together with the Audited Accounts of the Company for the Period ended 31st March, 2011.

### **FINANCIALS**

The Company has not commenced any commercial operations hence; there is no income during the period under report. Operating and other expenses resulted to the loss of Rs.18,770/- which has been carried to the Balance Sheet.

As members are aware, your Company is a subsidiary of Pantaloon Retail (India) Limited which is holding entire share capital of 50,000 equity shares of the Company along with its nominees.

### **CONVERSION AND CHANGE OF NAME OF THE COMPANY**

Your Company was originally incorporated as private limited company as Daarun Multitrading Private Limited on 22nd December, 2010. In order to reflect the new line of business activities the name of the Company was changed to nuZone Electronics Private Limited effective 10th June, 2011. Consequent to conversion of your Company from private limited to Public Limited Company the name was changed to its present name "nuZone Electronics Limited".

### **DIVIDEND**

In view of loss, your Directors do not recommend any dividend for the period ended 31st March, 2011.

### **FIXED DEPOSIT**

Your Company has not accepted any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 during the period under report.

### **SHARE CAPITAL**

The Authorised Shared Capital of the Company was increased from Rs. 1 lakh to Rs. 5 lacs. The Company has allotted 40,000 Equity Shares of Rs. 10/- each at par to M/s Pantaloon Retail (India) Limited (PRIL) on 17th June, 2011 and accordingly, the paid up Equity Share Capital of your Company stands at Rs. 5 lacs.

### **DIRECTORS**

Mr. Mithun Raval and Mr. Nitesh Kumar were the first directors of the Company. Consequent to purchase of shares by PRIL, Mr. Mithun Raval and Mr. Nitesh Kumar resigned as Directors of the Company w.e.f. 13th May, 2011. The Board placed on record its appreciation for the valuable services rendered by them during their tenure as Director.

Mr. Deepak Tanna, Mr. Tarun Bhargava and Mr. Vimal Dhruve were appointed as Additional Directors w.e.f. 13th May, 2011 by PRIL. As per provisions of the Section 260 of the

Companies Act, 1956, Mr. Tanna, Mr. Bhargava and Mr. Dhruve holds the office till the date of ensuing Annual General Meeting.

The Company has received notices under Section 257 of the Companies Act, 1956 from the members of the Company proposing Mr. Tanna, Mr. Bhargava and Mr. Dhruve as their candidatures for the office of Directors of the Company liable to retire by rotation. The proposal regarding their appointment as Director is placed for your approval.

#### **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:

- that in the preparation of the Annual Accounts for the financial period ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial period and of the loss of the Company for the period ended 31st March, 2011;
- that the Directors 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 frauds and other irregularities;
- that the Directors have prepared the accounts for the financial period ended 31st March, 2011 on a 'going concern' basis.

#### **AUDITORS**

M/s. NGS & Co., Chartered Accountants, Statutory Auditors of the Company, is retiring at the conclusion of the First Annual General Meeting are eligible for re-appointment and have expressed their willingness to accept office as such. The Company has received certificate from them to the effect that the re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Accordingly, members are requested to approve the re-appointment of M/s. NGS & Co., as Statutory Auditors and fix their remuneration as mentioned in the notice convening the Annual General Meeting.

#### **PARTICULARS OF EMPLOYEES**

The Company has no employee drawing the salary/remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 during the financial period ended 31st March, 2011.

#### **CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO & EXPORT INITIATIVE**

(A) Conservation of Energy & Technology Absorption

The particulars as prescribed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not applicable to your company.

(B) Foreign Exchange Earning and Outgo and Export Initiative

There are no earnings or outgo of foreign exchange during the period under review. The Company is not proposing in near future to go for any export or international business activities.

**ACKNOWLEDGEMENT**

The Board desires to place on record, its appreciation to Bankers, Government Agencies and other concerned departments and look forward to their continued patronage in future.

For and on behalf of the Board of  
**nuZone Electronics Limited**

Place : Mumbai  
Date : 23rd August, 2011

**Sd/-  
Deepak Tanna  
Director**

**Sd/-  
Tarun Bhargava  
Director**

**Auditor's Report**

To The Members of  
**Nuzone Electronics Limited**  
(Formerly Known as Daarun Multitrading Private Limited)

1. We have audited the attached Balance Sheet of Nuzone Electronics Limited (Formerly Known as Daarun Multitrading Private Limited) as at March 31, 2011 and also the Profit and Loss Account for the period 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 the 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. In our opinion and according to the information and explanations given to us, the Companies (Auditor's Report) Order, 2003 (CARO) (as amended) issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956 is not applicable to the company and hence this report does not include a statement on the matters specified in paragraphs 4 and 5 of the said order.

3. Further we report that:

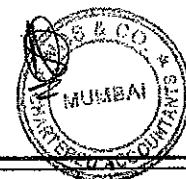
a. We have obtained all the Information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

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 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 Profit and Loss Account dealt with by this report are in compliance 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 March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on

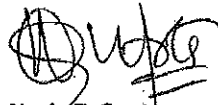


March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

f. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account read together with the significant Accounting policies and notes thereon, 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, in the case of:

- i) the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
- ii) the Profit and Loss Account, of the loss for the period ended on that date.

For NGS & Co  
Chartered Accountants  
Firm Registration No. 119850W



Navin T. Gupta  
Partner

Membership No. 40334  
Mumbai



23 AUG 2011

**NUZONE ELECTRONICS LIMITED**  
 (FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)  
**BALANCE SHEET AS AT MARCH 31, 2011**

	Schedules	As At 31.03.2011 (₹)
<b>SOURCES OF FUNDS :</b>		
Shareholders' Funds		
Share Capital	1	100,000
		100,000
		100,000
<b>APPLICATION OF FUNDS :</b>		
Current Assets, Loans and Advances		
Cash & Bank Balances	2	100,000
		100,000
<b>Less : Current Liabilities and Provisions</b>		
Current Liabilities	3	18,770
		18,770
<b>Net Current Assets</b>		81,230
Profit and Loss Account		18,770
		100,000

**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

5

The Schedules referred to above form an integral part of the Balance Sheet

As per our Report of even date attached

For and on behalf of Board of Directors

For NGS & CO.,

Chartered Accountants

Firm Registration No. 19850W

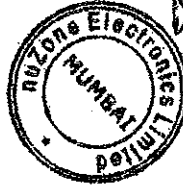
Navin T. Gupta

Partner

Membership No. 40334

Place : Mumbai

Date: 23 AUG 2011



Director

Director

**NUZONE ELECTRONICS LIMITED**  
 (FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)  
**PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011**

	Schedules	2010-11 (₹)
<b>INCOME</b>		
Sales & Operating Income		-
Other Income		-
<b>EXPENDITURE</b>		
Operating and other expenses	4	18,770
		18,770
<b>Loss Before Taxes</b>		18,770
Less: Tax Expenses		-
<b>Loss After Tax</b>		18,770
Balance carried to Balance Sheet		18,770
Earning Per Shares : Basic and Diluted ( Face value Rs.10)		(1.87)


**SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS** 5

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our Report of even date attached

For and on behalf of Board of Directors

For NGS & CO.,  
 Chartered Accountants  
 Firm Registration No.119850W

  
 Navin T. Gupta  
 Partner

Membership No.40334



  
 Director

  
 Director

Place : Mumbai

Date: 23 AUG 2011



**NUZONE ELECTRONICS LIMITED**  
**(FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)**  
**SCHEDULES TO BALANCE SHEET AS AT MARCH 31, 2011**

	As At 31.03.2011
	(₹)
<b>Schedule 1 : Share Capital</b>	
<b>Authorized</b>	
10,000 Equity Shares of Rs.10/- each fully paid	100,000
	100,000
<b>Issued, Subscribed &amp; Paid Up</b>	
10,000 Equity Shares of Rs.10/- each fully paid	100,000
	100,000
<b>Schedule 2 : Cash And Bank Balances</b>	
Cash in Hand	100,000
Balance with Scheduled Banks :	
- in Current Accounts (including in transit)	100,000
<b>Schedule 3: Current Liabilities and Provisions</b>	
Sundry Creditors	18,770
	18,770



**NUZONE ELECTRONICS LIMITED**

(FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)

**SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011**

	2010-1011
	(₹)
<b>Schedule 4: Operating and other expenses</b>	
Auditors remuneration	11,030
Preliminary Expenses written off	7,740
	<b>18,770</b>



**NUZONE ELECTRONICS LIMITED**  
 (FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)  
 Cash Flow Statement for the period ended Mar 31, 2011

Particulars	2010-11 (₹)
<b>A. Cash flow from operating activities</b>	
Net loss before taxation	(18,770)
Adjustments for:	
Depreciation	-
<b>Operating loss before working capital changes</b>	<b>(18,770)</b>
Adjustments for:	
Trade Receivable	-
Loans and advances	-
Trade payables and provisions	18,770
<b>Cash generated from operations</b>	<b>18,770</b>
Deduction of Income Tax	-
<b>Net cash from operating activities</b>	<b>-</b>
<b>B. Cash flow from investing activities</b>	
Purchase of fixed assets and capital work - in - progress	-
<b>Net cash from investing activities</b>	<b>-</b>
<b>C. Cash flow from financing activities</b>	
Equity Share Capital	100,000
<b>Net Cash used in financing activities</b>	<b>100,000</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>100,000</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>100,000</b>

Firm Registration No.119850W

**Cash and Cash Equivalents include:**  
 Cash in Hand

**100,000**

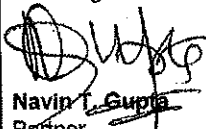
**Notes :**

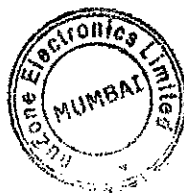
1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statement" issued by The Institute of Chartered Accountants of India (ICAI).

**As per our Report of even date attached**

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

For NGS & CO.,  
 Chartered Accountants  
 Firm Registration No.119850W

  
 Navin L. Gupta  
 Partner  
 Membership No.40334



  
 Director

  
 Director

Place : Mumbai

Date: 23 AUG 2011



**NUZONE ELECTRONICS LIMITED**

(FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)

**SCHEDULE 5 :SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting**

The financial statements are prepared under historical cost convention on accrual basis and in accordance with applicable accounting standards notified by the Government of India/issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

**2. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods. Difference between the actual results and estimates is recognised in the period in which the results are known/materialized.

**3. Earning per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**4- PRELIMINARY EXPENSES:**

Preliminary expenses are charged off to the Profit and Loss account as incurred.

**B. NOTES ON ACCOUNTS**

**1. Auditors Remuneration:**

Particulars	2010-11
	₹
Audit Fees	11,030



**2. Details of dues to Micro, Small and Medium Enterprises as per Micros Small and Medium Enterprise Development Act, 2006.**

The Company does not owe any amounts to micro, small or medium enterprise outstanding for more than 30 days. Also, there are no suppliers who are registered as micro, small or medium enterprise under "The Micro, Small and Medium Enterprise Development Act, 2006" as at March 31, 2011. The information regarding micro, small or medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

**3. Computation of Earnings Per Share**

Particulars	2010-11
Profit / (Loss) after tax (in Rs.)	(18,770)
Weighted average number of equity shares outstanding during the period - Basic (Nos)	10000
Weighted average number of equity shares outstanding during the period - Diluted (Nos)	10000
Earnings per share of Rs.10/- each - Basic and Diluted (Rs)	(1.87)

4. Since the company was incorporated on Dec.22, 2010, the first accounting period of company is from Dec.22, 2010 to March 31, 2011.

5. The company is small and medium sized company (SMC) as defined in general instructions in respect of Accounting Standards notified under Companies Act,1956. Accordingly companies have complied with the Accounting Standards as applicable to small and medium sized companies.

6. Additional information in pursuance of the provisions of the paragraph 3, 4C, 4D, Part II of Schedule VI of the Companies Act, 1956, to the extent.

As per our Report of even date attached

For and on behalf of Board of Directors

For NGS & CO.

Chartered Accountants

Firm Registration No.119850W

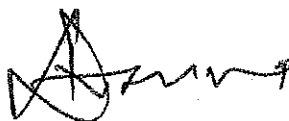
  
Navin.T.Gupta

Partner

Membership No.40334

Place: Mumbai





Director

  
Director

Dated: 23 AUG 2011






**NUZONE ELECTRONICS LIMITED**  
**(FORMERLY KNOWN AS DAARUN MULTITRADING PRIVATE LIMITED)**

**Balance Sheet Abstract and Company's General Business Profile**

Information Pursuant to part IV of Schedule VI of The companies Act 1956

<b>i) Registration details :</b>		State code : 011
Registration No.U51909MH2010PLC211232		
Balance Sheet date 31-03-2011		
<b>ii) Capital raised during the year (Amount in Rupees )</b>		
Public issue	-	Right issue -
Bonus Issue	-	Private placement 100,000
<b>iii) Position of Mobilisation and Deployment of Funds (Amount in Rupees)</b>		
Total Liabilities	100,000	Total Assets 100,000
<b>Source of Funds</b>		
Paid up Capital	100,000	Reserves & Surplus -
Share Application Money	-	Unsecured Loans -
Secured Loans	-	Deferred Tax Liability -
<b>Application of Funds</b>		
Net Fixed Assets	-	Investments -
Net Current Assets	81,230	Misc. Expenditure -
Accumulated Losses	18,770	
<b>iv) Performance of Company (Amount in Rupees)</b>		
Turnover	-	Total Expenditure 18,770
Loss before tax	18,770	Loss after tax 18,770
Earning per Share (Rs.)	(1.87)	Dividend Rate% -
<b>v) Generic names of three Principal Products / Services of the Company</b>		
Item Code No. (ITC Code)	NA	

<p><b>As per our Report of even date attached</b>                  For NGS &amp; CO.                  Chartered Accountants                  Firm Registration No.119850W</p>	<p><b>For and on behalf of Board of Directors</b></p>
<p>Navin T. Gupta                  Partner                  Membership No.40334</p>	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">                   Director             </div> <div style="text-align: center;">                   Director             </div> </div>
<p>Place : Mumbai                  Date: 23 AUG 2011</p>	