

SWAGTAM TRADING & SERVICES LIMITED

Balance Sheet

Amount in ₹

Particulars	Note	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	2.1	2,475,000	2,475,000
Reserves and surplus	2.2	5,754,706	(161,679)
		8,229,706	2,313,321
NON-CURRENT LIABILITIES			
Long-term Borrowings	2.3	679,000	679,000
		679,000	679,000
CURRENT LIABILITIES			
Short-term Borrowings	2.4	8,495,033	8,681,255
Short-term Provision	2.5	1,549,013	48,490
		10,044,046	8,729,745
		18,952,752	11,722,066
ASSETS			
NON-CURRENT ASSETS			
Investment	2.6	29,264	2,355,930
Long-term loans and advances	2.7	18,807,010	9,229,118
		18,836,274	11,585,048
CURRENT ASSETS			
Inventories	2.8	—	13,685
Cash and cash equivalents	2.9	103,230	123,334
Short-term loans and advances	2.10	13,248	—
		116,478	137,019
		18,952,752	11,722,066
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			
	1&2		

Note: See accompanying notes which are integral part of the Financial Statements

As per our even report attached
For Ghosh Khanna & Co.
 Chartered Accountants
 Firm's Registration No. 003366N

For Swagtam Trading & Services Ltd.

Ashish Ghosh
 Partner
 Membership No. 081732

Deepak Sharma
 Director
 DIN: 00293945

M. M. Saklani
 Director
 DIN: 00086575

Place: New Delhi
 Date : 26.05.2014

SWAGTAM TRADING & SERVICES LIMITED

Statement of Profit & Loss

Amount in ₹

Particulars	Note	Year ended March 31, 2014	Year ended March 31, 2013
REVENUE			
Revenue from Operations		7,363,196	—
Other Income	2.11	110,144	110,144
		7,473,340	110,144
EXPENSES			
Decrease in Stock in Trade	2.12	13,685	—
Administrative & other expenses	2.13	53,985	28,745
Finance Costs	2.14	—	1,416
Total Expenses		67,669	30,161
Profit before exceptional and extraordinary items and tax (III-IV)		7,405,671	79,983
Exceptional items		—	—
Profit before extraordinary items and tax (V - VI)		7,405,671	79,983
Extraordinary Items		—	—
PROFIT BEFORE TAX		7,405,671	79,983
Tax expense:			
Current tax		1,489,287	—
PROFIT FOR THE PERIOD		5,916,384	79,983
EARNING PER SHARE (Equity share of par value of 10 each)			
Basic		23.90	0.32
Diluted		23.90	0.32
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS			
	1&2		

Note: See accompanying notes which are integral part of the Financial Statements

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Notes which are integral part of financial statements for the year ended March 31, 2014

Swagtam Trading and Services Limited ("the Company") was incorporated on December 31, 1984 to carry on the business wholesalers, indenting agents and manufacturers representative, to carry on business of importers, exporters and to carry on the business of traders, agents, suppliers of product and commodities and to carry on the business of general finance, trust and to finance industrial enterprises. Certificate of Commencement of Business was issued by ROC on February 5, 1985.

1. Significant Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on under the historical cost convention, in compliance in accordance with Generally Accepted Accounting Principles (GAAP) in India on accrual basis. GAAP Comprises accounting standards as specified in rule 3 of the Companies (Accounting Standards) Rules 2006, and the relevant provisions of the Companies Act, 1956 to the extent applicable. Accounting policies have been consistently applied.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, reported amount of assets and liabilities and disclosure relating to contingent assets and liabilities as of the date of the financial statements. Accounting estimate could change from period to period and actual results could differ from those estimates.

1.3 Revenue recognition

Revenue is recognized on accrual basis. Dividend income is accounted for on receipt basis. Sale/purchase of securities is recognized on the basis of actual deliveries of securities. Profit/loss on sale of investments is arrived at considering average cost of investments.

1.4 Inventories

Securities, which are considered by the management as stock in trade, are valued at lower of cost or net realizable value. Transfer charges on securities purchased are added to the cost when paid. Cost of Stock is taken on Average cost method.

1.5 Investments

Securities, which are considered by management as investments, are valued at cost. Cost is determined on a weighted average basis. Transfer charges on securities purchased are added to the cost when paid. Earning from investments are accrued on declaration or receipt and the Tax deducted at Source thereon is treated as advance tax.

No provision has been made for diminution in the market value of investments amounting to Rs.19,664/-.

1.6 Employee benefits

There was no person employed during the year.

1.7 Foreign Currency Transactions

a. Expenditure in Foreign Currency : NIL

b. Income in Foreign Currency : NIL

1.8 Provisions and Contingencies

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

1.9 Taxes

Taxation, if any, is being provided at the rate prevailing during relevant period under normal provisions prescribed by the Income tax Act, 1961 and rules made thereunder.

1.10 Cash and Cash Equivalent

Cash and cash equivalents comprise cash in hand and accounts with banks.

SWAGTAM TRADING & SERVICES LIMITED

2.1 ShareCapital

In ₹

Particulars	As at March 31,	
	2014	2013
Authorised		
Equity shares 12,50,000 (Previous year 12,50,000) of par value Rs.10/- each	12,500,000	12,500,000
	12,500,000	12,500,000
Issued, Subscribed and Paid up		
Equity shares 2,47,500 (Previous year 2,47,500) of par value Rs.10/- each fully paid up	2,475,000	2,475,000
	2,475,000	2,475,000

Equity Shares

The equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders shall be eligible to receive any of the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

Reconciliation of the number of shares outstanding

Particulars	As at March 31st 2014		As at March 31st 2013	
	No. of shares	Value	No. of shares	Value
EQUITY SHARES				
Shares outstanding at the beginning of the year	247,500	2,475,000	247,500	2,475,000
Total Shares outstanding at the end of the year	247,500	2,475,000	247,500	2,475,000

2.2 Reserve and surplus

Particulars	As at March 31,	
	2014	2013
Profit & Loss Account		
Balance in Profit & Loss Account - Opening	(161,679)	(241,662)
Add : Profit during the year	5,916,384	79,983
Balance in Profit & Loss Account - Closing	5,754,706	(161,679)

SWAGTAM TRADING & SERVICES LIMITED

2.3 Long Term Borrowings

In ₹

Particulars	As at March 31,	
	2014	2013
Unsecured		
Long-term Borrowing from intercompany	679,000	679,000
	679,000	679,000

2.4 Short-term Borrowing

Particulars	As at March 31,	
	2014	2013
Short-term Borrowing from intercompany	8,495,033	8,681,255
	8,495,033	8,681,255

2.5 Short-term Provision

Particulars	As at March 31,	
	2014	2013
Provision for Income Tax	1,489,287	—
Provision for expenses	59,726	48,490
	1,549,013	48,490

2.6 Investment

Particulars	Face Value	Quantity	As at March 31, 2014	Quantity	As at March 31, 2013
A) EQUITY SHARES (QUOTED)					
Assam Company Ltd.	10	—	—	2,202,880	2,191,866
B) EQUITY SHARES (UNQUOTED)					
Buckingham Industries Ltd.	10	—	—	24,000	72,000
Decorous Investment & Trading Co. Ltd.	10	9,600	29,264	9,600	29,264
First & Second e. Com Pvt. Ltd.	1	—	—	1,260,000	62,800
		9,600	29,264	3,496,480	2,355,930

2.7 Long term loans and advances

In ₹

Particulars	As at March 31, 2014	As at March 31, 2013
	Unsecured considered good	
Long-term loans and advances to Intercompany	18,807,010	9,229,118
	18,807,010	9,229,118

There is no loan and advance due by directors or officers of the company or any of them either severally or jointly with any other persons or amounts due by firms or private companies in which any director is a partner or a member.

SWAGTAM TRADING & SERVICES LIMITED

2.8 Inventories

In ₹

Particulars	Face Value	Quantity	As at March 31, 2014	Quantity	As at March 31, 2013
Equity Shares (Quoted)					
JSW Ispat Steel Ltd.	10	140	—	140	1,763
Bells Controls Ltd.	10	7,948	—	7948	11,922
		8,088	—	7,948	13,685

Market Value of quoted Shares Rs. NIL (Pr. Year Rs.13685/-)

2.9 Cash and Cash equivalents

Particulars	As at March 31, 2014	As at March 31, 2013
Cash on hand	75,459	92,328
Balance with banks	27,771	31,006
	103,230	123,334

2.10 Short-term loans and advances

Particulars	As at March 31, 2014	As at March 31, 2013
Unsecured considered good		
Trade Recevables	13,248	—
	13,248	—

2.11 Other Income

Particulars	As at March 31, 2014	As at March 31, 2013
Dividend received	110,144	110,144
	110,144	110,144

2.12 Increase/Decrease in stock

Particulars	As at March 31, 2014	As at March 31, 2013
Opening Stock	13685	13685
Less: Closing Stock	—	13685
(Increase) / Decrease in stock	13,685	—

SWAGTAM TRADING & SERVICES LIMITED

2.13 Administrative & other expenses

Particulars	As at March 31, 2014	As at March 31, 2013
Professional charges	9,620	3,870
<u>Auditor's remuneration</u>		
Audit fee	11,236	11,236
Communication	2,405	—
Printing and stationery	3,205	—
Filing Fee	11,000	4,300
Sundry expenses	5,283	4,339
Listing Fee	11,236	5000
	53,985	28,745

2.14 Finance costs

Particulars	As at March 31, 2014	As at March 31, 2013
Bank charges	—	1,416
	—	1,416

2.15 Related Party Disclosures

a)	Name of the Related Parties :	
	Key Management Personnel	: 1. Sh. M. M. Saklani - Director 2. Sh. D. S. Bhandari - Director 3. Sh. Deepak Sharma - Director 4. Sh. Raj Kumar Gupta - Director
	Enterprises over which Key Management Personnel/Shareholders/ Relatives have significant influence	: 1. Aditya Dekoramik. Ltd. 2. Dune Leasing & Finance Ltd. 3. Firstandsecond e.com (P) Ltd.

b) Transactions with Related Parties		
Nature of Transaction	Key Management Personnel	Enterprises over which Key Management Personnel/Shareholders/ Relatives have significant influence
Balance outstanding as at the yr. end-Credit	—	7.99 Lacs

2.16 Quantitative details

The company is primarily engaged in sales and purchase of share and securities. There is no transaction during the year. There is only opening inventories that are given in Note No 2.8 of balance sheet Note as required under paragraph 5(viii) (c) of general instructions for preparation of Statement of Profit and Loss as per revised Schedule VI to the Companies Act, 1956.

2.17 Earning per share

The following is the computation of earnings per share :

Net profit as per P&L A/C	Rs. 5,916,384
Weighted average number of shares outstanding	Rs. 247,500
Weighted average number of equity shares & potential equity share equivalents outstanding	Rs. 247,500
Nominal Value of share	Rs. 10
Basic earning per share	Rs. 23.90
Diluted earning per share	Rs. 23.90

2.18 Post Balance Sheet Events

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

2.19 Loans & Advances

An advance of Rs. 92,14,118/- paid to Worldlink Finance Limited which is under litigation, recoverability of which is doubtful.

No interest income has been recognized during the period 1.4.2013 to 31.3.2014 on advances amounting to Rs. 1,88,07,010/-.

In the opinion of the Board all the Current Assets, Loans & Advances have a value on realization in ordinary course of business at least equal to the amount at which these are stated except stock of shares/debentures.

2.20 Corporate Gurantee/Security

During the year SICPA India Private Limited has sold 22 Lacs equity shares (through Stock exchange bearing STT) of Assam Company India Limited which were pledged with them for securing the repayment of the financial assistance of Rs. 440 Lacs granted by SICPA India Private Limited to Assam Company India Limited. Amount of sale proceeds which was retained by SICPA India Private Limited to recover their dues has been debited to the account of Assam Company India Limited.

2.21 Previous year figures

Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year classification/disclosure.

Note: The notes referred to above are an integral part of the Balance Sheet

As per our even report attached
For Ghosh Khanna & Co.
Chartered Accountants
Firm's Registration No. 003366N

For Swagtam Trading & Services Ltd.

Ashish Ghosh
Partner
Membership No. 081732

Deepak Sharma
Director
DIN: 00293945

M. M. Saklani
Director
DIN: 00086575

Place: New Delhi
Date : 26.05.2014