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**TWENTY NINTH ANNUAL REPORT**

**OF**

**SPECULAR MARKETING & FINANCING LIMITED**

**2012-2013**

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# **SPECULAR MARKETING & FINANCING LIMITED**

## **TWENTY NINTH ANNUAL REPORT**

### **Board of Directors :**

Shreyas R. Mehta

Samir M. Mehta

Kirit P. Mehta

Dilip N. Dalal

### **Auditors :**

M/s. H. Diwan & Associates

Chartered Accountants

### **Regd. Office :**

Hari Nivas, 2nd Floor,

26, Mama Parmanand Marg,

Opera House,

Mumbai-400 004.

### **Bankers :**

Royal Bank of Scotland

## SPECULAR MARKETING AND FINANCING LIMITED

Registered Office:  
Hari Nivas, 2nd Floor, 26, Mama Parmanand Marg,  
Opera House, Mumbai-400 004.

### NOTICE

**NOTICE** is hereby given that the **Twenty Ninth Annual General Meeting** of the members of **SPECULAR MARKETING & FINANCING LIMITED** shall be held on 22nd August, 2013 at the Registered Office of the Company at Hari Nivas, 2nd Floor, 26, Mama Parmanand Marg, Opera House, Mumbai-400 004, at 2.30 p.m. to transact the following ordinary business :

1. To receive, consider and adopt the Statement of Profit and Loss and the Balance Sheet for the year ended on 31 st of March, 2013 together with Auditors' Report and Directors' Report thereon.
2. To appoint a director in place of Shri Dilip N. Dalal who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a director in place of Shri Shreyas R. Mehta, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board of Directors.

Sd/-  
S.R. MEHTA  
Director

Place : Mumbai  
Date : 28-05-2013

**Registered Office :**  
Hari Nivas, 2nd Floor, 26, Mama Parmanand Marg,  
Opera House, Mumbai-400 004.

### **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 AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. And such proxies must be deposited at the Registered Office of the Company not less than forty eight hours before the commencement of the Annual General Meeting.
2. Shareholders are requested to bring their copies of Annual Report and Accounts alongwith them as extra copies will not be supplied due to high cost of paper and printing.
3. The Register of the members and Share Transfer Books of the Company will remain closed from 16th August, 2013 to 22nd August, 2013 (both days inclusive.)
4. Members are requested to intimate the change of address, if any, at the Registered Office of the Company.

# SPECULAR MARKETING AND FINANCING LIMITED

Registered Office:  
Hari Nivas, 2nd Floor, 26, Mama Parmanand Marg,  
Opera House, Mumbai-400 004.

## DIRECTORS' REPORT

The Members ,

Your Directors have pleasure in presenting the Twenty Ninth Annual Report of the Company together with the Audited Statement of Accounts for the year ended on 31 st March, 2013.

| <b>FINANCIAL RESULTS :</b>                                   | <b>2012-2013</b> | <b>2011-2012</b> |
|--|------------------|------------------|
|  | <b>(Rs.)</b>     | <b>(Rs.)</b>     |
| Profit before Taxes  | <b>1,89,610</b>  | 1,47,776         |
| Less : Provision of Taxes for the year                       | --               | 1,100            |
|  | <hr/>            | <hr/>            |
| Profit after Taxes   | <b>1,89,610</b>  | 1,46,676         |
| Add : Excess of Provision of<br>Tax of earlier period        | --               | 320              |
|  | <hr/>            | <hr/>            |
| Add : Balance of Profit & Loss Account<br>from previous year | <b>40,12,955</b> | 38,65,959        |
|  | <hr/>            | <hr/>            |
| Balance carried to Balance Sheet                             | <b>42,02,565</b> | 40,12,955        |
|  | <hr/> <hr/>      | <hr/> <hr/>      |

### **OPERATIONS :**

During the year under review the Company restricted its major activities to investments activities only. The Directors do not recommend any dividend for the financial year under review.

### **DIRECTORS :**

Shri Dilip N. Dalal and Shri Shreyas R. Mehta directors of the company, retire by rotation by virtue of the provisions of the Companies Act, 1956 and the Articles of Association of the Company but being eligible offer themselves for re-appointment.

### **COMPLIANCE CERTIFICATE :**

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a certificate from a Secretary in the whole time practice and a copy of such certificate is attached to this Report.

**PERSONNEL :**

The Company has no employee covered under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975.

Your Directors are happy to place on record their high appreciation of the contribution made by the employees at all levels through their sense of duty, dedication and devotion towards the operations of the Company.

**DEPOSITS :**

The Company has not accepted any deposits from the Public.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibilities Statement, it is hereby confirmed,

- i. that in the preparation of the annual accounts for the financial year ended 31 st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures ;
- ii. that the directors had selected such accounting policies and applied them consistently and made judgements 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 year under review; and of the profit of the Company for the financial year ended 31st March, 2013;
- iii. that the directors had 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;
- iv. that the directors had prepared the accounts for the financial year ended 31st March, 2013, on a going concern basis.

**AUDITORS :**

The Auditors, M/s. H. Diwan & Associates, Chartered Accountants, will retire at the forthcoming Annual General Meeting and are eligible for re-appointment. They have furnished a certificate to the effect that proposed re-appointment, if made, will be in accordance with Section 224(1)(B) of the Companies Act, 1956.

**INFORMATION AS PER SECTION 217(1)(E) :**

Information as per Section 217(1)(e) of the Companies Act 1956 and the Disclosure of particulars in the report of the Board of Directors Rules, 1988. The following information is furnished for the year ended 31st March, 2013.

|  |   |                |
|--|---|----------------|
| Particulars with respect to Conservation to Energy   | - | Not Applicable |
| Particulars with respect to Absorption of Technology | - | Not Applicable |
| Foreign Exchange Earnings and Outgoings              | - | Nil            |

By Order of the Board of Directors,

Place : Mumbai  
Date : 28-05-2013

Sd/-  
S.R. MEHTA  
Director

## COMPLIANCE CERTIFICATE

CIN No. : L 51900 MH 1985 PLC 034994

Nominal Capital: Rs. 25,00,000/-

To,  
The Members  
Specular Marketing and Financing Limited  
Mumbai

I have examined the registers, records, books and papers of **Specular Marketing and Financing Limited** (the company) 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 on **31st March, 2013** (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in the Annexure 'A' to this certificate, as per the provisions of the Act and rules made thereunder and all entries therein have been duly recorded.
2. The Company has filed the forms and returns as stated in the Annexure 'B' to this certificate, with the Ministry of Corporate Affairs within the time prescribed under the Act and rules made thereunder.
3. The Company being a Public Limited Listed Company has the minimum prescribed paid up capital. The Paid up Capital is Rs. 24,80,000/-.
4. The Board of Directors duly met Eight times on 29th May, 2012; 13th August, 2012; 4th September, 2012; 24th September, 2012; 5th October, 2012; 7th November, 2012; 5th February, 2013 and 12th February, 2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 26th August, 2012 to 3rd September, 2012 (both days inclusive).
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 3rd September, 2012 after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors or Persons or Firms or Companies referred under Section 295 of the Companies Act, 1956.
9. During the financial year under review, the Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the register maintained under Section 301 of the Act.
11. As there were no instances falling under 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 Share Certificate(s) during the financial year.

13. The Company has :
  - (i) not allotted/transferred/transmitted any securities during the financial year.
  - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
  - (iii) not posted any warrants to any member of the Company as no dividend was declared during the financial year.
  - (iv) not transferred any amount to Investor Education and Protection Fund, as there was no unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid.
  - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of additional directors, alternate directors and directors to fill casual vacancy.
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 agents during the year.
17. The Company was not required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other 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 transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus shares pending registration of the transfer of shares in compliance with the provisions of the Act.
23. The Company has not accepted / invited any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year.
24. The Company has not made any borrowings during the financial year.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate, however the Company has made investment and hence necessary entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the financial year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the financial year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the financial year under scrutiny.

29. The Company has not altered the provisions of the Memorandum with respect to share capital of the company during the financial year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the Company during the financial year, for the 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 a Provident Fund u/s 418 of the Act.

The above report is based on the information/records and registers made available to me as were found, to the best of my knowledge, to be necessary for the purpose of Audit.

Place: Mumbai  
Date: 28.05.2013

Sd/-  
Prashant Diwan  
C.P. No: 1979

#### ANNEXURE 'A'

##### **Registers as maintained by the Company.**

1. Register of Investment u/s 49 of the Act.
2. Register of Members u/s 150 of the Act.
3. Minutes Book u/s 193 of the Act.
4. Register of Directors u/s 303 of the Act.
5. Register of Directors' Shareholding u/s 307 of the Act.
6. Register of Transfer

#### ANNEXURE 'B'

##### **Forms and Returns as filed by the Company with the Ministry of Corporate Affairs, during the financial year ended on 31st March, 2013.**

1. **Form 18** in respect of Shifting of Registered Office address of the Company filed on **4th September, 2012** vide Challan No. **B56782188**.
2. **Form 66** in respect of submission of Compliance Certificate for the year ended **31st March, 2012** filed on **8th September, 2012** vide Challan No. **P88814157**.
3. **Form 20B** in respect of filing of Annual Return made up to **3rd September, 2012** filed on **18th September, 2012** vide Challan No. **P88954987**.
4. **Form 23AC & Form 23ACA XBRL** in respect of filing of Balance Sheet as at **31st March, 2012** & Profit and Loss Account for the year ended on that date as adopted by the members at the Annual General Meeting of the Company held on **3rd September, 2012** were filed on **8th December, 2012** vide Challan No. **Q04068961**.

Place: Mumbai  
Date: 28.05.2013

Sd/-  
Prashant Diwan  
C.P. No: 1979



# INDEPENDENT AUDITORS' REPORT

To The Members Of

## Specular Marketing & Financing Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Specular Marketing & Financing 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 accounting principles generally accepted in India, including the 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.

### 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) 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 a statement on the matters specified in paragraphs 4 and 5 of the 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 subsection (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 H. DIWAN & ASSOCIATES  
Chartered Accountants

Sd/-

HITESH DIWAN

Proprietor

Membership No. 35079

Place : Mumbai

Date : 28th May, 2013

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT\*

(Annexure referred to in paragraph 3 of our report of even date Re: Specular Marketing & Financing Limited ('the Company))

- (i) In respect of fixed assets:
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - (b) As explained to us, all the fixed assets have been physically verified by the management periodically which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancy were noticed on such physical verification.
  - (c) During the year, the Company has not disposed off any part of the fixed assets.
- (ii) The Company did not have any inventory during the year. Accordingly, provisions of clauses 4(ii)(a), 4(ii)(b) and of the Order in respect of physical verification of inventory, procedure of physical verification followed by the Company and maintenance of proper records of inventory are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) There were no transactions for purchases of inventory and fixed assets and the sale of goods and services during the year and hence, the question of reporting on the adequacy of the internal control system with regards to the purchase or sale of the aforesaid items does not arise. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in internal control system of the Company in respect of these areas.
- (v) According to the information and explanations provided by the management, we are of the opinion that there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act. Accordingly, clause 4(v)(b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have any formal internal audit system. However it has adequate internal control procedure commensurate with the size of the Company and the nature of its business.
- (viii) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 4(viii) of the Order are not applicable to the Company.
- (ix)
  - (a) Undisputed statutory dues including income-tax, and other material statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to provident fund, employee's state insurance, investor education and protection fund, wealth-tax, custom duty, sales-tax, service tax, excise duty and cess are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
  - (c) According to the information and explanation given to us, there are no dues of income-tax, which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (xi) The Company has not taken any loan from a financial institution, bank or debenture holders. Accordingly, provisions of clause 4(xi) of the Order. in respect of default in repayment of dues to a financial institution, bank or debenture holders are not applicable to the Company.
- (xii) According to the information and explanations given to us and based on the documents and records produced 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 or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act.
- (xix) The Company did not have any outstanding debentures during the year
- (xx) The Company has not raised any money through public issue 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 year.

**For H. DIWAN & ASSOCIATES**  
Chartered Accountants

Sd/-

**HITESH DIWAN**

Proprietor

Membership No. 35079

Place : Mumbai  
Date : 28th May, 2013

# SPECULAR MARKETING & FINANCING LIMITED

## BALANCE SHEET AS ON 31 ST MARCH - 2013

|           |  | Note   | AS AT             | Amounts in INR    |
|-----------|--|--------|-------------------|-------------------|
|           |  | Number | <u>31-03-2013</u> | <u>AS AT</u>      |
|           |  |        |                   | <u>31-03-2012</u> |
| <b>I</b>  | <b>Equity and Liabilities</b>              |        |                   |                   |
| 1         | <b>Shareholder's Funds</b>                 |        |                   |                   |
|           | a) Share capital                           | 3      | 2480000           | 2480000           |
|           | b) Reserves and surplus                    | 4      | <u>4202565</u>    | <u>4012955</u>    |
|           | <b>Total shareholder's funds</b>           |        | <u>6,682,565</u>  | <u>6,492,955</u>  |
| 2         | <b>Non - current liabilities</b>           |        |                   |                   |
|           | a) Long term borrowings                    |        | -                 | -                 |
|           | b) Deferred tax liabilities (net)          |        | -                 | -                 |
|           | c) Long term provisions                    |        | -                 | -                 |
|           | <b>Total non - current liabilities</b>     |        | <u>-</u>          | <u>-</u>          |
| 3         | <b>Current liabilities</b>                 |        |                   |                   |
|           | a) Short term borrowings                   |        | -                 | -                 |
|           | b) Trade payables                          |        | -                 | -                 |
|           | c) Other current liabilities               | 5      | 15,137            | 15,033            |
|           | d) Short term provisions                   | 6      | <u>1,100</u>      | <u>1,100</u>      |
|           | <b>Total Current liabilities</b>           |        | <u>16,237</u>     | <u>16,133</u>     |
|           | <b>Total of Equity and liabilities</b>     |        | <u>6,698,802</u>  | <u>6,509,088</u>  |
| <b>II</b> | <b>Assets</b>                              |        |                   |                   |
|           | <b>Non current assets</b>                  |        |                   |                   |
| 1         | a) Fixed Assets                            |        |                   |                   |
|           | (i) Tangible assets                        | 7      | 585               | 714               |
|           | b) Non current investments                 | 8      | 6,453,776         | 6,124,840         |
|           | c) Long term loans and advances            | 9      | 25,000            | 25,000            |
|           | <b>Total non current assets</b>            |        | <u>6,479,361</u>  | <u>6,150,554</u>  |
| 2         | <b>Current assets</b>                      |        |                   |                   |
|           | a) Current investments                     |        | -                 | -                 |
|           | b) Inventories                             |        | -                 | -                 |
|           | c) Trade receivables                       |        | -                 | -                 |
|           | d) Cash and cash equivalents               | 10     | 217,441           | 354,534           |
|           | e) Short term loans and advances           |        | -                 | -                 |
|           | f) Other current assets                    | 11     | <u>2,000</u>      | <u>4,000</u>      |
|           | <b>Total current assets</b>                |        | <u>219,441</u>    | <u>358,534</u>    |
|           | <b>Total assets</b>                        |        | <u>6,698,802</u>  | <u>6,509,088</u>  |
|           | Summary of Significant accounting policies | 2      |                   |                   |

*As per our report of even date*

**For H. Diwan & Associates**  
Chartered Accountants  
(Firm Registration Number: 102659W)

Sd/-  
Hitesh Diwan  
**Proprietor**  
Membership Number: 035079

**For and on behalf of Board of Directors of  
Specular Marketing & Financing Limited**

|  |   |   |
|--|---|---|
| Sd/-<br>Mr Shreyash Mehta<br><b>Director</b> | Sd/-<br>Mr Samir Mehta<br><b>Director</b> | Sd/-<br>Mr Kirit Mehta<br><b>Director</b> |
|--|---|---|

Place: Mumbai  
Date: 28.05.2013

Place: Mumbai  
Date: 28.05.2013

**SPECULAR MARKETING & FINANCING LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013**

|            |   |                | Amounts in INR |
|------------|---|----------------|----------------|
|            | Note<br>Number  | 2012 - 13      | 2011 - 12      |
| I          | Revenue from operations   | 432,115        | 372,192        |
| II         | Other income  | -              | 6,747          |
| <b>III</b> | <b>Total Revenue (I + II)</b>                                   | <u>432,115</u> | <u>378,939</u> |
| IV         | Expenses  |                |                |
|            | Employee benefits expense                                       | 70,000         | 70,000         |
|            | Depreciation and amortization expenses                          | 129            | 158            |
|            | Other expenses  | 172,376        | 161,005        |
|            | <b>Total expenses</b>   | <u>242,505</u> | <u>231,163</u> |
| V          | Profit before exceptional items,<br>extraordinary items and tax | 189,610        | 147,776        |
| VI         | Exceptional items   | -              | -              |
| VII        | Profit before extraordinary items and tax                       | 189,610        | 147,776        |
| VIII       | Extraordinary items   | -              | -              |
| IX         | Profit before taxes (VII - VIII)                                | 189,610        | 147,776        |
| X          | Tax expenses:   |                |                |
|            | 1. Current tax  | -              | 1,100          |
|            | 2. Deferred tax   | -              | -              |
| XI         | Profit / (Loss) for the year for the period                     | 189,610        | 146,676        |
| XVI        | Earnings per share:   |                |                |
|            | 1. Basic  | 0.76           | 0.59           |
|            | 2. Diluted  | 0.76           | 0.59           |
|            | Summary of Significant accounting policies                      | 2              |                |

*As per our report of even date*

**For H. Diwan & Associates**  
Chartered Accountants  
(Firm Registration Number: 102659W)

**For and on behalf of Board of Directors of  
Specular Marketing & Financing Limited**

Sd/-  
Hitesh Diwan  
**Proprietor**  
Membership Number: 035079

Sd/-  
Mr Shreyash Mehta  
**Director**

Sd/-  
Mr Samir Mehta  
**Director**

Sd/-  
Mr Kirit Mehta  
**Director**

Place: Mumbai  
Date: 28.05.2013

Place: Mumbai  
Date: 28.05.2013

## SPECULAR MARKETING & FINANCING LIMITED

### Cash Flow Statement for the year ended 31st March, 2013

| <u>Particulars</u>   | <u>Current Year</u> | <u>Amounts in INR</u> |                  |
|--|---------------------|-----------------------|------------------|
|  |                     | <u>Previous Year</u>  |                  |
| <b>A. Cash flow from operating activities</b>                          |                     |                       |                  |
| Net Profit / (Loss) before extraordinary items and tax                 | 189,610             |                       | 147,776          |
| Adjustments for:   |                     |                       |                  |
| Depreciation and amortisation  | 129                 |                       | 158              |
| Profit on sale of assets   | -                   |                       | (6,747)          |
| Interest or Dividend income  | (432,115)           |                       | (372,192)        |
| Provision for Current Tax  | -                   |                       | (1,100)          |
| Provision no longer required written off                               | -                   |                       | 320              |
|  | <u>(431,986)</u>    | <u>(431,986)</u>      | <u>(379,561)</u> |
| Operating profit before working capital changes                        | <u>(242,376)</u>    | <u>(379,561)</u>      | <u>(231,785)</u> |
| Changes in working capital:  |                     |                       |                  |
| <i>Adjustments for (increase) / decrease in operating assets:</i>      |                     |                       |                  |
| Short-term loans and advances  |                     |                       |                  |
| Other current assets   | 2,000               |                       | 561,680          |
| Long term loans and advances   | -                   |                       | (25,000)         |
| <i>Adjustments for increase / (decrease) in operating liabilities:</i> |                     |                       |                  |
| Other current liabilities  | 104                 |                       | 521              |
| Short-term provisions  | -                   |                       | (558,900)        |
|  | <u>2,104</u>        | <u>2,104</u>          | <u>(21,699)</u>  |
|  | <u>(240,272)</u>    | <u>(240,272)</u>      | <u>(253,484)</u> |
| Cash flow from extraordinary items                                     | -                   | -                     | -                |
| Cash generated from operations   | <u>(240,272)</u>    | <u>(240,272)</u>      | <u>(253,484)</u> |
| Net income tax refunds   | -                   | -                     | -                |
| <b>Net cash flow from / (used in) operating activities (A)</b>         | <u>(240,272)</u>    | <u>(240,272)</u>      | <u>(253,484)</u> |
| <b>B. Cash flow from investing activities</b>                          |                     |                       |                  |
| Purchase of fixed assets   | -                   |                       | 6,747            |
| Proceeds from sale of Investments (Net)                                | -                   |                       | (167,190)        |
| (Increase) / Decrease in Investments                                   | (328,936)           |                       | 372,192          |
| Dividend / Interest received   | <u>432,115</u>      | <u>103,179</u>        | <u>211,749</u>   |
|  | <u>103,179</u>      | <u>103,179</u>        | <u>211,749</u>   |
| <b>Net cash flow from investing activities (B)</b>                     | <u>103,179</u>      | <u>103,179</u>        | <u>211,749</u>   |
| <b>C. Cash flow from financing activities</b>                          |                     |                       |                  |
| <b>Net cash flow from / (used in) financing activities (C)</b>         | -                   | -                     | -                |
| <b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>  | <u>(137,093)</u>    | <u>(137,093)</u>      | <u>(41,735)</u>  |
| Cash and cash equivalents at the beginning of the year                 | <u>354,534</u>      | <u>354,534</u>        | <u>396,269</u>   |
| <b>Cash and cash equivalents at the end of the year *</b>              | <u>217,441</u>      | <u>217,441</u>        | <u>354,534</u>   |
| * Comprises:   |                     |                       |                  |
| (a) Cash on hand   | 29,955              |                       | 50,642           |
| (b) Balances with banks  |                     |                       |                  |
| In current accounts  | <u>187,486</u>      | <u>187,486</u>        | <u>303,892</u>   |
|  | <u>217,441</u>      | <u>217,441</u>        | <u>354,534</u>   |

*As per our report of even date*

**For H. Diwan & Associates**  
Chartered Accountants  
(Firm Registration Number: 102659W)

Sd/-  
Hitesh Diwan  
Proprietor  
Membership Number: 035079

Place: Mumbai  
Date: 28.05.2013

**For and on behalf of Board of Directors of  
Specular Marketing & Financing Limited**

|                               |                            |                            |
|-------------------------------|----------------------------|----------------------------|
| Sd/-                          | Sd/-                       | Sd/-                       |
| Mr Shreyash Mehta<br>Director | Mr Samir Mehta<br>Director | Mr Kirit Mehta<br>Director |

Place: Mumbai  
Date: 28.05.2013

# **SPECULAR MARKETING & FINANCING LIMITED**

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1 Corporate information:**

Specular Marketing & Financing Limited (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is established with the object of carrying on the business of marketing, financing and investments activities.

### **2 Summary of significant Accounting Policies**

#### **a. Basis of Preparation of Financial Statements**

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

#### **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 results and estimates are recognised in the period in which the results are known/materialised.

#### **c. Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment loss, if any. All costs, attributable to the fixed assets are capitalized.

#### **d. Depreciation and Amortisation**

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life.

#### **e. Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

#### **f. Investment**

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

#### **g. Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes income from Dividends and income from sale of shares and units of mutual funds. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

#### **h. Employee Benefits**

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

#### **i. 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 taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

#### **j. Provision, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on 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 estimate. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.





## SPECULAR MARKETING & FINANCING LIMITED

Note 7

Amounts in INR

| Fixed assets as at 31 March, 2013 |                     |                 |          |                 |                 |          |                 |           |          |
|-----------------------------------|---------------------|-----------------|----------|-----------------|-----------------|----------|-----------------|-----------|----------|
| Sr No                             | Nature of asset     | Gross Block     |          |                 | Depreciation    |          |                 | Net Block |          |
|                                   |                     | Opening balance | Addition | Closing balance | Opening balance | Addition | Closing balance | 31-03-13  | 31-03-12 |
| 1                                 | Furniture & Fixture | 37,852          | -        | 37,852          | 37138           | 129      | 37267           | 585       | 714      |
|                                   | Current Year        | 37,852          | -        | 37,852          | 37138           | 129      | 37267           | 585       | 714      |
|                                   | Previous Year       | 37,852          | -        | 37,852          | 36980           | 158      | 37138           | 714       |          |

Note 8

**Non-Current Investments**

**1. In Equity Shares - Quoted Fully Paid up**

|  | As at<br>31st March, 2013 | As at<br>31st March, 2012 |
|--|---------------------------|---------------------------|
| 2071 Tata Iron & Steel Ltd.<br>(2071) of Rs. 10/- each | 363,546                   | 363,546                   |
| 150 Larsen & Toubro Ltd.<br>(150) of Rs. 2/- each      | 5,138                     | 5,138                     |
| 50 Punjab & Sind Bank Ltd.<br>(50) of Rs. 10/- each    | 6,000                     | 6,000                     |
|  | <u>374,684</u>            | <u>374,684</u>            |

**2. In Mutual Fund - Quoted Fully Paid up**

|   |                  |                  |
|---|------------------|------------------|
| 6057.522 Units of Tata Floater Fund<br>of Rs. 1000/- each<br>L/Y 572976 Units of Rs. 10/- each) | 6,079,092        | 5,750,156        |
|   | <u>6,079,092</u> | <u>5,750,156</u> |

**Total Non Current Investments 1 + 2**

|  |                  |                  |
|--|------------------|------------------|
|  | <u>6,453,776</u> | <u>6,124,840</u> |
|--|------------------|------------------|

**Aggregate Market Value of Quoted Investment**

|  |           |           |
|--|-----------|-----------|
|  | 69,34,847 | 6,924,132 |
|--|-----------|-----------|

Note 9

**Long term loans and advances**

*Unsecured, considered good:*

|   |               |               |
|---|---------------|---------------|
| Vat Deposit                               | 25,000        | 25,000        |
| <b>Total long term loans and advances</b> | <u>25,000</u> | <u>25,000</u> |

Note 10

**Cash and cash equivalents**

|  | As at<br>31st March, 2013 | As at<br>31st March, 2012 |
|--|---------------------------|---------------------------|
| Cash on hand                           | 29,955                    | 50,642                    |
| Balances with banks                    | 187,486                   | 303,892                   |
| <b>Total cash and cash equivalents</b> | <u>217,441</u>            | <u>354,534</u>            |

Note 11

**Other current assets**

|                  |              |              |
|------------------|--------------|--------------|
| Prepaid expenses | 2,000        | 4,000        |
| <b>Total</b>     | <u>2,000</u> | <u>4,000</u> |

## SPECULAR MARKETING & FINANCING LIMITED

### Notes to Statement of Profit and Loss

Amounts in INR

|  |                     |                              |                     |                     |
|--|---------------------|------------------------------|---------------------|---------------------|
| <b>Note 12</b>                           |                     |                              |                     |                     |
| <b>Revenue from operations</b>           |                     | <b>Year 2012-13</b>          |                     | <b>Year 2011-12</b> |
| Dividend                                 |                     | 432115                       |                     | 372192              |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Total revenue from operations</b>     |                     | <b>432115</b>                |                     | <b>372192</b>       |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Note 13</b>                           |                     |                              |                     |                     |
| <b>Other income</b>                      |                     |                              |                     |                     |
| Profit on Sale of Shares / Units         |                     | -                            |                     | 6,747               |
| Miscellaneous income                     |                     | -                            |                     | -                   |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Total other income</b>                |                     | <b>-</b>                     |                     | <b>6,747</b>        |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Note 14</b>                           |                     |                              |                     |                     |
| <b>Employees benefit expenses</b>        |                     |                              |                     |                     |
| Salary                                   |                     | 70,000                       |                     | 70,000              |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Total employees benefits expenses</b> |                     | <b>70,000</b>                |                     | <b>70,000</b>       |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Note 15</b>                           |                     |                              |                     |                     |
| <b>Other expenses</b>                    |                     |                              |                     |                     |
| Advertisement & publicity                |                     | 46152                        |                     | 33173               |
| Audit fees                               |                     | 13000                        |                     | 13000               |
| Conveyance expenses                      |                     | 850                          |                     | 2183                |
| Listing fees                             |                     | 16854                        |                     | 20198               |
| Miscellaneous expenses                   |                     | 24421                        |                     | 25098               |
| Office maintenance expenses              |                     | 23557                        |                     | 22914               |
| Professional fees                        |                     | 45542                        |                     | 42439               |
| Professional tax                         |                     | 2000                         |                     | 2000                |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Total other expenses</b>              |                     | <b>172376</b>                |                     | <b>161,005</b>      |
|  |                     | <hr/>                        |                     | <hr/>               |
| <b>Note 16</b>                           |                     |                              |                     |                     |
| <b>Related Party Disclosures</b>         |                     |                              |                     |                     |
| <b>Related Party</b>                     | <b>Relationship</b> | <b>Nature of transaction</b> | <b>Year 2012-13</b> | <b>Year 2011-12</b> |
|  |                     |                              | <b>Amount</b>       | <b>Amount</b>       |
| 1. Mr. K. P. Mehta                       | Director            | Professional Fees            | 6741                | 6,618               |
|  |                     |                              | <hr/>               | <hr/>               |

**Note 17**

The Directors have waived the sitting fees for meetings attended by them during the year.

**Note 18**

Based on the information available with the Company, there are no suppliers who are registered as micro or small enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006" as at 31st March, 2013.

# **SPECULAR MARKETING & FINANCING LIMITED**

## **Notes to Balance Sheet**

### **Note 19**

#### **Segment Reporting**

On applying the definition under 'Accounting Standard 17' for business segment and geographical segment; the Company has not identified more than one 'business segment' or 'geographical segment'.

### **Note 20**

In the opinion of the Board of Directors, the Current Assets, Loans and Advances are of the value stated, if realised in the ordinary course of business of the Company. The provisions for all known liabilities are adequate and are not in excess of what is reasonably necessary.

### **Note 21**

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

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*As per our report of even date*

**For H. Diwan & Associates**

Chartered Accountants

(Firm Registration Number: 102659W)

Sd/-

Hitesh Diwan

**Proprietor**

Membership Number: 035079

**For and on behalf of Board of Directors of  
Specular Marketing & Financing Limited**

Sd/-

Mr Shreyash Mehta

**Director**

Sd/-

Mr Samir Mehta

**Director**

Sd/-

Mr Kirit Mehta

**Director**

Place: Mumbai

Date: 28.05.2013

Place: Mumbai

Date: 28.05.2013

