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***SVARAJ TRADING & AGENCIES LIMITED***

***ANNUAL REPORT 2009-2010***

# **SVARAJ TRADING & AGENCIES LIMITED**

## **BOARD OF DIRECTORS**

**SHRI RAJENDRA SOMANI  
SHRI ADARSH SOMANI  
SHRI V. N. KHANNA  
SHRI B. K. SINGHI**

## **BANKERS**

**CENTRAL BANK OF INDIA  
PUNJAB NATIONAL BANK  
BANK OF BARODA**

## **AUDITORS**

**S. G. KABRA & CO.  
Chartered Accountants,  
MUMBAI**

## **REGISTERED OFFICE**

**1076, DR. E. MOSES ROAD,  
WORLI,  
MUMBAI 400 018**

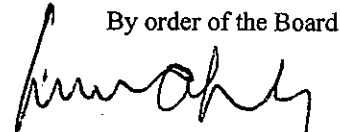
# SVARAJ TRADING & AGENCIES LIMITED

## NOTICE

NOTICE is hereby given that the THIETYEITH Annual General Meeting of the Company will be held at the Registered office of the Company at 1076, Dr. E. Moses Road, Worli, Mumbai 400 018, on Thursday the 30<sup>th</sup> September, 2010 at 2.30 P.M. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March'2010 and the Profit & Loss Account for the year ended on that date of the Company and the Report of Directors' And Auditors' thereon.
2. To appoint a Director in place of Shri V.N. Khanna & Shri Adarsh Somani who retires by rotation and being eligible , offers himself for reappointment
3. To appoint Auditors and fix their remuneration.

By order of the Board



(RAJENDRA SOMANI)  
Director

Place :-Mumbai

Date :- 2<sup>nd</sup> September'2010

### NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend vote instead of himself and the proxy need not be a member of the Company.

# SVARAJ TRADING & AGENCIES LIMITED

## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting the THIRTHEITH Annual Report together with the Audited Statement of Accounts for the year ended 31st March'2010.

### FINANCIAL HIGHLIGHTS :

	Rs. In Lacs	
	Current Year	Previous Year
Gross Profit \ (Loss)	(180.72)	(180.72)
Less : Interest	0.00	0.00
Depreciation	0.00	0.00
Provision for Income Tax	0.00	0.00
Leaving a Balance	(180.72)	(180.72)
Balance brought forward from previous year	(461.96)	(461.96)
Balance carried to balance Sheet	(642.68)	(642.68)

### DIVIDENDS :

Your Directors do not recommend any dividend, for the year.

### FIXED DEPOSITS :

During the year under review the Company has not accepted any-deposit from the public.

### SUBSIDIARY COMPANY :

The statement of subsidiary Company as required under section 212 of the Companies Act, 1956 as annexed hereto and form part of this report.

### PARTICULARS OF EMPLOYEES :

None of the employees are drawing salary and allowance exceeding the limits prescribed U/S. 217(2A) of the Companies Act, 1956 hence the information need not to be given.

### CONSOLIDATION OF ACCOUNTS:

In accordance with the Accounting Standard 21 issued by ICAI Consolidated Financial Statement forms part of this Report & accounts.

### CONSERVATION OF ENERGY, TECHNOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :

Since the Company has no manufacturing activities the disclosure of particulars as required under Section 217 (1) (e) of the Companies Act 1956, read with the (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 are not applicable in so far it relates to the conservation of energy and technology absorptions.

There were no foreign exchange earnings and outgo during the year under review :

### DIRECTORS RESPONSIBILITY STATEMENT AS PER SECTION 217(2AA) OF THE COMPANIES ACT,1956.

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to director's responsibility statement, it is hereby confirmed.

- i) that in the preparation of the accounts for the financial year ended 31<sup>st</sup> March'2010 the applicable accounting standards have been followed

- j) that the director's have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 and of the profit or loss of the company for the year under review.
- k) 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 safeguard of the assets of the company and for preventing and detecting fraud and other irregularities;
- l) that the directors have prepared the accounts for the financial year ended 31<sup>st</sup> March'2010 on a 'going concern' basis.

**CERTIFICATE OF COMPLIANCE :**

The Certificate of Compliance for all the provisions the Companies Act 1956, by a secretary in whole time practice is attached hereto, as required under section 383 A of the said Act.

**LISITING :**

Your Company is listed with The Bombay Stock Exchange Limited P. J. Towers, Dalal Street, Mumbai 400 001.

**DIRECTORS :**

Shri V. N. Khanna & Shri Adarsh Somani Director of the Company retires by rotation under the Company's Articles of Association and is eligible for re-appointment

**AUDITORS :**

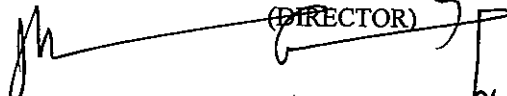
Members are requested to appoint Auditors for the current year and fix their remuneration, M/s. S. G. Kabra & Co. Chartered Accountants, the existing Auditors have informed their eligibility for re-appointment.

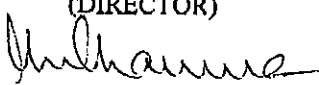
**QUALIFICATION BY AUDITORS**

The observation of auditors in their Report on the Accounts read with relevant note is self explanatory.

For and on behalf of the Board

  
RAJENDRA SOMANI  
(DIRECTOR)

  
ADARSH SOMANI  
(DIRECTOR)

  
V.N. KHANNA  
(DIRECTOR)

Place : Mumbai

Date : 2<sup>nd</sup> September'2010



# S. G. KABRA & CO.

## CHARTERED ACCOUNTANTS

Wavell House, 1st Floor, 1st Dhobi Talao Lane, Mumbai - 400 002.

Tel.: 2201 0708 / 2200 4533 • Fax : 2200 1497 • E-mail : info@sgkabra.com • Website : www.sgkabra.com

### AUDITORS' REPORT

To,  
THE MEMBERS OF SVARAJ TRADING & AGENCIES LTD.

We have audited the attached Balance Sheet of M/S. SVARAJ TRADING & AGENCIES LTD, as at 31st March, 2010 and the Profit & Loss Account and the Cash flow statement for the year 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.

1. 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 financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 and read with the amendments made by the Companies (Auditor's Report) (Amendment) Order 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanation given to us we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order to the extent they are applicable to the Company.
3. Further to our comments in the Annexure referred to in paragraph 2 above, 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 and Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of accounts.
  - (d) In our opinion, the Balance Sheet and Profit & Loss Account and Cash Flow statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956 to the extent applicable.
  - (e) On the basis of written representations received from the directors of the company, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the Director 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) We further report that :-

- (a) Note No. 4 regarding some of balances of sundry debtors, sundry creditors, deposits, loans & advances and unsecured loan are subject to confirmation and adjustments necessary upon reconciliation, if any consequential impact thereof on the financial statement is not ascertainable.
- (b) Note No. 9 regarding accounts are prepared on a going concern basis in spite of accumulated losses exceeding the share capital and reserves and surplus.

(g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to para (e) above and read together with the significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and present a true and fair view, in conformity with the accounting principles generally accepted in India:

- (i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
- (ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Place : Mumbai  
Date : 02-09-2010



For S. G. Kabra & Co.,  
Chartered Accountants  
(F.R.N. 104507W)

(Malvika P. Mitra)  
Partner

Membership No. 44105

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, have been entered in the register required to be maintained under that section.
  - b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under Sanction 209 (1) (d) of the Companies Act, 1956 for any of the product of the Company
9. In respect of statutory dues.
  - a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth tax, Customs Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2010 for a period of more than six months from the date of becoming payable.
  - b) There are no disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities
10. The accumulated losses of the Company are more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by our audit but has incurred cash losses in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Company Act 1956 and save for certain share which are either lodged for transfer or held with valid transfer form.
15. The Company has not given any guarantees for loans taken by others from banks or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company except for certain shares pledged by the company for loan taken by



the other company. However, in the opinion of the management, the same is not prejudicial to the interest of the company.

16. The Company has not raised any new term loans during the year.
17. In our opinion, the funds raised on short - term or long - term basis have been used for the purpose for which they were raised.
18. During the year, the Company has not made any preferential allotment of shares to parties and Companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not made any debenture issue.
20. The Company has not raised any money by way of public issue during the year.
21. In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place : Mumbai  
Date : 02-09-2010



For S. G. Kabra & Co.,  
Chartered Accountants  
(F.R.N. 104507W)

  
(Malvika P. Mitra)  
Partner

Membership No. 44105

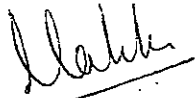
Svaraj Trading Agencies Limited

Balance Sheet as at 31st March'2010

SCHEDULE	Schedule	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
<b>SOURCES OF FUNDS</b>			
SHARE HOLDER FUND			
SHARE CAPITAL	1	1,000,000.00	1,000,000.00
LOAN FUNDS			
Unsecured Loan	2	72,162,178.00	71,262,619.24
<b>TOTAL FUNDS EMPLOYED</b>		<u>73,162,178.00</u>	<u>72,262,619.24</u>
<b>APPLICATION OF FUNDS</b>			
FIXED ASSETS			
Gross Block	3	222,000.00	222,000.00
Less : Depreciation		222,000.00	222,000.00
<b>NET BLOCK</b>		<u>0.00</u>	<u>0.00</u>
JEWELLERY		75,500.00	75,500.00
INVESTMENT	4	55,067,721.31	55,017,502.31
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
Inventories	5	272,869.50	731,043.50
Sundry Debtors	6	417,500.00	467,500.00
Cash & Bank Balance	7	1,617,322.14	229,926.07
Other Current Assets	8	56,000.00	56,000.00
Loan & Advances	9	3,862,643.76	1,029,077.00
		6,226,335.40	2,513,546.57
<b>Less: CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	10	49,614,240.15	49,611,395.28
Provisions	11	186,508.00	0.00
		<u>49,800,748.15</u>	<u>49,611,395.28</u>
<b>NET CURRENT ASSETS</b>		(43,574,412.75)	(47,097,848.71)
Profit & Loss Account		61,593,369.44	64,267,465.64
<b>TOTAL FUNDS UTILISED</b>		<u>73,162,178.00</u>	<u>72,262,619.24</u>
Significant Accounting Policies & Notes on Accounts	14		

As per our Report of even date

For S.G. KABRA & CO  
Chartered Accountants

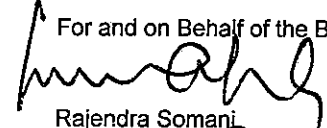


(Malvika P. Mitra)  
Partner  
Membership No.44105

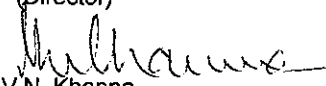


Place :- Mumbai  
Date :- 2nd September'2010

For and on Behalf of the Board

  
Rajendra Somani  
(Director)

  
Adarsh Somani  
(Director)

  
V.N. Khanna  
(Director)


Svaraj Trading Agencies Limited

Profit & Loss Account for the year ended 31st March'2010

	Schedule	Current year Rupees	Previous year Rupees
<b>INCOME :</b>			
Sale of Shares/Debentures		490,000.00	140,000.00
Other Income	12	2,983,653.00	1,553,778.00
Increase / (Decrease) in Stock	13	(458,174.00)	(157,740.00)
		<u>3,015,479.00</u>	<u>1,536,038.00</u>
<b>EXPENDITURE :</b>			
Loss On Sale of Investment		0.00	19,546,323.52
Demat Charges		700.00	25,212.34
Legal & Professional Charges		2,758.00	9,500.00
Auditors' Remuneration :			
Audit Fees		11,030.00	11,030.00
Tax Audit Fees		0.00	0.00
Directors Sitting Fees		3,200.00	4,000.00
Miscellaneous Expenses		19,387.80	12,095.00
		<u>37,075.80</u>	<u>19,608,160.86</u>
Profit /(Loss) Before Taxation		2,978,403.20	(18,072,122.86)
Less : Prior Period Adjustment		24,784.00	0.00
Less : Income Tax for earlier year		90,523.00	0.00
Less : Provision for Taxation		189,000.00	0.00
Profit /(Loss) After Tax		<u>2,674,096.20</u>	<u>(18,072,122.86)</u>
Balance Carried from earlier year		(64,267,465.64)	(46,195,342.78)
Balance carried to Balance Sheet		<u>(61,593,369.44)</u>	<u>(64,267,465.64)</u>
Earnings per Share(EPS)			
Basic/Diluted Earnings per Share		26.74	(180.72)
(Refer Note No.7 of Schedule 14)			
Significant Accounting Policies & Notes on Accounts	14		

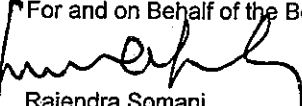
As per our Report of even date

For S. G. KABRA & CO  
Chartered Accountants

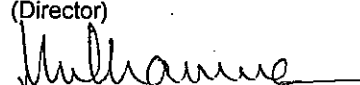
  
(Maitika P. Mitra)  
Partner  
Membership No.44105



For and on Behalf of the Board

  
Rajendra Somani  
(Director)

  
Adarsh Somani  
(Director)

  
V.N. Khanna  
(Director)

Place :- Mumbai

Date :- 2nd September'2010

Svaraj Trading Agencies Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '1'	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
<b>SHARE CAPITAL</b>		
Authorised :		
1,00,000 (Prev. Year 1,00,000) Equity Shares of Rs.10/- each	1,000,000.00	1,000,000.00
4,00,000 (Prev. Year 4,00,000) Unclassified Shares of Rs.10 each	4,000,000.00	4,000,000.00
	<u>5,000,000.00</u>	<u>5,000,000.00</u>
Issued ,Subscribed and Paid-up		
1,00,000 Equity Shares of Rs.10/- each	1,000,000.00	1,000,000.00
	<u>1,000,000.00</u>	<u>1,000,000.00</u>
 <b>SCHEDULE '2'</b>		
<b>UNSECURED LOAN :</b>		
From Companies	72,162,178.00	71,262,619.24
	<u>72,162,178.00</u>	<u>71,262,619.24</u>

SVARAJ TRADING & AGENCIES LIMITED

SCHEDULE 3

Fixed Assets

Particulars	Gross Block			Depreciation			Net Block		
	As at 01.04.2009	Additions during the year	Deduction and adj.stment	As at 31.03.2010	upto 01.04.2009	for the year	Deduction and adjustmen: 31.03.2010	As at 31.03.2010	As at 31.03.2009
Computer	222,000.00	-	-	222,000.00	222,000.00	-	-	222,000.00	-
Total	222,000.00	-	-	222,000.00	222,000.00	-	-	222,000.00	-
Previous Year	222,000.00	-	-	222,000.00	222,000.00	-	-	222,000.00	-

Svaraj Trading Agencies Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '4'	As at 31st March, 2010		As at 31st March, 2009	
<b>INVESTMENTS (AT COST)</b>				
<b>LONG TERM INVESTMENT</b>				
(As certified by Director)				
<b>(A) QUOTED</b>				
<b>(1) Fully paid up Equity Shares</b>				
Face Value	Nos.	Rupees	Nos.	Rupees
10 Sampada Chemicals Ltd.	200000	785,125.00	325000	1,275,125.00
10 Oricon Enterprises Limited	307360	15,250,337.00	307360	15,250,337.00
10 Kopran Ltd.,	352300	8,832,419.00	352300	8,832,419.00
10 KDL Biotech Limited	55,200	1,002,434.46	55,200	1,002,434.46
		<u>25,870,315.46</u>		<u>26,360,315.46</u>
<b>(2) Partly paid up Equity Shares</b>				
10 Keynote Corporate Services Limited	5,000	150,000.00	5,000	150,000.00
<b>TOTAL (A)</b>		<u><u>26,020,315.46</u></u>		<u><u>26,510,315.46</u></u>
<b>(B) UNQUOTED</b>				
<b>(1) Fully paid up Equity Shares</b>				
10 G. Claridge & Co. Ltd.	779850	21,896,817.00	779850	21,896,817.00
10 United Shippers Limited	0	0.00	442,000	4,420,281.00
100 Digvijay Investment Limited	25	2,512.00	25	2,512.00
10 Oriental Pullex Limited (Subsidiary Con	130	1,300.00	130	1,300.00
10 Venkatesh Karriers Limited	73,500	735,175.00	73,500	735,175.00
100 Kamala Udyoga Limited	2,000	200,000.00	2,000	200,000.00
10 Parijat Shipping & Finale Limited	850,000	850,000.00	850,000	850,000.00
10 Suraj Containers Limited	5,000	50,000.00	5,000	50,000.00
Less :- Diminution in the value of Investment		49,999.00		49,999.00
		<u>1.00</u>		<u>1.00</u>
10 Zeuxite Investments Pvt. Limited	496,050	4,960,500.00	0	0.00
<b>(2) Fully paid up Preference Shares</b>				
10 2% Redeemable Preference Shares of Kempo Firvest Pvt. Ltd.	50,000	500,000.00	50,000	500,000.00
Less :- Diminution in the value of Investment		499,999.00		499,999.00
		<u>1.00</u>		<u>1.00</u>
10 11% Cumulative Redeemable Preference Shares of Sarvamangal Mercantile Co. Limited	40,000	400,000.00	40,000	400,000.00
<b>(3) IN GOVERNMENT SECURITIES</b>				
National Saving Certificate	3	1,100.00	3	1,100.00
<b>TOTAL (B)</b>		<u><u>29,047,406.00</u></u>		<u><u>28,507,187.00</u></u>
<b>TOTAL (A+B)</b>		<u><u>55,067,721.46</u></u>		<u><u>55,017,502.46</u></u>
Aggregate Book Value - Unquoted		29,047,406.00		28,507,187.00
Quoted		26,020,315.46		26,510,315.46
Aggregate Market Value - Quoted		<u><u>131,010,038.00</u></u>		<u><u>9,886,297.00</u></u>

Svaraj Trading Agencies Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE '5'

INVENTORIES :

(As taken, valued and certified by a Director)

Face Value	Nos.	As at 31st March,2010 Rupees	Nos.	As at 31st March,2009 Rupees
(A) QUOTED - (At cost or market value which ever is lower)				
1. Fully Paid up Equity Shares :				
10 DSQ Bio-Tech Limited (Cost Rs.1,14,050/-)	500	1,900.00	500	1,900.00
10 Himachal Futuristic Communication Lin (Cost Rs. 1,50,233/-)	200	2,484.00	200	1,602.00
10 Kshitiz Investment Co. Limited (Cost Rs. 500/-)	50	500.00	50	500.00
10 Manali Petro Limited (Market Value Rs. 23,600/-)	2,500	12,500.00	2,500	12,500.00
10 Sudal Industries Limited (Market Value Rs. 1,56,975/-)	3,500	60,795.00	3,500	29,820.00
10 Sarvamangal Mercantile Co. Limited (Cost Rs.72,520/-)	24500	49,000.00	24500	49,000.00
10 21st Century Management Limited (Cost Rs. 2,87,370/-)	10,300	18,566.00	10,300	18,566.00
10 The Aluminium Industries Limited (Cost Rs. 9,66,908/-)	62300	124,600.00	62300	124,600.00
10 Universal Cans & Containers Limited (Cost Rs.10,443/-)	972	1,652.00	972	1,652.00
10 Videocon Industries Limited (Market Value Rs.2,274/-)	10	872.50	10	872.50
TOTAL		<u>272,869.50</u>		<u>241,012.50</u>
(B) UNQUOTED - (At cost)				
10 United Shippers Limited	0	0.00	49,000	490,031.00
TOTAL		<u>0.00</u>		<u>490,031.00</u>
GRAND TOTAL		<u>272,869.50</u>		<u>731,043.50</u>

Svaraj Trading Agencies Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March,2010 Rupees	As at 31st March,2009 Rupees
<b>SCHEDULE '6'</b>		
<b>SUNDRY DEBTORS:</b>		
Unsecured & Considered Doubtful:		
Debts outstanding for a period exceeding six months	417,500.00	467,500.00
	<u>417,500.00</u>	<u>467,500.00</u>
<b>SCHEDULE '7'</b>		
<b>CASH AND BANK BALANCES:</b>		
Cash on hand	14,435.48	3,935.48
Balance with Scheduled Banks		
In Current account	1,522,486.66	145,590.59
In Fixed Deposits	80,400.00	80,400.00
TOTAL	<u>1,617,322.14</u>	<u>229,926.07</u>
<b>SCHEDULE '8'</b>		
<b>OTHER CURRENT ASSETS</b>		
Dividend Receivable	56,000.00	56,000.00
TOTAL	<u>56,000.00</u>	<u>56,000.00</u>
<b>SCHEDULE '9'</b>		
<b>Loans and Advances:</b>		
(Unsecured, Considered Good)		
Loans & Intercorporate Deposits	3,851,558.76	750,000.00
Advances recoverable in cash or kind or for value to be received	11,085.00	0.00
Advances payment of Income tax (Net of provisions)	0.00	279,077.00
TOTAL	<u>3,862,643.76</u>	<u>1,029,077.00</u>



Svaraj Trading Agencies Limited

SCHEDULES FORMING PART OF THE BALANCE SHEET

	As at 31st March, 2010 Rupees	As at 31st March, 2009 Rupees
SCHEDULE '10'		
CURRENT LIABILITIES		
Sundry Creditors	49,068,179.23	49,068,179.23
Other Liabilities	376,310.92	373,466.05
Deposits	169,750.00	169,750.00
TOTAL	<u>49,614,240.15</u>	<u>49,611,395.28</u>
SCHEDULE '11'		
PROVISIONS		
Provision for Income Tax (Net of advance tax paid)	186,508.00	0.00
	<u>186,508.00</u>	<u>0.00</u>
SCHEDULE FORMING PART OF PROFIT AND LOSS ACCOUNT		
SCHEDULE '12'		
	Current Year Rupees	Previous Year Rupees
OTHER INCOME		
Dividend Received	1,645,042.00	1,539,817.00
Interest Received from Income Tax Authorities	266,392.00	0.00
Interest Received from Bank	0.00	13,961.00
Profit on sale of Investment	1,072,219.00	0.00
TOTAL	<u>2,983,653.00</u>	<u>1,553,778.00</u>
SCHEDULE '13'		
INCREASE/DECREASE IN STOCK		
Closing Stock		
Shares & Debentures	272,869.50	731,043.50
	<u>272,869.50</u>	<u>731,043.50</u>
Opening Stock		
Shares	731,043.50	888,783.50
	<u>731,043.50</u>	<u>888,783.50</u>
INCREASE/(DECREASE) IN STOCK	<u>(458,174.00)</u>	<u>(157,740.00)</u>

## SVARAJ TRADING & AGENCIES LIMITED

### Schedule – 14

#### Notes forming part of Accounts for the year ended 31<sup>st</sup> March 2010

1. SIGNIFICANT ACCOUNTING POLICIES :
  - a) The books of accounts are maintained on accrual basis.
  - b) Dividend Income in the books is accounted when right to receive the payment is established.
  - c) Fixed Assets are stated at historical cost.
  - d) Depreciation has been provided on Written down value method at the rates specified in schedule XIV of the Companies Act, 1956.
  - e) Long Term Investments are stated at cost. Cost is determined on average method.
  - f) Stock in Trade quoted (Shares & debentures) are shown at Cost or Market value whichever is lower.
  - g) Stock in Trade unquoted (Shares & debentures) are shown at Cost.
  - h) Taxation
    - i. Income-tax expenses comprise current tax and deferred tax charge or credit
    - ii. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax loss that have been enacted or substantially enacted by the Balance Sheet date.
    - iii. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation.
    - iv. At each Balance Sheet date, the carrying amount of deferred tax assets is reviewed to reassess realisation.
  - i) Other Accounting Policies are consistent with generally accepted account practices.
2. Contingent Liabilities not provided for in respect of partly paid shares Rs.3,00,000/- Previous Year Rs.3,00,000/-)
3. In the opinion of the Board, the Current Assets, Loans, and advances are approximately of the value stated in the Balance Sheets if realised in ordinary courses of the business and the provision of all known liabilities is made and is adequate and is not in excess of the amount reasonable considered necessary.
4. Some of the balances of sundry debtors, sundry creditors, deposits, loans and advances and unsecured loan are subject to confirmation and adjustments necessary upon reconciliation, if any consequential impact thereof on the financial statement is not ascertainable.
5. **Related Party Disclosure**

Disclosure requirement as per Accounting Standard 18(AS-18) "Related Party Disclosures" issued by the institute of Chartered Accountants of India .

List of Related Parties:

a) Key Management Personnel

1. Mr. Rajendra Somani
2. Mr. V. N. Khanna
3. Mr. Adarsh Somani

Note: Related Party Relationships have been identified by the Management and relied upon by the Auditors

Details of Transactions between the Company & related parties & the status of outstanding balances as on 31<sup>st</sup> March'2010

Nature of Transaction	Enterprises where control exists	Key Management Personnel
1. Directors Sitting Fees	--	Rs. 2,400/-
2. Balances as on 31.03.2010		
Directors Sitting Fees	--	Rs. 12,000/-

6. Earnings per shares:

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Net Profit/(Loss) attributable to share holder (in Rs.)	26,74,096	(18,072,122.86)
Weighted average number of equity shares (in No.)	1,00,000	1,00,000
Basic earning per shares of Rs.10/- each	26.74	(180.72)

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the company remain the same.

7 In view of time limitations on carry forward of losses and as a matter of prudence Deferred Tax Assets arising on account of brought forward losses and unabsorbed Depreciation under tax laws has not been recognised.

8 Quantitative details of Inventories (Shares & Debentures)

Particulars	No. of Shares		No. of Debentures	
	31.03.2010	31.03.2009	31.03.2010	31.03.2009
Opening Stock	1,53,832	1,55,232	-	-
Add:-Purchase	-	-	-	-
	1,53,832	1,55,232	-	-
Less :- Sale	49,000	1,400	-	-
Closing Stock	1,04,832	1,53,832	-	-

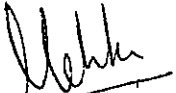
9 The accounts are prepared on a going concern basis inspite of accumulated losses exceeding the paid up share capital and reserve & surplus.

10 Other additional information pursuant of the provisions of paragraph 3, 4C and 4D of part II of schedule VI of Companies Act, 1956 are not applicable to the company.

11 Previous years figures are regrouped, reclassified and recasted whenever necessary.

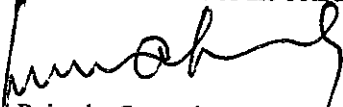
As per our Report of even date

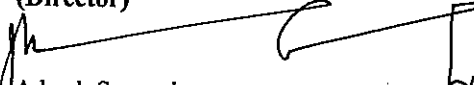
For S. G. KABRA & CO..  
Chartered Accountants

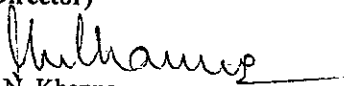
  
(Malvika P. Mitra)  
Partner  
Membership No. 44105



For and on behalf of the board

  
Rajendra Somani  
(Director)

  
Adarsh Somani  
(Director)

  
V.N. Khanna  
(Director)

Place :- Mumbai

Date :- 2<sup>nd</sup> September'2010