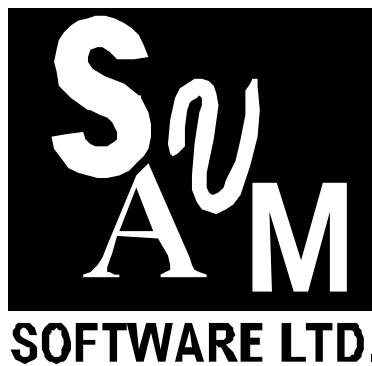


**20TH
ANNUAL REPORT
2011 - 2012**



SVAM SOFTWARE LIMITED

TWENTIETH ANNUAL REPORT 2011 – 2012

BOARD OF DIRECTORS

Mr. Rajeev Garg *Managing Director*
Mr. Harshwardhan M. Koshal
Mr. Sudhir Kumar Agarwal
Mr. Neeraj Khetrpal

COMPANY SECRETARY

Ms. Sonam Keshewani

BANKERS

HDFC Bank Ltd.
Indusland Bank
ING Vysya Bank

REGISTERED OFFICE & ADMINISTRATIVE OFFICE

S-524, Vikas Marg, Shakarpur,
Delhi-110092

STATUTORY AUDITORS

M/s SNMG & Co. Chartered Accountants
E-35, Lajpat Nagar-III,
New Delhi - 110 024

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, Okhla Industrial Area
Phase-I, New Delhi - 110020
Email: viren@skylinerta.com
Phone No. 011-26812682

IMPORTANT

Share Holders may please note that
NO COUPONS / REFRESHMENTS
will be provided at the AGM

Visit our Website at <http://www.svamssoftwareltd.com>

CONTENTS

Page No.

Notice	1-2
Directors' Report	3-5
Report on Corporate Governance	6-11
Management Discussion and Analysis Report	12
Auditors' Report	13-16
Balance Sheet	17
Profit & Loss Accounts	18
Cash Flow Statement	19
Notes on Financial Statements	20-27



Notice of the 20th Annual General Meeting

Notice is hereby given that the 20th Annual General Meeting of the Members of the Company will be held on **Friday, 28th September, 2012** at 10:30 A.M at the registered office of the Company at S-524, Vikas Marg, Shakarpur, Delhi-110092 to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2012 and the Auditors and Directors Report thereon.
2. To appoint a director in place of Shri Rajeev Garg who is liable to retire by rotation and being eligible, offers himself for re- appointment.
3. To appoint Auditors of the company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting. M/s SNMG & Co., Chartered Accountants, the retiring Auditors, being eligible, offer themselves for re appointment and to fix their remuneration.

Special Business

To Consider and if thought fit, to pass with or without modification(s) if any, the following ordinary Resolution:

4. RESOLVED THAT Mr. Neeraj Khetrpal, who was appointed as Additional Director by the Board to hold office up to the date of ensuing Annual General Meeting, and in respect of whom a notice under section 257 of the Companies Act, 1956 has been received from himself signifying his intention as a candidature for the office of the director be and is hereby elected and appointed as Director of the Company, liable to retire by rotation

By the Order of the Board
for **SVAM SOFTWARE LIMITED**

Registered Office

S-524, Vikas Marg, Shakarpur,
Delhi-110092
Dated: 01/09/2012

Sd/-
Director

ANNEXURE TO THE NOTICE

Explanatory statement pursuant to the provision of Section 173 of the Companies Act, 1956 in respect to the special business:

Item No-4

Mr. Neeraj Khetrpal was appointed as Additional Director of the Company on 16/01/2012 and is liable to retire at the ensuing Annual General Meeting. The Company has received a notice under section 257 of the Companies Act, 1956 along with a requisite deposit of Rupees Five hundred from himself proposing his appointment for the office of the Director of the Company. Considering the vast experience of Mr. Neeraj Khetrpal, your Board recommend for his re-appointment as Director of the Company. Except Mr. Neeraj Khetrpal, none of the Director is interested or concerned in the resolution.

By the Order of the Board
for **SVAM SOFTWARE LIMITED**

Registered Office

S-524, Vikas Marg, Shakarpur,
Delhi-110092
Dated: 01/09/2012

Sd/-
Director



SVAM SOFTWARE LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THAT MEETING.
2. EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE IS ANNEXED HERETO
3. REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS WILL BE CLOSED FROM 23/09/2012 TO 28/09/2012, (BOTH THE DAYS INCLUSIVE).
4. MEMBERS ARE REQUESTED TO PLEASE NOTIFY IMMEDIATELY ANY CHANGE IN THEIR ADDRESSES TO THE COMPANY.
5. MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.
6. SHAREHOLDERS SEEKING ANY INFORMATION WITH REGARD TO ACCOUNTS ARE REQUESTED TO WRITE WELL IN ADVANCE SO AS TO REACH THE COMPANY AT LEAST 7 DAYS PRIOR TO THE ANNUAL GENERAL MEETING TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY AT THE AGM.
7. THE MEMBERS ARE REQUESTED TO: -
 - a. INTIMATE CHANGES IF ANY IN THEIR ADDRESS TO THE COMPANY OR TO THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY, M/s SKYLINE FINANCIAL SERVICES (P) LTD. AT D-153A, OKHLA INDUSTRIAL AREA, PHASE-I, DELHI-110020.
 - b. QUOTE FOLIO NUMBER IN ALL THEIR CORRESPONDENCE WITH THE COMPANY.
 - c. BRING THEIR COPIES OF ANNUAL REPORT INCLUDING ATTENDANCE SLIP AT THE VENUE FOR THE AGM.
8. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO LODGE SHARE TRANSFER, TRANSMISSION AND INTIMATE CHANGES, IF ANY, IN THEIR REGISTERED ADDRESS, BANK ACCOUNT AND MANDATE DETAILS, RESIDENTIAL STATUS ETC. QUOTING THEIR FOLIO NUMBER(S) TO COMPANY'S SHARE TRANSFER AGENT.

DIRECTORS REPORT

To

The Members

Svam Software Ltd.

Your Directors have pleasure in presenting the 20th Annual Report on the business, operations and financial performance of the company during the financial year ended 31st March 2012.

FINANCIAL RESULTS

(₹In lacs)

Particulars	For The Year Ended	
	31 st March 2012	31 st March 2011
Sales/Operating Income	1627.36	2099.38
Other Income	46.89	25.30
Expenses:-		
Purchase of Stock in trade	1631.76	2072.77
Changes in Inventory of Stock -in-Trade	(19.42)	(14.56)
Employee Benefit Expenses	27.31	27.60
Depreciation and Amortisation Expenses	1.48	3.11
Administrative & Other expenses	26.17	24.94
Profit Before Tax	6.95	10.82
Less: Current Tax	1.32	2.00
Deferred Tax	(1.68)	5.68
Profit/(Loss) After Tax	7.31	3.14

BUSINESS REVIEW

The turnover of the company during the year 2011-12 is ₹ 1627.36 lacs as compared to ₹ 2099.38 lacs during the immediately preceding financial year. You will be pleased to note that during the year company has achieved before tax profit of ₹ 7.31 lacs.

DIVIDEND

In order to augment reserves and to cater to the working capital requirements, no dividend is being recommended.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. Your Director adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges and have implemented all the prescribed requirements.

A separate report on Corporate Governance as stipulated, under Clause 49 of the listing Agreement, with the Stock Exchanges and have implemented all the prescribed requirements.

A certificate from the auditors of the company M/s SNMG & Co; Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated in Clause 49 is annexed to this report.

BOARD OF DIRECTORS

Following director had been appointed as Additional Independent Director. Being eligible he offers himself for his re- appointment as director. As he is having vast experience & knowledge of stock market, the board also recommends his re- appointment:-

Mr. Neeraj Khetrpal

Your board has a Non-Executive Chairman and the number of Independent Directors is one third of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

Your board of directors consist of the following three directors:

1. Mr. Harshwardhan Koshal (Chairman & Non-Executive Independent);
2. Mr. Rajeev Garg (Managing Director and Executive) and;
3. Mr. Sudhir Kumar Agarwal (Non Executive);
4. Mr. Neeraj Khetrpal (Non Executive Independent)

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the companies ACT, 1956, it is hereby confirmed:

1. That in the preparation of the accounts for the financial year ended 31st March, 2012 the applicable accounting standards have been followed along with proper explanation relating to material departures.
2. That the directors have selected such accounting policies and applied them consistently and made judgments 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 of the company for the year under review.
3. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the accounts for the financial year ended 31st March, 2012 on a going concern basis.

AUDITORS

M/s SNMG & Co., Chartered Accountants holds office of the Statutory Auditors of the Company until the conclusion of the ensuing Annual General Meeting is eligible for re-appointment.

The Company has received certificate from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956 and they are not disqualified for such reappointment within the meaning of Section 226 of the said Act.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988
a. AUDIT COMMITTEE

As per the provisions of the Listing Agreement and pursuant to Section 292A of the Companies Act, 1956, the Audit Committee has been set up to review the internal audit reports and financial statements at periodic intervals.

The Audit Committee comprises following three members having strong background in financial management:-

Mr. Harshwardhan Koshal	Chairman (Independent & Non- Executive)
Mr. Neeraj Khetrpal	Member (Independent & Non- Executive)
Mr. Sudhir K. Agarwal.	Member (Non-Independent & Non-Executive)

b. INVESTORS/SHAREHOLDERS' GRIEVANCE COMMITTEE

In pursuance of the provisions of the Listing Agreement, the company has also set up a Shareholders/ Investor's Grievance Committee to ensure maximum security to the concern of the shareholders. The committee consists of a Non Executive Chairman and other two members as mentioned below :

Mr. Harshwardhan Koshal	Chairman (Independent & Non Executive)
Mr. Neeraj Khetrpal	Member (Independent & Non- Executive)
Mr. Sudhir K. Agarwal.	Member (Non-Independent & Non-Executive)

PARTICULARS OF EMPLOYEES

As required by the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules, 1975, as amended, no employee was in receipt of remuneration exceeding ₹ 60,00,000/- per annum or ₹ 5,00,000/- per month for any part thereof.

PUBLIC DEPOSITS

The company has not accepted any deposit from public within the meaning of section 58-A of the companies ACT, 1956 read with the companies (Acceptance of Deposits) rules, 1975.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUT GO

Particulars with respect to conservation of energy, Technology absorption, Foreign Exchange Earnings & outgo as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure forming part of this report.

APPRECIATION

The Company places on record its deep appreciation of the devoted services of executives and other staff of the company who have contributed in the performance and the Company's inherent strength. Grateful thanks are also due to the investors, the bankers, business associates & all other stakeholders for their continued support to the company from time to time.

By the Order of the Board
For SVAM SOFTWARE LIMITED

Place : Delhi
Dated : 01/09/2012

Sd/-
Managing Director

Sd/-
Directo

ANNEXURE TO THE DIRECTORS REPORT
A. CONSERVATION OF ENERGY

The operations of your Company do not consume high levels of energy. Adequate measures have been taken to conserve by using energy efficient computers and equipment.

B. TECHNOLOGY ABSORPTION

1. Specific areas in which R & D carried out are as follows:
 - a. Review of the existing courses and evaluation of feasibility of the new courses to be launched and estimating the costing thereof.
 - b. Providing technical support on existing products.
2. Benefits derived as a result of the above R & D:
As a result the organization is being able to implement current courses.
3. Future Plan of action:
R & D plans to enter the client server areas, as this is a major thrust area in the IT industry.
4. Expenditure on R & D: NIL

C. FOREIGN EXCHANGE EARNINGS

There were no foreign exchange earnings as well as outgo of the company during the year under report

Particulars	Year Ended March 31, 2012	Year Ended March 31, 2011
Earnings in Foreign currency	Nil	Nil
Expenditure in Foreign Currency	Nil	Nil

Report On Corporate Governance

(As required by clause 49 of the Listing Agreement of the Stock Exchanges)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company possesses an ethical mindset about the values of good Corporate Governance. For SVAM SOFTWARE LIMITED, Corporate Governance stands for responsible and value creating management and control of the Company. The company's policies and practice are not only consistent with the statutory requirement but also underline its commitment to operate in the best interest of its stakeholders.

SVAM SOFTWARE LIMITED is committed to maintain highest standards of ethical behaviour and makes an honest endeavour to uphold the attributes of transparency, independence, accountability, responsibility and growth in all aspects of its operations.

II. BOARD OF DIRECTOR

Your board has a Non-Executive Chairman and the number of Independent Directors is half of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

The management of the company is entrusted in the hand of the key management personnel of company and is headed by the Managing Director, who functions under the supervision and control of the board. The board reviews and approves strategy and oversees the action and result of management.

None of the Independent Director has any other material pecuniary relationship or transaction with the company, its promoters and its directors which, in their judgement would affect their independence.

As on year ended 31st March 2012, the Board had strength of four directors.

The composition of board is as follows:

S.No.	Name of the director	Status
1	Mr. Harshwardhan M.Koshal	Non-Executive and Independent Chairman
2	Mr. Sudhir Kumar Agarwal	Non Executive and Non-Independent
3	Mr. Rajeev Garg	Executive and Non-Independent (MD)
4	Mr. Neeraj Khetrapal	Non-Executive and Independent

In furtherance of its Corporate Governance policy the Company ensures that all statutory, significant material information are placed before the board/committee of directors for their approval to enable them to discharge their responsibilities as trustees.

Attendance of each director at Board Meetings and the last AGM

During the year the board of directors met 7 times 11/05/2011, 01/08/2011, 25/08/2011, 01/10/2011, 05/11/2011, 16/01/2012 and 09/02/2012 on the attendance and composition and category of directors are as follows:

Name of the Director	Attendance Particulars			Committee memberships/ Chairmanships in our Company		Number of other Directorships & Committee memberships
	BOARD MEETING		Last AGM	Memberships	Chairmanships	Directorships
	Held	Present				
Mr Sudhir Kumar Agarwal	7	7	Yes	2	Nil	4
Mr H M Koshal	7	7	Yes	-	2	2
Mr. Rajeev Garg	7	7	Yes		Nil	Nil
Neeraj Khetarpal	7	3	No	2	Nil	1
Neeraj Mishra*	7	3	Yes	-	-	Nil

Neeraj Mishra* resigned from the directorship of the company on 01/10/2011

III. COMMITTEES OF THE BOARD

a) Audit Committee

As per the provisions of the Listing Agreement and pursuant to Section 292A of the Companies Act, 1956, the Audit Committee has been set up to review the internal audit reports and financial statements at periodic intervals.

The Audit Committee comprises following three members having strong background in financial management:-

Mr. Harshwardhan Koshal	Chairman (Independent & Non- Executive)
Mr. Neeraj Khetrpal	Member (Independent & Non- Executive)
Mr. Sudhir K. Agarwal	Member (Non-Independent & Non-Executive)

Meetings of the Audit Committee:

Five meetings of committee were held during the year on 11/05/2011, 01/08/2011, 25/08/2011, 05/11/2011 and 09/02/2012. All the members of the committee were present in the meetings held during their respective tenure.

Role of Audit Committee:

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the existence and adequacy of effective internal control systems. Brief description of the terms of reference to the Audit Committee: -

- Oversight of the Company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment of any other services.
- Reviewing and recommending the appointment and removal of managerial personnel, fixation of remuneration and also approval for payment for any other services as recommended by the Remuneration Committee.
- Reviewing with management of the annual financial statements before submission to the board, focusing primarily on:
 - Any changes in accounting policies and practice.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standard.
- Any related party transactions of the company of material nature, with Promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- Reviewing the adequacy of internal audit functions.
- Discussion with internal auditors on any significant findings and follow-up there on.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion, with external auditors before the audit commences, of nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management Policies.
- To look into the reasons for substantial defaults in the payment to the creditors.
- To consider and review any other matter as may be directed by the Board.

b) INVESTORS /SHAREHOLDERS GRIEVANCE COMMITTEE

The Company has formed the Shareholders Grievances/ Share Transfer Committee, constituted by the Board, to approve inter- alias transfer/ transmission of shares, issue of duplicate share certificates, approving the split and consolidation requests and other matter including Shareholder's complaints and grievances. The Committee also reviews the periodicity and effectiveness of the Share transfer process, statutory certifications.

The composition of the Shareholders Grievances / Share Transfer Committee is as under:

Mr. Harshwardhan Koshal	Chairman
Mr. Sudhir Kr. Agarwal	Member
Mr. Neeraj Khetrpal	Member

The Committee meets at least twice a month to approve transfer requests received from the investor during the previous week to ensure prompt delivery of securities to the shareholders.

The Minutes of the Committee Meeting are placed at the Board meeting from time to time. The Board has authorized the Share transfer Committee and the Company Secretary severally to approve the transfer of shares. During the year, all the Complaints of the Shareholders were resolved to the satisfaction of the shareholders.

SVAM SOFTWARE LIMITED
IV. COMPLIANCE OFFICER OF THE COMPANY

Mr. Sonam Keshewani, Company Secretary is the Compliance Officer for complying with the requirements of the Listing Agreement with the Stock Exchanges.

V. GENERAL BODY MEETING: -
a) GENERAL MEETINGS
DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

AGM	Financial Year	Date	Time	Location
19 th AGM	2010-2011	29.09.2011	09:30 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092
18 th AGM	2009-2010	30.09.2010	10:00 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092
17 th AGM	2008-2009	30.09.2009	11:00 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092

b) POSTAL BALLOT

No resolutions were passed by postal ballot during the year ended 31st March 2012

VI. CODE OF CONDUCT

The Company is committed to conduct business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with risks involved.

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

VII. DISCLOSURES

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interest of the Company in view of the following:

- All details relating to financial and commercial transactions wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.
- These are at prices which are reasonable, having regard to the prevailing market prices at the relevant time.

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges. There has not been any non-compliance and penalty; structure has been imposed on the company during the last three years by SEBI or Stock Exchanges and fully complied with all the mandatory requirements of Clause 49.

VIII. MEANS OF COMMUNICATION

Quarterly Results are published in prominent daily newspaper Hari Bhomi (Hindi) and The Pioneer/The Financial Express (English) in Delhi editions. Management Discussions and Analysis Forms part of the Annual Report in a separate section. The Company has not made any formal presentation to the Institutional Investors during the year.

IX. GENERAL SHAREHOLDER INFORMATION

Financial Year	1 st April 2011 to 31 st March 2012
20TH Annual General Meeting	On Friday 28 th September, 2012 at 10:30 AM at S-524, Vikas Marg, Shakarpur, Delhi-110092
Financial Calendar	
Financial Year	1 st April to 31 st March
1 ST Quarterly Results	01/08/2011
2 ND Quarterly Results	05/11/2011
3 RD Quarterly Results	09/02/2012
4 TH Quarterly Results	14/05/2012
Date of Book Closure	23 th September, 2012 to 28 th September, 2012 (both days inclusive)
Dividend Date	Not Applicable

Listing on Stock Exchange

The company is listed in following exchanges:

1) Bombay Stock Exchange

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 023

SVAM SOFTWARE LIMITED
2) Ahmedabad Stock Exchange

Kamdhenu Complex, Opp. Sahajanand College, Panjarapole Ambawadi, Ahmedabad-380001

3) Kolkata Stock Exchange

7 Lyonsrange, Kolkata, West Bengal-700001

The Equity shares of the company are actively traded at BSE with Scrip code- (523722) in the 'T'; Group.

STOCK MARKET DATA (YEAR 2011-2012)

Month	High	Low
April, 2011	3.01	2.36
May, 2011	2.59	2.11
June, 2011	2.71	1.98
July, 2011	4.36	2.58
August, 2011	3.54	3.05
September, 2011	2.99	2.10
October, 2011	2.35	1.86
November, 2011	2.46	1.81
December, 2011	2.20	1.80
January, 2012	2.14	1.68
February, 2012	1.92	1.40
March, 2012	1.85	1.39

X. REGISTRAR AND SHARE TRANSFER AGENT
M/s SKYLINE FINANCIAL SERVICES LIMITED

Unit: Svam Software Ltd

D-153A, Okhla Industrial Area,

Phase-I, New Delhi-110020

Telephone No: 011-26812682

E-mail Address: viren@skylinerta.com

XI. SHARE TRANSFER SYSTEM

M/s Skyline Financial Services (P) Ltd. acts as Registrar and Transfer Agent for the company. M/s Skyline Financial Services has a dedicated management team comprising professional qualified managers who are possessing vast experience in handling the share transfer work. The organization has a proven track record and is committed to maintain quality to service of the highest standards and also handling capacity with a commendable flexibility to quickly upgrade the capacity at shorter notice.

Share transfers are registered within maximum of 30 days from the date of lodgement of the documents which are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

The company obtains a half yearly certificate of compliance from the Company Secretary in Practice for compliance of the share transfer formalities, as required under Clause 47 of the Listing Agreement and file copy of the certificate with stock exchanges is obtained.

XII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2012.
a. Distribution of Shareholding as on March 31, 2012.

No of Shares	No of Shareholders	% to total	No of Shares held	% to total
0-500	28848	89.30	4910134	29.07
501 -1000	2045	6.33	1679684	9.95
1001-2000	731	2.26	1135812	6.73
2001-3000	228	0.71	584725	3.46
3001-4000	95	0.29	336589	1.99
4001- 5000	102	0.32	491996	2.91
5001-10000	153	0.47	1166206	6.91
10001 & above	102	0.32	6583854	38.98

b. Category of shareholders as on March 31, 2012

Category	No. of Shares	Percentage of holdings
A. Promoters Holding		
i) Promoters		
a. Indian-individual	24,42,600	14.46%
b. Foreign	Nil	Nil
ii) Persons acting in concert		
a. Directors	Nil	Nil
b. Director's Relatives	Nil	Nil
Sub Total (A)	24,42,600	14.47%
B. Public Holding		
i) Institutional Investor		
a) Mutual Fund	4000	0.02%
b) Financial institutions/Banks	3100	0.02%
c) Central Govt./State Govt.(s)	Nil	Nil
d) Venture capital fund/Ins.Cos,	Nil	Nil
e) FII Etc	Nil	Nil
Sub Total (B)(i)	7100	0.04%
ii) Non-Institutions Investors		
a) Bodies Corporate	1279741	7.58%
b) Individuals		
i) shareholding < Rs.1.00 Lac	9401310	55.67%
ii) shareholding > Rs.1.00 Lac	3121649	18.48%
c) NRI	629000	3.72%
i) Clearing House	1000	0.01%
ii) Corporate Body- OCB	6600	0.04%
iii) Intermediary/Other Depository A/c	0.00	0.00%
Sub Total (B)(ii)	14439300	85.50%
Sub Total (B)	14446400	85.54%
Grand Total (A+B)	16889000	100%
Shares held by custodian and against which Depository Receipt is issued	Nil	NIL

DEMATRIALISATION OF SHARES

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd (NSDL) and Central Depository Services (I) Ltd (CDSL). As on 31st March, 2012 the 74% equity shares have been dematerialized .

XIII. INVESTORS CORRESPONDENCE

Investors may address any correspondence to:

Mr Rajeev Garg
(Compliance Officer),

Svam Software Ltd

S-524, Vikas Marg, Shakarpur, Delhi-110092.

Ph: 011- 43206710, E-mail- svamsoftwareltd@gmail.com.

Website: www.svamsoftwareltd.com

CERTIFICATE IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

In terms of clause 49 of the Listing Agreement, it is certified as under that:

- (a) The financial statements and the cash flow statement for the year have been reviewed and that to the best of our knowledge and belief :
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the years which are fraudulent, illegal or violative of the Company.
- (c) We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We had indicated to the Auditors and the Audit Committee :
 - (i) Significant changes in internal control during the year (if any);
 - (ii) Significant changes in accounting policies during the year (if any) and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place	: Delhi	Sd/-	Sd/-
Dated	: 01/09/2012	Managing Director	Director

CERTIFICATION BY MANAGING DIRECTOR

To the best of knowledge and belief, we certify that:

- 1) We have reviewed financial statement and the cash flow statement for the period ended 31.03.2012 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transaction entered into by the company during the period, which is fraudulent, illegal or violative of the company's code of conduct.
- 3) Further, we accept responsibility to establish and maintain internal controls for financial reporting and Accordingly, we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit committee, wherever applicable:
 - a) Deficiencies in the design or operation of the internal controls, if any of which we are aware and the steps have been taken or propose to take to rectify these deficiencies.
 - b) Significant changes in the internal control over the financial reporting during the period;
 - c) Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements;
 - d) Instances of significant fraud of which we came to know and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and On behalf of the Board of Directors

Place	: Delhi	Sd/-	Sd/-
Dated	: 01/09/2012	Managing Director	Managing Director

DECLARATION BY MANAGING DIRECTOR

I, Rajeev Garg, Managing Director of Svam Software Limited hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31st March, 2012 compliance with the code of conduct of the company laid down by them.

For and On behalf of the Board of Directors

Place	: Delhi	Sd/-	Sd/-
Dated	: 01/09/2012	Managing Director	Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS SCENARIO

The Business segment in which your Company operate is software development and software trade. The said business is very unpredictable. Despite the recent slowdown in the software sector, this remains a fast growing area of the Indian economy. The Company is also endeavouring to expend the area of its business of software as well as of infrastructure.

Today IT touches every aspect of business, connecting customers, suppliers, and partners around the globe. Your Company is mainly into software Trade and software development. Your Company is focusing on software trade as prime area for future sustainability and growth.

PERFORMANCE

The turnover of the company during the year 2011-12 is ₹ 1627.36 lacs as compared to ₹ 2099.38 lacs during the immediately preceding financial year. You will be pleased to note that during the year company has achieved before tax profit of ₹ 7.31 lacs

MANAGEMENT OF RISK

Management of risk to the business is continuous challenge for any organization growing in size and enhancing its purpose. The traditional risk factors like client risks, industry segment risks and economic risk are well understood and the means to handle them are also fairly established.

INTERNAL CONTROLS & SYSTEMS

The company ensures existence of adequate internal control through policy and procedures to be followed by the executives at various levels in the company. The operating managers ensure compliance within their areas. The Company has internal Audit system to carry out extensive checking and test and report non-compliance/weakness, if any through internal Audit Reports on the respective areas .These reports along with reports on compliance made thereafter are reviewed by the Audit Committee of the Board.

HUMAN RESOURCE

Management relation with the employees remains cordial. The Company's Human Resources philosophy is to establish and build a strong performance and competency drive culture with greater senses of accountability and responsibility. The industrial relations scenario remained peaceful and harmonious.

AUDITORS' REPORT

To the Members of
SVAM SOFTWARE LIMITED

1. We have audited the attached Balance Sheet of SVAM SOFTWARE LIMITED as at 31st March 2012, the Statement of Profit and 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.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 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, Statement of 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, Statement of Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of companies Act, 1956;
 - e) On the basis of written representation received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f) In our opinion, and to the best of our information and according to the explanations given to us, the accounts 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 give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;
 - ii) in the case of Statement of Profit & Loss Account, of the profit for the year ended on that date; and
 - iii) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For M/S SNMG & CO.
Chartered Accountants
F.R.N.-004921N

Sd/-
CA. NEERAJ GUPTA
(PARTNER)
M.NO.-087004

Place : New Delhi
Date : 1st September, 2012

ANNEXURE TO THE AUDITORS' REPORT

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

- (i) In respect of its fixed assets:
 - (a) The Company is compiling records showing full particulars including quantitative details and situation of fixed assets and the same are currently being up to date.
 - (b) As explained to us, the major portion of fixed assets were physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. As informed & according to our opinion it's not feasible to comment whether material discrepancies were noticed on such physical verification as records are currently being updated.
 - (c) In our opinion, the company has not disposed of substantial part of fixed assets during the year; hence the going concern status of the company is not affected.
- (ii) In respect of Inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion and according to information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) In respect of the loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) According to the information and explanations given to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties, covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly the provisions of clause 4(iii) (b), (c) and (d) of the companies (Auditor's Report) 2003 are not applicable to the company.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- v) In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:
 - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, have so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts/arrangements entered in the register maintained under Section 301 of Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- vi) According to the information and explanations given to us, the company has not accepted any deposits as defined under sections 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
- vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, maintenance of cost records have not been prescribed by the Central Govt. under section 209 (1) (d) of the Companies Act, 1956.
- ix) In respect of statutory dues:
 - (a) According to the records of the Company, in our opinion the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employee's state insurance, income tax, sales tax, service tax, wealth tax, custom duty, excise duty, cess and any other statutory dues applicable to it.

SVAM SOFTWARE LIMITED

- (b) According to the information and explanations given to us, there are no undisputed amount payable in respect of income tax, sales tax, customs duty, wealth tax and excise duty were outstanding as on 31st March 2012 for a period of more than six months from the date becoming payable.
- x) The company has accumulated losses of ₹ 111.30 lacs at the the end of the financial year and has not incurred any cash losses during the financial year ended on that date or in the immediately preceding financial year.
- xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.
- xii) The company has not granted any 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 (xiii) of paragraph 4 of the Order are not applicable to the Company.
- xiv) In respect of shares, securities, debentures and other investments, dealt in or traded by the company, proper records have been maintained in respect of transactions and contracts, and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
- xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others, from banks or financial institutions during the year.
- xvi) The Company has not raised any term loans during the current year. Therefore, the provisions of clause (xvi) of paragraph 4 of the Order are not applicable to the Company.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on a short term basis which have been used for long- term investment.
- xviii) According to the information and explanations given to us, 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 during the year.
- xix) According to the information and explanations given to us, during the year covered by our audit report, the company has not issued any debentures.
- xx) The company has not raised money by way of public issues during the year.
- xxi) In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed during the year.

For M/S SNMG & CO.
Chartered Accountants
F.R.N.-004921N

Sd/-
CA. NEERAJ GUPTA
(PARTNER)
M.NO.-087004

Place : New Delhi
Date : 1st September, 2012



SVAM SOFTWARE LIMITED

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

**TO
THE MEMBERS OF
M/S. SVAM SOFTWARE LIMITED**

We have examined the compliance of conditions of Corporate Governance by M/S. SVAM SOFTWARE LIMITED, for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with, in all material respect with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi
Date : 1st September, 2012

For M/S SNMG & CO.
Chartered Accountants
F.R.N.-004921N

Sd/-
CA. NEERAJ GUPTA
(PARTNER)
M.NO.-087004

BALANCE SHEET AS AT 31ST MARCH 2012

Particulars	Note	31st March, 2012 (₹)	31st March, 2011 (₹)
I EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
Share Capital	1	168,890,000	168,890,000
Reserves and Surplus	2	26,417,954	25,687,208
(2) 0% Convertible Bond Application Money			
		37,722,500	—
(3) Current Liabilities			
Trade Payables	3	89,539,993	78,202,606
Other Current Liabilities	4	31,281,155	446,343
Short-Term Provisions	5	132,341	200,716
TOTAL(1+2+3)		353,983,943	273,426,873
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	6	132,699	281,577
(ii) Intangible Assets		1	1
(b) Non Current Investment	7	7,310	7,310
(c) Deferred Tax Assets (net)		1,332,254	1,163,688
(2) Current Assets			
Inventories	8	9,063,434	7,121,296
Trade Receivables	9	134,460,258	96,398,754
Cash and Cash Equivalents	10	3,435,154	1,596,246
Short-Term Loans and Advances	11	204,301,206	166,297,988
Other Current Assets	12	1,251,627	560,013
TOTAL(1+2)		353,983,943	273,426,873

NOTES ON ACCOUNTS 18

Notes 1 to 18 referred to above form an integral part of the Balance Sheet & Profit & Loss A/c.

 IN TERMS OF OUR SEPARATE
 REPORT OF EVEN DATE ATTACHED

 For **M/S SNMG & CO.**
 Chartered Accountants
 F.R.N. 004921N

For and on behalf of the Board

 Sd/-
(CA. NEERAJ GUPTA)

 Sd/-
 Managing Director

 Sd/-
 Director

 Sd/-
 Company Secretary

 Partner
 Membership No. 087004

 Place : New Delhi
 Dated : 01.09.2012

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note	31st March, 2012 (₹)	31st March, 2011 (₹)
I. Revenue from Operations:			
Sales of Products & Services	13	162,736,566	209,938,363
II Other Income	14	4,688,777	2,530,325
III Total Revenue (I+II)		167,425,343	212,468,688
IV Expenses:			
Purchase of Stock in Trade		163,175,940	207,276,923
Changes in Inventories of Stock-in-Trade	15	(1,942,138)	(1,456,197)
Employee Benefits Expenses	16	2,731,092	2,760,089
Depreciation and Amortisation Expenses	6	148,879	311,125
Administrative & Other Expenses	17	2,617,049	2,494,138
Total Expenses		166,730,822	211,386,078
V Profit Before Exceptional and Extraordinary items and Tax (III - IV)		694,521	1,082,610
VI Exceptional Items		-	-
VII Profit Before Extraordinary items and Tax(V-VI)		694,521	1,082,610
VIII Extradinary Items		-	-
IX Profit Before Tax (VII - VIII)		694,521	1,082,610
X Tax Expenses:			
(1) Current Tax		132,341	200716
(2) Deferred Tax		(168,566)	567643
XI Profit / (Loss) for the period from Continuing Operations		730,746	314,251
XII Profit / (Loss) for the Period transferred to Reserve & Surplus		730,746	314,251
XIII Earning per Equity Share:			
(1) Basic		0.04	0.02
(2) Diluted		0.04	0.02

NOTES ON ACCOUNTS

18

Notes 1 to 18 referred to above form an integral part of the Balance Sheet & Profit & Loss A/C

 IN TERMS OF OUR SEPARATE
 REPORT OF EVEN DATE ATTACHED

 For **M/S SNMG & CO.**
 Chartered Accountants
 F.R.N. 004921N

For and on behalf of the Board

 Sd/-
(CA. NEERAJ GUPTA)

 Sd/-
 Managing Director

 Sd/-
 Director

 Sd/-
 Company Secretary

 Partner
 Membership No. 087004

 Place : New Delhi
 Dated : 01.09.2012

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2012

Particulars	31st March, 2012 (₹)	31st March, 2011 (₹)
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before taxation, and extraordinary items	694,521	1,082,610
Adjustment for :		
Depreciation	148,879	311,125
Interest & Finance Charges	-	1,710
Operating Profit Before Working Capital Changes	843,400	1,395,445
Adjustment for :		
(Increases)/Decreases in Inventories	(1,942,138)	(1,456,197)
Increases/(Decreases) in Trade Payables & Others Liabilities	42,172,199	22,721,633
(Increases)/Decreases in Trade Receivables	(38,061,504)	8,540,099
(Increases)/Decreases in Other Current Assets	178,757	-
(Increases)/Decreases in Loan & Advances	(38,003,218)	(47,378,241)
Cash Generated from Operations	(34,812,505)	(16,177,261)
Interest paid	-	(1,710)
Direct Taxes paid	(1,071,087)	(200,716)
Net Cash From Operating Activities (A)	(35,883,592)	(16,379,687)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	-	(105,060)
Net Cash used in Investing Activities (B)	-	(105,060)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
0% Convertible Bond Application Money Received	37,722,500	-
Net Cash used in Financing Activities (C)	37,722,500	-
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	1,838,908	(16,484,747)
Cash & Cash Equivalents as at beginning of the year.	1,596,245	18,080,992
Cash & Cash Equivalents as at Closing of the year.	3,435,154	1,596,245

IN TERMS OF OUR SEPARATE
REPORT OF EVEN DATE ATTACHED

For **M/S SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board

Sd/-
(CA. NEERAJ GUPTA)

Sd/-
Managing Director

Sd/-
Director

Sd/-
Company Secretary

Partner
Membership No. 087004

Place : New Delhi
Dated : 01.09.2012

Notes on Financial Statements for the Year Ended 31st March, 2012

Particulars	31st March, 2012 (Amount in ₹)	31st March, 2011 (Amount in ₹)		
NOTE 1: SHARE CAPITAL				
Authorised Capital				
3,00,00,000 Equity Shares of ₹ 10 Each	<u>300,000,000</u>	<u>300,000,000</u>		
Issued, Subscribed & Paid Up				
1,68,89,000 Equity Shares of ₹ 10 Each Fully Paid Up	<u>168,890,000</u>	<u>168,890,000</u>		
SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:				
Name of the Shareholder	As at 31st March 2012		As at 31st March 2011	
	No. of Shares Held	% of Holding Holding	No. of Shares Held	% of Holding
MANISHA AGARWAL	1,200,000	7.11	1,200,000	7.11
OM PRAKASH AGARWAL	1,242,600	7.36	1,242,600	7.36
NOTE 2: RESERVE & SURPLUSES				
Capital Reserve				
Op. Balance	233,000		233,000	
Add: Transfer during the year	—		—	
Total (a)	<u>233,000</u>		<u>233,000</u>	
Security Premium				
Op. Balance	37,315,000		37,315,000	
Add: Transfer during the year	—		—	
Total (b)	<u>37,315,000</u>		<u>37,315,000</u>	
Surplus/(Deficit) in Profit & Loss A/c				
Opening Balance of Profit & Loss A/C	(11,860,792)		(12,175,043)	
Current Year's Profit & Loss A/C	730,746		314,251	
Total (c)	<u>(11,130,046)</u>		<u>(11,860,792)</u>	
Total(a+b+c)	<u>26,417,954</u>		<u>25,687,208</u>	
NOTE 3: TRADE PAYABLE				
Sundry Creditors:				
Due to Micro and Small Enterprises	—		—	
Due to other than Micro and Small Enterprises	89,539,993		78,202,606	
Total	<u>89,539,993</u>		<u>78,202,606</u>	
NOTE 4: OTHER CURRENT LIABILITIES				
Statutory Dues	—		46,075	
Other liabilities	31,281,155		400,268	
Total	<u>31,281,155</u>		<u>446,343</u>	
NOTE 5: SHORT-TERM PROVISIONS				
For Income Tax	132,341		200,716	
Total	<u>132,341</u>		<u>200,716</u>	

NOTE 6: (Amount in ₹)

FIXED ASSETS	GROSS BLOCK			ACCUMULATED DEPRECIATION					NET BLOCK	
	Balance as at 1.04.2011	Addition (Disposals)	Acquired through business combinations	Balance as at 31.03.2012	Depreciation charge for the year	Adjustment due to revaluations	on disposals	Balance as at 31.03.2012	Balance as at 01.04.2012	Balance as at 31.03.2011
Tangible Assets										
Furniture and Fixtures	4,953,356			4,953,356	98,409			4,953,355	1	98,410
Office Equipments	1,062,505			1,062,505	50,470			929,810	132,696	183,165
Vehicles	3,800,060			3,800,060	-			3,800,059	1	1
Computer & Printer	12,746,686			12,746,686	-			12,746,685	1	1
Total	22,562,607	-	-	22,562,607	148,879	-	-	22,429,909	132,699	281,577
Intangible Assets										
Computer Software	2,624,627			2,624,627	-			2,624,626	1	1
Total	2,624,627	-	-	2,624,627	-	-	-	2,624,626	1	1
Grand Total	25,187,234	-	-	25,187,234	148,879	-	-	25,064,535	132,700	281,578

Particulars	31st March, 2012 (Amount in ₹)	31st March, 2011 (Amount in ₹)
NOTE 7: NON-CURRENT INVESTMENT		
Non Trade-Quoted (At Cost)		
27 Equity Shares of ₹ 10/- each of Reliance Power Ltd.	7,310	7,310
Total	7,310	7,310
NOTE 8: INVENTORIES		
(Cost or Market Price Whichever is lower)		
Stock-in-Trade	9,063,434	7,121,296
Total	9,063,434	7,121,296
NOTE 9: TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Exceeding Six Months	9,582,640	60,777,887
Others	124,877,618	35,620,867
Total	134,460,258	96,398,754
NOTE 10: CASH & CASH EQUIVALENTS		
(A) Cash in Hand	62,295	139,264
(B) Balances with Scheduled Banks		
(i) In Current Accounts	3,208,602	1,292,726
(ii) In Fixed Deposit Accounts	121,872	121,872
(iii) In Securities	42,385	42,385
Total	3,435,154	1,596,247
NOTE 11: SHORT-TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Advances Recoverable in Cash or in Kind or Value to be Received	204,301,206	166,297,988
Total	204,301,206	166,297,988
NOTE 12: OTHER CURRENT ASSETS		
Tax Deducted at Source	952,350	282,695
MAT	270,553	270,553
VAT Refundable	28,724	6,765
Total	1,251,627	560,013
NOTE: 13 SALES OF PRODUCTS & SERVICES		
Domestic Sales		
Sales Domestic	162,736,566	209,938,363
Total	162,736,566	209,938,363
NOTE: 14 OTHER INCOME		
Interest Recd.& other income	4,688,777	2,530,325
Total	4,688,777	2,530,325

Particulars	31st March, 2012 (Amount in ₹)	31st March, 2011 (Amount in ₹)
NOTE: 15 CHANGES IN INVENTORIES OF STOCK IN TRADE		
Opening Bal. of Stock-in-Trade	7,121,296	5,665,099
Less: Closing Bal. of Stock-in-Trade	9,063,434	7,121,296
Total	(1,942,138)	(1,456,197)
NOTE: 16 EMPLOYEES BENEFITS EXPENSES		
Salaries to Staff	2,720,939	2,518,433
Staff Welfare Expenses		230,590
Employers Contribution to Provident Fund	7,062	7,704
Employers Contribution to ESI	3,091	3,362
Total	2,731,092	2,760,089
NOTE: 17 ADMINISTRATION & OTHER EXPENSES		
Advertisement Expenses	44,221	12,254
Payment to Auditors:		
As Audit Fee	44,944	44,120
Travelling & Conveyance Expenses	76,000	99,571
Car Running & Maint. Exp	80,512	73,600
Postage, Courier & Telephone	292,429	255,486
Printing & Stationary	491,553	562,703
Rent, Rates & Insurance	755,602	756,501
Donation & Subscription	-	326,875
DEMAT Charges	435,202	3,248
AGM/EGM & Shares transfer Expenses	335,684	299,950
Electricity Expenses	60,240	58,120
Bank Charges	662	1,710
Total	2,617,049	2,494,138

NOTE: 18
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS
A. ACCOUNTING POLICIES:
1. Basis of preparation of Financial statements :

- (i) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. There is no change in the accounting policies as compared to the preceding year.
- (ii) The Company generally follows mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis, if determinable.

2. (i) Fixed Assets:

Fixed Assets are stated at their original cost less accumulated depreciation. Cost includes duties, taxes and expenses incidental to acquisition and installation.

(ii) Depreciation:

In respect of Fixed Assets, depreciation is provided Block wise on Straight Line Method in accordance with the provisions of schedule XIV of the Companies Act, 1956.

3. Inventory:

Inventory of closing stocks held by the concern is valued at lower of the cost price or net realizable value. Cost is determined on FIFO Method. Cost comprises all cost of conversion and other costs incurred in bringing the inventories to their present location & condition.

4. Cash Flow Statement:

- (a) The statement has been prepared under indirect method except in case of dividends, sale / purchase of investments and taxes which have been considered on the basis of actual movement of case, with corresponding adjustments in assets and liabilities as set out in the Accounting Standard (AS) 3 issued by ICAI.
- (b) Cash and Cash equivalents represent cash and bank balances only.

5. Foreign Currency Transactions

Foreign currency transactions have been translated at exchange rate prevailing on the date of transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currency are reported using the closing rates.

Exchange differences arises on foreign currency transaction are recognized as income or expense in the profit & loss account.

6. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are 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. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

7. Revenue Recognition :

- (i) The company recognizes sale of product when they are invoiced to customer excluding sales tax / Vat and trade discount.
- (ii) Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists.

8. Retirement Benefits

There is no amount of gratuity liability or leave encashment or any other retirement benefits for which the company may be made liable to pay. Hence no provision for the same has been made as on the date of Balance sheet.

9. Impairment of Asset

Wherever events or changes in circumstances indicate that the carrying value of fixed assets may be impaired, the company subjects such assets to a test of recoverability, based on discounted cash flows expected from use or disposal thereof. If the assets are impaired, the company recognizes an impairment loss as a difference between the carrying value and fair value net of cost of sale in accordance with AS-28 "Impairment of Assets", issued by the Institute of Chartered Accountants Of India. None of the company's fixed assets are considered for impairment as on the balance sheet date.

10. Prior Period Expenses

Prior Period expenses, if any significant, are charged to prior period expense Account. Similarly extraordinary items, if any significant, are shown separately in the accounts statements.

11. Borrowing Costs:

- (i) Borrowing costs are recognized as an expense in the period in which they are incurred.
- (ii) The concern does not have any qualifying asset from the viewpoint of capitalization of borrowing costs. Hence no borrowing cost is capitalized.

12. Intangible Assets:

- (i) The concern does not have an intangible asset from which any probable future economic benefit will flow to it.
- (ii) Expenditure on an intangible item other than in (i) above is recognized as an expense when it is incurred.

13. Taxation:
a) Current Tax:

Tax on income for the current period is determined on the basis of taxable income and applicable tax rate computed in accordance with the provisions of the Income Tax Act, 1961.

b) Deferred Tax:

- i. The company has accounted for deferred tax in accordance with the Accounting Standard 22 "Accounting for taxes on income" issued by Council of ICAI. Accordingly, deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- ii. Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date.
- iii. Deferred Tax assets are recognized and carried forward only if there is a reasonable/virtual certainty of its realization.

14. Related Party Disclosure:

In accordance with the requirements of Accounting Standards (AS) – 18 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and descriptions of relationships, as identified and certified by the management, are:

SVAM SOFTWARE LIMITED
I. Key Management Personnel

- Mr. Rajeev Garg (Managing Director & Executive)
- Mr. Harshwardhan M. Koshal (Non Executive & Independent)
- Mr. Sudhir Kumar Agarwal (Non Executive & Non Independent)
- Mr. Neeraj Khetarpal (Non Executive & Independent)

II. As informed by the management there was no related party transactions made during the year.

15. Other Accounting Policies

Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

NOTES TO ACCOUNTS:

1. Estimated amount of Contract Remaining to be Executed on Capital Account and Not provided for, NIL(PY. NIL)
2. **Contingent Liabilities not provided for:**

	As on 31.03.12	As on 31.03.11
– Guarantees given by the company	NIL	NIL
– On a/c of Rent Pending Litigation in Court	694800.00	694800.00
3. The Company is engaged in the business of trading & development of Software packages.
4. Quantitative information required to be given under paragraph 3, 4C and 4D pursuant to part II, Schedule VI of the companies Act 1956

a) Sales and Purchase

Particulars	Quantity	Amount (₹) As at 31.03.2012	Quantity	Amount (₹) As at 31.03.2011
(i) Sales				
Software Packages	936	11293276	47758	13455857
Consumables	1570	151443290	168	7537979
(ii) Purchases				
Software Packages	918	11258226	46142	201587663
Consumables	2486	151917714	165	5689260

*Sales and Purchases include development of software, the quantitative details whereof are not possible.

b) Opening and Closing Stock

Particulars	Quantity	Amount (₹) As at 31.03.2012	Quantity	Amount (₹) As at 31.03.2011
(i) Opening Stock				
Finished Goods (Consumables)	31	3132608	34	5393618
Finished Goods (Consumables)	254	3988688	1870	271481
(ii) Closing Stock				
Finished Goods (Software Pack)	13	2877329	31	3132608
Finished Goods (Consumables)	1170	6186104	254	3988688

5. Deferred Tax Assets for the year ended 31.03.2012 Comprises of:

Particulars	As on 01.04.2011	During the year	As on 31.03.2012
On account of Difference of book Depreciation & Tax Depreciation	937761	(63662)	874099
On account of Brought Forward Losses and allowances	225927	232228	458155
Total	1163688	168566	1332254

6. CIF Value of Imports NIL(P.Y. NIL)

7. Earning and Expenditure in Foreign Exchange

- a) Earnings NIL(P.Y. NIL)
 b) Expenditure NIL(P.Y. NIL)

8. Segment Reporting

The Companies core activity is to develop and trade in computer software. This is the only business segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

9. Earning Per Share:

PARTICULARS	Current Year	Previous Year
Net Profit/Loss after tax	730746	314251
Number of Equity Shares held	16889000	16889000
Basic and Diluted Earning per share	0.04	0.02

10. Remuneration to Auditors: As required under item 4B of schedule VI of Companies Act, following amounts have been paid to auditors:

PARTICULARS	2011-12	2010-11
a) As Audit Fee	44944.00	44120.00
b) As Advisor, or in any other capacity	Nil	Nil

11. In the opinion of the Board, the value of current assets, Loans & advances if realized in the ordinary course of Business shall not be less than the amount at which those are stated in the Balance Sheet.
12. No Provision has been made for Leave encashment, gratuity and other retirement benefits, which are accounted for on payment basis only.
13. Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any will be made during the period in which the same are fully reconciled.
15. All Known Liabilities have been accounted for in the books of account.
16. Previous year's figures have been regrouped/ rearranged wherever necessary.
17. The additional Information pursuant to revised Schedule VI to the Companies Act, 1956 are either Nil or Not Applicable.
18. The financial statements for the year ended 31st March, 2011 were prepared as per then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March, 2012 are prepared in compliance with the Revised Schedule VI. Accordingly, the previous year figures have also been reclassified/regrouped to conform to current year's classification. The adoption of Revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of the financial statements.

For **M/S SNMG & CO.**
 Chartered Accountants
 F.R.N. 004921N

For and on behalf of the Board

Sd/-
(CA. NEERAJ GUPTA)

Sd/-
 Managing Director

Sd/-
 Director

Sd/-
 Company Secretary

Partner
 Membership No. 087004

Place : New Delhi
 Dated : 01.09.2012



SVAM SOFTWARE LIMITED

S-524, Vikas Marg, Shakarpur, Delhi - 110092

ATTENDANCE SLIP

Name of the attending Member.....
(In Block Letters)

Member's Folio Number/ DP A/c. No.....

Name of Proxy.....
(in block letters, to be filled in, if the proxy attends instead of member)

No. of Shares held.....

I hereby record my presence at the 20th Annual General Meeting at S-524, Vikas Marg, Shakarpur, Delhi - 110 092 at 10.30 A.M. on Friday, 28th September, 2012.

Member's/ Proxy Signature

The Attendance Slip, duly filled in is to be handed over at the Registration Counter.

-----Tear Here-----



SVAM SOFTWARE LIMITED

S-524, Vikas Marg, Shakarpur, Delhi - 110092

PROXY FORM

I/We.....of.....
being a Members of the above-named Company hereby appoint.....of
..... of.....as my/our proxy to attend
and vote for me/us and on my/our behalf at the 20th Annual General Meeting at S-524, Vikas Marg, Shakarpur, Delhi - 110 092 at 10.30
A.M. on Friday, 28th September, 2012. and at any adjournment thereof.

Ledger Folio No/ DP A/c No.....Number of Shares held.....



Signed this.....day of.....2012. Signature.....

N.B. : This proxy must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.



BOOK POST

If undelivered, please return to :-

SVAM SOFTWARE LIMITED

S-524, Vikas Marg, Shakarpur,
Delhi - 110092