



PRECIOUS TRADING AND INVESTMENTS LTD.

Registered Office : Sheth House, Next to Dindoshi Fire Station, Gen. A. K. Vaidya Marg,
Off. Western Express Highway, Malad (E), Mumbai – 400 097.
Tel: 4260 2400, 4293 3400 Fax: 4293 3533 Website: www.shethdevelopers.com
CIN No. : L51900MH1983PLC029176

FORM A

1.	Name of the Company	Precious Trading and Investments Ltd
2.	Annual Financial Statement for the year ended	31 st March, 2014
3.	Type of Audit Observation	Un-qualified
4.	Frequency of observation	Repetitive
5.	To be signed by CEO/ Managing Director	 Ashwin N. Sheth Chairman
	CFO	The Company does not have a CFO
	Auditor of the Company	M.B. Agarwal & Company Chartered Accountants  Harshal Agarwal Partner M.No. 109438 Firm No.100137W 

**31st ANNUAL REPORT
2013-2014**



SHETH
A Bond Of Trust

PRECIOUS TRADING & INVESTMENTS LIMITED

COMPANY INFORMATION

DIRECTORS	1. Ashwin N. Sheth 2. Vallabh N. sheth 3. Jitendra N. Sheth 4. Nalini Bajaria 5. Sharad Doshi	Non-Executive Director Non-Executive Director Non-Executive Director Independent Director Independent Director
COMPLIANCE OFFICER	Ashwin N. Sheth	cs@shethdevelopers.com
REGISTERED OFFICE	Sheth House, Next to Dindoshi Fire Station Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (E) Mumbai - 400097	
AUDITORS	M/s M.B. Agrawal & Company Chartered Accountants 204, Mhatre Pen Building, Senapati Bapat Marg Dadar (W), Mumbai - 400028	
REGISTRAR AND SHARE TRANSFER AGENT	Bigshare Services Pvt. Ltd, E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (E), Mumbai - 400072	
BANKERS	HDFC Bank Limited	

For any Query relating to the Shares of the Company

Bigshare Services Pvt. Ltd,

E-2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri (East), Mumbai -400072

Any other Query

Secretarial Department of Precious Trading and Investments Limited

Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (E) Mumbai - 400097.

NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of Precious Trading And Investments Limited will be held on Tuesday, 30th day of September, 2014 at the Registered Office of the Company at Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen. A. K. Vaidya Marg, Malad (East), Mumbai 400097 at 10.30 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the statement of Profit And Loss and cash flow statement for the year ended as on that date along with reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashwin N. Sheth (DIN: 00002053), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai (FRN 100137W) the retiring Auditors as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM of the Company to be held for the financial year 2016-17 (subject to ratification of their appointment at every AGM) and to authorise the Board of Directors to fix their remuneration as may be mutually agreed with the auditors, in addition to reimbursement of Service Tax and all out of pocket expenses incurred in connection with the audit of accounts of the Company.

SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provisions of Section 149, 150, 152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made thereunder, for the time being in force) and Clause 49 of the Listing Agreement and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mr. Sharad N. Doshi, (DIN: 06968835) Director of the Company and in respect of whom the Company has received a notice from a Member in writing, proposing his candidature for the office of Director, as an Independent Director of the Company, for a period of five years with effect from the date of this Annual General Meeting i.e. 30th September, 2014."

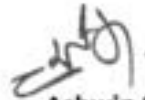
5. To consider and if thought fit to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT subject to the provision of Section 149,150,152 read with Schedule IV, 160 and other applicable provisions, if any, of the Companies Act 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof and any rules made thereunder, for the time being in force) and Clause 49 of the Listing Agreement and pursuant to provisions of Articles of Associations of the Company and subject to such other approvals as may be required, consent of Members of the Company be and is hereby accorded for appointment of Mrs. Nalini R. Bajaria, (DIN: 06968844) Director of the

Company and in respect of whom the Company has received a notice from a Member in writing, proposing her candidature for the office of Director, as an Independent Director of the Company, for a period of five years with effect from the date of this Annual General Meeting i.e. 30th September, 2014."

By Order of the Board of Directors

Place: Mumbai
Date: 6th September, 2014



Ashwin Sheth
DIN: 00002053
Chairman & Non –Executive Director

Registered Office:
Sheth House, Next to Dindoshi Fire Station,
Opp. Oberoi Mall, Gen A K Vaidya Marg,
Malad (E), Mumbai 400 097
CIN: L51900MH1983PLC029176
Email: precioustradingandinvestments@gmail.com

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
3. The details of the Directors seeking appointment/re-appointment under item no 2,4,& 5 of this notice as stipulated under clause 49 of the listing agreement is annexed hereto.
4. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
5. Members/Proxies should fill the Attendance Slip for attending the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

7. Members who hold shares in electronic form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting to facilitate identification of membership at the meeting. Members are requested to bring their attendance slip along with their copy of the annual report to the meeting.
8. Members are requested to intimate the Registrar and Share Transfer Agent (RTA) of the Company - Bigshare Services Pvt. Ltd, E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai, Maharashtra - 400072 immediately of any change in their address in respect of equity shares held in physical mode and to their DPs in respect of equity shares held in dematerialized form.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.
10. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.
11. The Register of Members and the Share Transfer Book of the Company will remain closed from Friday, 26th September, 2014 to Tuesday, 30th September, 2014 (Both days inclusive) for the purpose of Annual General Meeting.
12. Poll will be conducted at the Annual General Meeting and members may attend the Annual General Meeting and cast his/her vote.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No 4.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Sharad N. Doshi is proposed to be appointed as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. 30th September, 2014. He satisfies the conditions of an Independent Director of the Company under Clause 49 and under the Companies Act, 2013.

As per the Companies Act, 2013, the Independent Directors need not retire by rotation and can be appointed for 2 terms of 5 years. However in order to align with the revised Clause 49 of the Listing Agreement effective from October 1, 2014, he is eligible for appointment for only one term of 5 years.

In terms of Section 160 of the Companies Act, 2013, a notice has been received from a member along with the requisite deposit, proposing Mr. Sharad N. Doshi as a candidate for the office of Independent Director of the Company.

In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. The Copy of the draft letter for appointment of Mr. Sharad N. Doshi as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company.

The Board considers that Mr. Sharad N. Doshi's association would be of immense benefit to the Company and it is desirable to avail services of him as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Sharad N. Doshi as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Sharad N. Doshi being an appointee, none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No. 4.

Item No 5.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013 and read with rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mrs. Nalini R. Bajaria is proposed to be appointed as an Independent Director of the Company for a period of five years with effect from the date of this Annual General Meeting i.e. 30th September, 2014. He satisfies the conditions of an Independent Director of the Company under Clause 49 and under the Companies Act, 2013.

As per the Companies Act, 2013, the Independent Directors need not retire by rotation and can be appointed for 2 terms of 5 years. However in order to align with the revised Clause 49 of the Listing Agreement effective from October 1, 2014, he is eligible for appointment for only one term of 5 years.

In terms of Section 160 of the Companies Act, 2013, a notice has been received from a member along with the requisite deposit, proposing Mrs. Nalini R. Bajaria as a candidate for the office of Independent Director of the Company.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company. The Copy of the draft letter for appointment of Mrs. Nalini R. Bajaria as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company.

The Board considers that Mrs. Nalini R. Bajaria's association would be of immense benefit to the Company and it is desirable to avail services of Mrs. Nalini R. Bajaria as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Nalini R. Bajaria as an Independent Director, for the approval by the shareholders of the Company.

Except Mrs. Nalini R. Bajaria being an appointee, none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No. 5.

Place: Mumbai
Date: 6th September, 2014

By Order of the Board of Directors



Ashwin Sheth
DIN: 00002053
Chairman & Non-Executive Director

Registered Office:
Sheth House, Next to Dindoshi Fire Station,
Opp. Oberoi Mall, Gen A K Vaidya Marg,
Malad (E), Mumbai 400 097
CIN: L51900MH1983PLC029176
Email: precioustradingandinvestments@gmail.com

Pursuant to Clause 49 of Listing Agreement following information is furnished about the Directors proposed to be Re-appointed/Appointed

Brief Resume of Directors

Name of Director	Ashwin N. Sheth	Sharad N. Doshi	Nalini R. Bajarja
Date of Birth	07/07/1961	19/07/1961	05/06/1955
Nationality	Indian	Indian	Indian
Date of Appointment	20/12/2006	30/09/2014	30/09/2014
Shares held in the Company	NIL	NIL	250
Qualification	B.com	B.E.	H.S.C.
List of other Directorship Held excluding Private companies	Sheth Developers and Realtors (India) Ltd.	NIL	NIL
Chairman/Member of the Committee of Board of Directors of the Company	Member of Audit Committee, Nomination and remuneration Committee, Stakeholders relationship Committee	Chairman of Audit Committee Stakeholders relationship Committee Nomination and Remuneration Committee	Member of Audit Committee, Stakeholders relationship Committee, Nomination and remuneration Committee
Chairman/Member of the Committee of Board of Directors of other Companies.	Chairman of Audit Committee	None	None
Inter-se relationship with other Directors	None	None	None

Directors' Report for the Financial Year Ended March 31, 2014

To
The Shareholders,

Your Directors have pleasure in presenting the Thirty First Annual Report along with the Audited Statements of Accounts of the Company for the year ended 31st March 2014.

1. FINANCIAL HIGHLIGHTS

Particulars	2013-14 (Rs.)	2012-13 (Rs.)
Revenue from Operations	-	-
Other Income	-	-
Total Income	-	-
Other Expenses	97,371	101,529
Total Expenses	97,371	101,529
Profit before Tax and Appropriations		
Less: Provision for Deferred Tax	-	-
Provision for Income Tax	-	-
Excess Provision of Income Tax for last year	-	-
Profit after Tax	(97,371)	(101,529)

2. DIVIDEND

In view of the loss suffered by your company during the year, the Director expresses their inability to declare Dividend for the year 2013-14.

3. DIRECTORS

- In accordance with the Articles of Association and the provisions of the Section 152 (6) (e) of Companies Act, 2013, Mr. Ashwin Sheth retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment.
- The Company has pursuant to provision of Section 160(1) of the Companies Act, 2013 received notice in writing from Member proposing his candidature for the appointment of Mr. Sharad N. Doshi and Mrs. Nalini R. Bajarja as an independent Director.

4. AUDITORS AND AUDITOR'S REPORT

- M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company hold office till the conclusion of the forthcoming Annual General Meeting of the Company and are eligible for re-appointment.
- Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, it is proposed to appoint M/s. M. B. AGRAWAL & CO., Chartered Accountants,

Mumbai, as Statutory Auditors of the Company from the conclusion of forthcoming Annual General Meeting till conclusion of Annual General Meeting to be in the year 2017, subject to ratification of their appointment at every Annual General Meeting.

- The Company has received letter from M/s. M. B. Agrawal & Co. to the effect that their re-appointment if made would be pursuant to provisions of Section 139(1) of the Companies Act, 2013 and that they are not disqualified within the meaning of Section 141 of the Companies Act, 2013 read with Rule 4(1) of the Companies (Audit and Auditors) Rules, 2014.
- The Notes on Financial Statements referred to in the Auditors' Report are self explanatory and do not call for any further comments.

5. COMPLIANCE CERTIFICATE

In terms of the provisions of Section 383A of the Companies Act, 1956, your Company has obtained Compliance Certificate from Practicing Company Secretary.

6. COMMITTEES OF DIRECTORS

A. Reconstitution of Audit Committee:

During the year under review, the Audit Committee was reconstituted at Meeting of the Board of Directors of the Company held on 6th September, 2014 to align with the Companies Act, 2013 and amended provisions of Clause 49 of listing Agreement. The Committee comprises of Mr. Sharad N. Doshi as Chairman, Mr. Ashwin N. Sheth and Mrs. Nalini R. Bajaria as members.

B. Stakeholders' Relationship Committee (Formerly known as Investors' Grievance cum Share Transfer Committee):

During the year under review, the Investors' Grievance cum Share Transfer Committee was reconstituted at Meeting of the Board of Directors of the Company held on 6th September, 2014 to align with the Companies Act, 2013 and amended provisions of Clause 49 of listing Agreement and so renamed as Stakeholders Relationship Committee. The Committee comprises of Mr. Sharad N. Doshi as Chairman, Mrs. Nalini R. Bajaria, Mr. Ashwin N. Sheth and Mr. Vallabh N. Sheth as members.

C. Nomination, Remuneration & Compensation Committee (Formerly known as Remuneration Committee) :

During the year under review, the Remuneration Committee was reconstituted at Meeting of the Board of Directors of the Company held on 6th September, 2014 to align with the Companies Act, 2013 and amended provisions of Clause 49 of listing Agreement and so renamed as Nomination, Remuneration & Compensation Committee. The Committee comprises of Mr. Sharad N. Doshi as Chairman, Mrs. Nalini R. Bajaria, Mr. Ashwin N. Sheth and Mr. Jitendra N. Sheth as members.

7. PUBLIC DEPOSITS

The Company has not accepted Public Deposits within the purview of section 58A of the Companies Act, 1956 during the year under review.

8. LISTING OF EQUITY SHARES

The equity shares of your Company are listed on the BSE Limited. The Listing fee for the year 2014-15 has already been paid.

9. FINANCIAL CONDITION AND RESULT OF OPERATIONS

Management Discussion and Analysis of Financial Condition and result of Operation of the Company for the year under review, as stipulated under clause 49 of Listing Agreement with the Stock Exchanges, is given as a separate statement in this Annual Report.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The MCA has vide its General Circular No. 08/2014 dated April 4, 2014, clarified that the financial statements (and documents required to be attached thereto), auditors report and Board Report in respect of financial years that commenced earlier than April 1, 2014 shall be governed by the relevant provisions/Schedules/Rules of the Companies Act, 1956. In view of this, the following information has been provided as per the provisions of the Companies Act, 1956.

Pursuant to the requirements under section 217 (2AA) of the Companies Act, 1956, your Directors state that:-

- 1) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- 2) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as the end of the financial year and on the profit for the year under review.
- 3) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the 1956 Act and for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4) The Directors have prepared the accounts for the financial year ended 31st March 2014 on a "going concern" basis.

11. Cash Flow Statement & Consolidated Financial Accounts

The Cash flow Statement & Consolidated Financial Statements pursuant to clause 32 of the Listing Agreement entered into with Bombay Stock exchange, prepared in accordance with the applicable accounting standards, as prescribed by the Institute of Chartered accountants of India is attached as enclosures to the company's financial Statements.

12. Subsidiary Company

As at March 31, 2014, your Company had one subsidiary i.e. Sheth Developers and Realtors (India) Limited. Pursuant to the General Circular No. 2/2011 dated February 8, 2011 issued by Ministry of Corporate Affairs, Government of India, the Board of Directors of your company have given their consent for not attaching the accounts of the subsidiary of your company alongwith the Annual Report of your company. In line with the above circular and as per accounts of the subsidiary of your company along with Auditors Report have been annexed to this Annual Report.

The Company shall provide the copy of the annual accounts of its subsidiary company and the related information to the members of the Company and also to the members of the subsidiary company on their request. The annual accounts of the subsidiary company will also be kept open for inspection by any members at the Registered Office of the Company and also at the registered office of the respective subsidiary company during business hours.

13. DISCLOSURES AS PER SECTION 217(1) (E) OF THE COMPANIES ACT, 1956

A. Conservation of Energy & Technology Absorption

The Company did not carry out any business activities warranting conservation of energy and technology absorption in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

B. Foreign Exchange Earnings and Outgo

During the year under review the company had not earned any foreign exchange nor incurred any outflows in foreign exchange.

14. PARTICULARS OF EMPLOYEES

There are no employees whose particulars are required to be shown in terms of provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended.

15. CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreements entered into by your Company with the BSE Limited, a detailed report on Corporate Governance together with a report on Management

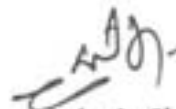
Discussion & Analysis is included in the Annual Report. The Auditors have certified the Company's compliance with the requirement Corporate Governance in terms of Existing Clause 49 and the same is annexed to the report on Corporate Governance.

16. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and sincere thanks to the State Governments, Government agencies, Banks & Financial Institutions, customers, shareholders, vendors and other related organizations, who through their continued support and co-operation have helped, as partners in your Company's progress. Your Directors, also acknowledge the hard work, dedication and commitment of the employees.

Place: Mumbai
Date: 6th September, 2014

By Order of the Board of Directors



Ashwin Sheth
DIN: 00002053
Chairman & Non-Executive Director

CORPORATE GOVERNANCE REPORT 2013-2014

The detailed report on Corporate Governance, for the financial year ended March 31, 2014 as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, fairness in all its transactions in its widest sense and meets up its stakeholder's aspirations and societal expectations.

The Company has always endeavored to implement the Corporate Governance process in the most democratic form as maximization of stakeholder's wealth which is the corner-stone of your Company. For the Company, the advent of the revised Clause 49 of the Listing Agreement has paved the way for sharing with the stakeholders, the Corporate Governance practices, which are deeply rooted in the corporate culture of the Company. Your Company has been committed to the adoption and adherence to global recognised standards of corporate conduct towards its employees, clients and the society at large. The management team of your Company warrants strict adherence to Corporate Governance practices in order to cover the entire spectrum of governance activities and it benchmarks and its practices with the prevailing guidelines of Corporate Governance.

The Directors present below the Company's policies and practices on Corporate Governance

2. BOARD OF DIRECTORS

The Board of Precious Trading and Investments Limited (PTIL) consist of 5 Directors with a fair representation of Non-Executive and Independent Directors. The Chairman being Non- Executive, as per Listing Agreement, the Company has one-third Independent Directors on its Board. All Independent Directors are eminent persons and bring wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

Details of Directors retiring by rotation and their brief profiles are provided in the notice to the Annual General Meeting.

2.1. Composition and category of Directors

<i>Category</i>	<i>Name of Director</i>
Chairman & Non-Executive Director	Ashwin Natwarlal Sheth
Non-Executive Director	Jitendra Natwarlal Sheth
Non-Executive Director	Vallabh Natwarlal Sheth
Independent Director	Nalini Bajarla
Independent Director	Sharad Doshi

2.2. Board Meetings

Attendance of each Director at the Board Meetings and the last Annual General Meeting:

The Company holds at least four Board Meetings in a year, one in each quarter inter-alia to review the financial results of the Company. The gap between two Board Meetings does not exceed four calendar months. Apart from the 4 scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of the Company. Every Director on the Board is free to suggest any item in the agenda for the consideration of the Board for the next meeting or in the very meeting with the permission of the Chairman. All the departments in the Company communicate to the Compliance Officer, well in advance, the matters requiring approval of Board/Committees of the Board to enable inclusion of the same in the agenda for Board/Committee Meetings. The important decisions taken at Board/Committee Meetings are promptly communicated to the concerned departments. Action taken reports on the decision/minutes of the previous meetings are placed at the succeeding meetings of the Board/Committee for approval and noting.

The attendance of the Directors at the Board Meetings and the Annual General Meeting held during the year ended 31st March 2014 was as follows:

Directors	Board Meetings attended during the year	Whether attended last AGM	No. of Other Directorships/ Committee Memberships/ Committee Chairmanships		
			Directorship	Committee Membership	Committee Chairmanship
Ashwin N. Sheth	8	Yes	25	-	4
Jitendra N. Sheth	8	Yes	16	4	-
Vallabh N. Sheth	8	Yes	16	4	-
Sharad N. Doshi	NIL	NA	NIL	NIL	NIL
Nalini R. Bajaría	NIL	NA	NIL	NIL	NIL

Note:

1. During Financial Year 2013-14, eight (8) Board Meetings were held respectively on 14th May, 2013, 30th May, 2013, 17th July, 2013, 29th July, 2013, 5th September, 2013, 18th October, 2013, 30th October, 2013 and 27th January, 2014.

2.3 Information provided to the Board:

The Board of the Company is presented with all information under the following heads, whenever applicable and wherever materially significant. These are submitted either as part of the agenda well in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter-alia includes:

1. Annual operating plans for business, capital budgets, and updates.
2. Quarterly results of the Company and its operating divisions or business segments.
3. Minutes of the Audit Committee and other Committees.

4. Information on recruitment and remuneration of senior executives just below the Board level.
5. Materially important litigations, show cause notices, demands, prosecution and penalty notices.
6. Fatal or serious accidents of its employees.
7. Any material defaults in financial obligations to and by the Company or substantial non payments for services rendered by the Company.
8. Details of any joint venture or collaboration agreement or major new client.
9. Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
10. Transactions involving substantial payments towards goodwill, brand equity or intellectual property.
11. Significant developments on the human resources front.
12. Sale of material nature of investments, subsidiaries, assets that are not in the normal course of business.
13. Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risks of adverse exchange rate movements.
14. Quarterly updates on the return from deployment of surplus funds.
15. Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer etc.

2.3 Brief resume of the Directors who will be retiring by rotation at this Annual General Meeting of the Company:

Mr. Ashwin N. Sheth, aged 53 years residing at Plot No. 7, Hatkesh Co-operative Housing Society, J.V.P.D. Scheme, Mumbai - 400056 holds the degree of B.com. He has vast experience of 25 years in Construction Industry.

3. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

3.1 Brief description of the terms of reference

The terms of reference of the Audit Committee are as follows, to the extent applicable to the Company:

- A. Overview of the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statements are correct, sufficient and credible.
- B. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of statutory auditors and fixation of audit fees and other terms of appointment.
- C. Approving payment to statutory auditors, including cost auditors for any other services rendered by them
- D. To review with the management the annual financial statements before submission to the Board, focusing primarily on:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Directors' Report in terms of sub-section (2AA) of Section 217 of the Companies Act, 1956.
 - Any material changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by the management and qualifications in the draft Audit Report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with the accounting standards issued by the Institute of Chartered Accountants of India.
 - Compliance with Stock Exchanges and other legal requirements concerning financial statements.
 - Any related party transactions i.e. 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 the Company at large.
 - Qualification in the draft audit report.
- E. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- F. Reviewing, with the management the statement of uses/application of funds raised through an issue (public issue/right issue/ preferential issue etc.) the statement of funds utilised for the purposes other than those stated in the offer document, prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or right issue and making appropriate recommendations to the Board to take up steps in this matter.
- G. Reviewing and monitoring the auditors independence and performance and effectiveness of audit process
- H. Approval or any subsequent modification of transactions of the Company with related parties.
- I. Scrutiny of inter corporate loans and investments.
- J. Valuation of undertakings or assets of the Company, whenever it is necessary.
- K. Evaluation of internal financial controls and risk management systems.
- L. To review with Management performance of the Statutory and Internal Auditors, adequacy of the internal control systems.

- M. To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- N. To discuss with internal auditors about any significant findings and follow-up thereon.
- O. To review the findings of any internal investigations by the internal auditors into 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.
- P. To discuss with statutory auditors before the audit commences, the nature and scope of audit as well as have post-audit discussions to ascertain any area of concern.
- Q. To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- R. To review the functioning of the Whistle Blower mechanism, in case the same is existing including operating of the vigil mechanism system for Directors and employees of the Company in accordance with Section 177 of the Companies Act, 2013
- S. Approval of appointment of CFO (i.e. the Whole Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background etc of the candidate.
- T. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

3.2 Composition, Name of Members and Chairman:

- The Audit Committee of the Company comprises of (3) three Non- Executive Director.
- The Committee comprises of Mr. Sharad N. Doshi - Chairman, Mr. Ashwin N. Sheth and Mrs. Nalini R. Balaria as members.

Note: The Audit Committee reconstituted by Board on 6th September, 2014 and its scope enhanced to align it with the scope and powers set out in Section 177 of Companies Act, 2013 and amended clause 49 of Listing Agreement.

3.3 Meetings and Attendance during the year 2013-14

The Audit Committee met Five (5) times during the year under review on following dates: 14th May, 2013, 29th July, 2013, 5th September, 2013, 30th October 2013 and 27th January, 2014. The detail of the Meeting attended by Committee Members during the year as given below:

Name of Director	Category	No. of Meetings Attended
Ashwin Sheth	Non-Executive	5
Jitendra Sheth	Non-Executive	5
Vallabh Sheth	Non-Executive	5

4. Nomination, Remuneration and Compensation Committee (Remuneration Committee):

The Remuneration Committee reconstituted and renamed by Board as Nomination, Remuneration and Compensation Committee on 6th September, 2014 and its scope enhanced to align it with the scope and powers set out in Section 178 of Companies Act, 2013 and amended clause 49 of Listing Agreement

4.1 Brief description of the terms of reference

The terms of reference of the Remuneration Committee are as follows, to the extent applicable to the Company:

1. To determine on behalf of the Board and on behalf of the Shareholders the Company's policy on specific remuneration Packages to Executive Directors including pension rights and any compensation payment.
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirement required to be attended by such committee.
3. The name of the said Committee is now "Nomination and Remuneration Committee" and the terms of Reference has been enlarged as required under the provisions of Companies Act, 2013 / Listing Agreement.

4.2 Composition, Name of Members and Chairman:

The Committee comprises of 4 Non-Executive Directors.

Mr. Sharad N. Doshi	-	Chairman
Mr. Ashwin N. Sheth	-	Member
Mr. Vallabh N. Sheth	-	Member
Mrs. Nalini R. Balaria	-	Member

4.3 Policy

1. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
4. Devising a policy on Board diversity

4.4 Details of Remuneration paid to Executive Directors:

Sr. No.	Name of Director	Salary	Perquisites and allowances	Retiral Benefits	Performance Linked Incentive	Total
1.	Ashwin Sheth	-	-	-	-	-
2.	Vallabh Sheth	-	-	-	-	-
3	Jitendra Sheth	-	-	-	-	-

5. Stakeholders Relationship Committee (Formerly known as Investors' Grievance cum Share Transfer Committee)

The Investors' Grievance cum Share Transfer Committee reconstituted and renamed by Board as Stakeholders Relationship Committee on 06th September, 2014 and its scope enhanced to align it with the scope and powers set out in Section 178 of Companies Act, 2013 and amended clause 49 of Listing Agreement.

5.1 Scope of the Committee

The scope of the Stakeholders Relationship Committee is to review and address the grievances of the shareholders in respect of share transfers, transmission, issue of duplicate/consolidated share certificates, allotment and listing of shares, non-receipt of annual report, non- receipt of balance sheet, non-receipt of dividend etc. and other related activities. In addition, the Committee also looks into matters that can facilitate better investor's services and relations.

5.2 Composition of the Committee

During the year under review, the Investors' Grievance cum Share Transfer Committee was reconstituted at Meeting of the Board of Directors of the Company held on 06th September, 2014 to align with the Companies Act, 2013 and amended provisions of Clause 49 of listing Agreement and so renamed as Stakeholders Relationship Committee. The Committee comprises of Mr. Sharad N. Doshi as Chairman, Mrs. Nalini R. Bajaria, Mr. Ashwin N. Sheth and Mr. Jitendra N. Sheth as members.

5.3 Compliance Officer

Mr. Ashwin Sheth is the Compliance Officer of the Company

5.4 Number of complaints / requests received during the year under review and their break-up is as under:

Sr. No.	Description	Total	
		Received	Replied/ Resolved
1.	Letter from Statutory bodies (SEBI/Stock Exchange)	NIL	N.A.
2.	Letter from Shareholders	NIL	N.A.

6. General Body Meetings:

6.1 Location and time, where last three AGMs were held

The following table details the particulars of the last 3 Annual General Meetings of the Company

Financial Year	Date & Time	Venue
2010-2011	September 30, 2011 & 10.00 a.m.	Registered Office
2011-2012	September 29, 2012 & 10.00 a.m.	Registered Office
2012-2013	September 30, 2013 & 11.00 a.m.	Registered Office

6.2 Details of the Special Resolutions passed in the previous three AGMs

2012-13 : NIL

2011-12 : NIL

2010-11 : NIL

6.3 Special Resolution is proposed to be conducted through Postal Ballot

No items transacted at ensuing Annual General Meeting required to conduct Postal Ballot

7. Disclosures

7.1 Disclosures regarding materially significant related party transactions

No transaction of material nature has been entered into by the Company with its Promoters or Directors or management or relatives etc. that may have potential conflict with the interests of the Company.

All transactions with the Related Parties were in the ordinary course of business and at arms length basis.

7.2 Disclosure

There are no material transactions with related parties, which require separate disclosure. A comprehensive list of related party transactions as required by Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of Notes to the Financial Statements in the Annual Report.

The Board reviews the risk assessment and minimization procedure from time to time. The risk management issues are discussed in detail in the report of Management Discussion and Analysis.

There is no material pecuniary transaction with any Non-Executive as well as Independent Directors of the Company that requires a separate disclosure.

The Management Discussion and Analysis Report is prepared in accordance with the requirements laid out in Clause 49 of the Listing Agreement.

There were no materially significant related party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

No penalties were imposed on the Company by the Bombay Stock Exchange Limited or SEBI or any other Statutory Authority on any matter related to capital market during the last three years.

The details of compliance with mandatory requirements of Clause 49 are as contained in this Report.

7.3 Prevention of Insider Trading

In compliance with the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations 1992, as amended till date on prevention of Insider Trading, the Company has adopted a comprehensive code of conduct and the same is being strictly adhered by its management staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

The Company follows quiet periods (closure of trading window) prior to its publication of Unpublished Price Sensitive Information. During the quiet period, the Company has set up a mechanism where the management and relevant staff and business associates of the Company are informed not to trade in Company's securities.

The company also affirms that no personnel has been denied access to the Audit Committee

7.4 Code of conduct

In terms of Clause 49 of the Listing Agreement(s), the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The Declaration by the Chairman of the Company forms part of this Report.

7.5 Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

7.6 Details of Compliance with Clause 49 of the Listing Agreement

The Company has complied with the provisions of Clause 49 of the Listing Agreement

8. Means of Communication

- (a) **Quarterly Results:** The quarterly, Half Yearly and Annual Results are sent to the Stock Exchange immediately after they were approved by Board.
- (b) **Newspapers:** The quarterly, Half Yearly and Annual Results are published in The Free Press Journal (National Daily) and Navashakti (Regional Newspaper).

9. Management Discussion and Analysis

The Company has provided a detailed Management Discussion and Analysis report in its Annual Report and the same forms part of the Annual Report.

10. General Shareholder Information

10.1 Forth Coming Annual General Meeting

The forthcoming Annual General Meeting of the Company is scheduled to be held on Tuesday the 30th Day of September, 2014 at the Registered Office of the Company at Sheth House, Next to Dindoshi Fire Station, Opp. Oberai Mall, Gen A K Vaidya Marg, Malad (East), Mumbai - 400 097 at 10.30 a.m.

10.2 Financial Year of the Company

1st April to 31st March every year

10.3 Date of Book Closure

From 26th September, 2014 to 30th September, 2014 (Both days inclusive)

10.4 Listing on Stock Exchange

BSE Limited

10.5 Stock Code

506107

10.6 Market Price Data: High Low during each month in Financial Year i.e. April 2013 to March 2014

During the year shares of the Company are not traded on exchange.

10.7 Registrar and Share Transfer Agents

Bigshare Services Pvt. Ltd
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai, Maharashtra, 400072

10.8 Share Transfer System

Shares sent for transfer in physical form are registered and returned by Registrar and Share Transfer Agents within 30 days from the date of receipt of documents, provided that the documents are found in order. Shares under objection are returned within 21 days.

10.9 Distribution of shareholding and shareholding pattern as on 31st March, 2014

Distribution Schedule as on 31st March, 2014

Sr. No.	Category	No. of Shareholders	% of Shareholders	Amount	% Amount
1	1 to 100	5	4.13	3600	0.15
2	101 to 500	58	47.93	172100	7.17
3	501 to 1000	43	35.54	241600	10.07
4	1001 to 10000	14	11.57	183000	7.62
5	10001 and above	1	0.83	1799700	74.99
	Total	121	100.00	2400000	100.00

Shareholding Pattern as on March 31, 2014

Sr. No.	Category of Shareholder	No. of Shareholders	Number of Shares	% of Equity
1.	Promoters	1	179970	74.99
2.	Mutual Funds/ UTI	-	-	-
3.	Bank /Financial Institution/	-	-	-

	Insurance Company			
4.	FII's/GDR	-	-	-
5.	Private Bodies Corporate	-	-	-
6.	Indian Public	120	60030	25.01
7.	NRI's/OCBs	-	-	-
8.	Others	-	-	-
	Total	121	240000	100

10.10 Dematerialisation of Shares

As on 31st March, 2014, all the shares of the Company are in physical form.

10.11 Outstanding GDRs/ADRs/or Warrants or any Convertible instrument, conversion date and likely to impact on Equity

NIL

10.12 Address for correspondence

For any Query relating to the Shares of the Company

Bigshare Services Pvt. Ltd
E-2/3, Ansa Industrial Estate,
Saki Vihar Road, Saki Naka,
Andheri (East), Mumbai, Maharashtra, 400072

Any other Query

Secretarial Department of Precious Trading and Investments Limited
Sheth House, Next to Dindoshi Fire Station,
Opp. Oberoi Mall, Gen A K Vaidya Marg,
Malad (E), Mumbai, Maharashtra, 400097

Declaration affirming Compliance of code of conduct

As provided under the Clause 49 of the Listing Agreement, the Board Members and Senior Managerial Personnel have confirmed compliance with the code of conduct for the year ended 31st March, 2014.

For Precious Trading and Investments Limited



Ashwin Sheth
Non-Executive Director
DIN: 00002053

Place: Mumbai
Date: 6th September, 2014

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Global Economic Outlook

Global activity has broadly strengthened and is gradually improving in 2014-15, with much of the impetus coming from advanced economies. Activity in many emerging market economies has disappointed in a less favorable external financial environment. The renewed increase in financial volatility in early 2014 highlights the challenges for emerging market economies posed by the changing external environment. Although market pressures were relatively broad based, countries especially third world, with higher inflation and wider current account deficits were generally more affected. Some of these weaknesses have been present for some time, but with prospects of improved returns in advanced economies, investor sentiment is now less favorable toward emerging market risks. In view of possible capital flow reversals, risks related to sizable external funding needs and disorderly currency depreciations are a concern. Some emerging market economies have tightened macroeconomic policies to shore up confidence and strengthen their commitment to policy objectives. The cost of capital has increased as a result, and this is dampening investment and weighing down on growth. Looking ahead, global growth is projected to strengthen, led by strong growth in the United States and positive but varied growth projections for the euro area: stronger in the core, but weaker in countries with high debt (both private and public) and financial fragmentation. In emerging markets and developing economies, growth is projected to pick up helped by stronger external demand from advanced economies, but tighter financial conditions will be a dampener to domestic demand growth.

Domestic Outlook

The Indian economy continued to face an uphill task in attaining a higher growth trajectory, given the continued impact of the global economic crisis. The challenges included an elevated current account deficit, persistent inflation and sharp depreciation of the rupee against the US dollar, which spiraled in mid-2013-14. Other domestic impediments like rising food and retail inflation, high input costs, pressure on profit margins and infrastructural bottlenecks contributed to the pressure on the economy. These challenges prompted the government to calibrate the fiscal policy and launch preventive administrative measures along with appropriate institutional mechanisms to fast track investments in the country.

Backed by a favorable monsoon season, India's agricultural sector did witness some recovery, particularly in the second and third quarters of the last fiscal. However, subdued growth in the manufacturing sector resulted in the overall GDP growth rate hovering around 4.6% during the year to the dismay of the Indian Government. Going

forward, the economy has started picking positive cues from the advanced economies, alleviating external constraints, and paving the way to recovery. The stability of the new incumbent government is expected to ease the economic condition of the nation. The recovery is strengthening but remains uneven.

Global Scenario of Financial Industry

Financial Services is the one of the growing sector of Indian economy, which determines the growth and sustainability. There are vast opportunities available for investments in the country for its globalization.

The Company is focused on trading in Finance products and Investments in Shares, Banks and other Financial Channels in India and internationally. The Company has been planning to trade and finance in Financial products at large scale.

Industry Structure and Development

Indian economy faced considerable macro challenges during Financial Year 2014, the most prominent being sharp deterioration in Balance of Payments (BoP) situation. Combination of very large current account deficit and sudden outflow of capital especially from bonds led to a precipitous decline of 20% in the rupee exchange rate in a short span of 3-4 months.

Capital markets witnessed a roller coaster ride during Financial Year 2014 but ended on a high note. The Financial Year 2014 started well as Commodity prices declined and stability on political front was restored.

Debt market had its fair share of ups and downs in a volatile year whereby both global and domestic factors necessitated swift action by policy makers, initially with a view to defend currency volatility and later to fight inflationary pressures. RBI and the government had to step in as currency depreciated sharply on the back of US Fed tapering fears and higher current account deficit.

Threats & Opportunities

Pricing & Rising of Finance Costs

The industry is very much dependent on FII Investments. Any price volatility due to these investments and to adjust to the same could adversely affect the results of operations and profitability of the industry.

Domestic Markets

We try and tap every lawful opportunity coming our way and follow a focused approach and increased marketing efforts. In the coming years, we shall strive harder to start the activities of the Company.

Segment-wise Performance

The operation of the company consists of a single segment. Hence, the Accounting Standard on Segment Reporting (AS-17) issued by Institute of Chartered Accountants of India does not apply.

Outlook

The Indian economy has shown a substantial growth in the year 2013-14 and this will have a positive impact on all the sectors. However, to tap the full potential of this emerging opportunity, the domestic industry needs to improve its cost effectiveness, scale of operations and quality/reliability in order to be able to compete with other global competitors in the market.

Security Market has maintained their high volatility making it difficult to take long-term views on prices. The volatility of the rupee against the dollar has further been a cause of concern for investors.

We are committed to deliver quality Services on a consistent basis and at competitive prices. Our strategy has been to make optimum utilization of the resources and finally develop strong customer relationship and thereby backing our prime motto to be a Service driven Company.

Our Results of Operations

The Break-up of Revenue and Costs of Company is as given below:

Particulars	2013-14 (Rs.)	2012-13 (Rs.)
Income	-	-
<u>Expenditure</u>		
Operating Administrative & Other Expenditure	97,371	1,01,529
Total	97,371	1,01,529
Profit Before Tax	(97,371)	(101,529)
Profit After Tax	(97,371)	(101,529)
Earning Per Share	(0.41)	(0.42)

Internal Control

The Company's internal control procedures are tailored to match the organization's pace of growth and increasing complexity of operations. This ensures compliance to various policies, practices and statutes.

We have an independent and adequate system of Internal Control which enables reliable financial reporting, safeguard of assets and encourages adherence to management policies. The Company has a system for speedy compilation of accounts and management information reports to comply with applicable laws and regulations.

We have a reasonable budgetary control system so that the management can monthly review actual performance against the budget. A well defined organization structure is in place with authority level, internal rules and guidelines for conducting business transactions.

Transaction in which the management is interested in its personal capacity

During the year, there are no materially significant related party transactions entered into with the management that may have potential conflict with the interests of your Company.

Cautionary Statement

Statements in this Management Discussion and Analysis describing your Company's objectives, projections, estimates and expectations, may be 'forward looking statements' and are within the meaning of the applicable laws and regulations. Actual results might differ substantially or materially from those expressed and implied. Important developments that could affect your Company's operations include a downtrend in the international market, fall in on-site, offshore rates and significant changes in political and economic environment, environment standards, tax laws, litigations and labour relations.

Place: Mumbai
Date: 6th September, 2014

By Order of the Board of Directors



Ashwin Sheth
DIN: 00002053
Chairman & Non-Executive Director



M. B. AGRAWAL & CO.
CHARTERED ACCOUNTANTS

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YATIN MEHTA F.C.A.
RAMESHMAL SANGHAVI F.C.A.
SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

HEMANT AGRAWAL F.C.A.
HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.
SUBODH N. AGRAWAL F.C.A.
ASHISH BANGAD A.C.A.

INDEPENDENT AUDITORS' REPORT

To the Members of
M/S PRECIOUS TRADING & INVESTMENTS LIMITED.
MUMBAI.

Report on the Financial Statements

We have audited the accompanying financial statements of M/S. **PRECIOUS TRADING & INVESTMENTS LIMITED** (the Company), which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

AM

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Company's 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 the Balance Sheet of the state of affairs of the Company as at 31st March 2014;
- ii. In the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- iii. In case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 (the Order) issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

FOR M. B. AGRAWAL & CO.
CHARTERED ACCOUNTANTS



A. Harshal

HARSHAL AGRAWAL
PARTNER
M. No.109438
Firm No.100137W

Place: Mumbai
Date: September 6th, 2014

Annexure to Independent Auditor's Report

Referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date. Clauses (i),(ii),(vi),(viii),(xi),(xii),(xiii), (xv), (xvi), (xvii), (xviii), (xix) and (xx) of CARO 2003 are either nil or not applicable to the company.

- i) 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) The Company has granted the unsecured loan of Rs.1060.99 Lakhs (PY Rs. 1060.99 Lacs) to a one party covered in the register maintained under Section 301 of The Companies Act, 1956 . The maximum amount outstanding at any time during the year was Rs. 1060.99 Lacs.
 - (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the company, are not prima - facie prejudicial to the interest of the company.
 - (c) The receipt of the principal amount is as per the terms of the agreement.
 - (d) In respect of the said loans there are no overdue amounts.
 - (e) The company has taken unsecured loan of Rs. 906.15 lacs. (PY Rs. . 905.30 lacs.) and the maximum amount outstanding at any time during the year was Rs 906.15 lacs from one party covered in the register maintained under Section 301 of The Companies Act,1956.
 - (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans taken by the company, are not prima - facie prejudicial to the interest of the company.
 - (g) The repayment of principal amount of loan and interest are in accordance with the terms of contract.
- ii) 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 nature of its business-for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weakness in such internal control system.
- iii) 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 register maintained under section 301 of the Companies Act, 1956 have been so entered.



- b) In our opinion and according to the information and explanation given to us, transaction made in pursuance of contracts/arrangements entered in Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rs 500000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company
- iv) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- v) 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, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues as applicable to it have been generally regularly deposited with the appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2014 for a period of more than six months from the date they became payable.
- vi) The Company does not have accumulated losses as at the end of the financial year. Company has incurred a cash loss of Rs.97,371/- for current financial year and in the immediately preceding financial year Rs.1,01,529/-
- vii) The Company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
- viii) In our opinion and according to the information and explanations given to us, no material fraud on or by the company has been noticed or reported during the year.

For M. B. Agrawal & Co.
Chartered Accountants



Aj. Harshal

HARSHAL AGRAWAL
PARTNER
M. No.109438
Firm No.100137W

Place: Mumbai
Date: September 6th, 2014

PRECIOUS TRADING & INVESTMENTS LIMITED

BALANCE SHEET

as at 31st March, 2014

(Currency : Indian Rupees)

	Note No	2014	2013
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	2,400,000	2,400,000
Reserves and surplus	3	108,423,078	108,520,449
		<u>110,823,078</u>	<u>110,920,449</u>
Non current liabilities			
Long term borrowings	4	90,615,005	90,530,128
		<u>90,615,005</u>	<u>90,530,128</u>
Current liabilities			
Trade payable	5	42,887	38,566
Other current liabilities	6	-	746
Short term provisions	7	-	750
		<u>42,887</u>	<u>40,062</u>
TOTAL		<u>201,480,970</u>	<u>201,490,639</u>
ASSETS			
Non Current Assets			
Non current investments	8	95,368,349	95,368,349
Long term loans and advances	9	106,099,000	106,099,000
Other non current assets	10	-	2,500
		<u>201,467,349</u>	<u>201,469,849</u>
Current Assets			
Cash and Bank	11	11,121	18,290
Other current assets	12	2,500	2,500
		<u>13,621</u>	<u>20,790</u>
		<u>201,480,970</u>	<u>201,490,639</u>
Notes to Accounts	1		
Significant accounting Policies			

The schedules referred to above form an integral part of the balance sheet.

As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FIRN No. 100157 W

Harshad Agrawal
Partner
Membership No: 109438

Mumbai
Date : September 06, 2014



For and on behalf of the Board of Directors

Ashwin N. Sheth
Director
DIN-0002053

Mumbai
Date : September 06, 2014

Vijay N. Sheth
Director
DIN-0002015

PRECIOUS TRADING & INVESTMENTS LIMITED

Statement of Profit & Loss Account
for the year ended 31st March, 2014

(Currency : Indian Rupees)

	Note No	2014	2013
EXPENSES			
Other expenses	13	<u>97,371</u>	<u>101,529</u>
		<u>97,371</u>	<u>101,529</u>
		<u>(97,371)</u>	<u>(101,529)</u>
PROFIT / (LOSS) BEFORE TAX		(97,371)	(101,529)
Tax expense			
- Current tax		-	-
- Deferred tax		-	-
PROFIT / (LOSS) FOR THE PERIOD		<u>(97,371)</u>	<u>(101,529)</u>
EARNINGS PER EQUITY SHARE			
Basic and diluted earnings per share		<u>(₹ 4)</u>	<u>(₹ 4)</u>

Notes to Accounts
Significant accounting Policies

1

The schedules referred to above form an integral part of the profit and loss account.
As per our report of even date attached.

For M. B. Agrawal & Co.
Chartered Accountants
FRN No. 100137 W

Harshad Agrawal
Partner
Membership No. 109438

Mumbai
Date : September 06, 2014



For and on behalf of the Board of Directors


Ashwin N. Sheth
Director
DN-0002013

Mumbai
Date : September 06, 2014


Valabh N. Sheth
Director
DN-0002013

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
as at 31st March, 2014

(Currency : Indian Rupees)

	2014	2013
2 Share capital		
Authorised capital		
2,50,000 (2,50,000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
Issued, subscribed and paid-up		
2,40,000 (2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	2014	2013
	Number Rupees	Number Rupees
Shares at the beginning of the year	240,000 2,400,000	240,000 2,400,000
Issued during the year	- -	- -
Outstanding at the end of the year	<u>240,000 2,400,000</u>	<u>240,000 2,400,000</u>
(b) Terms / rights attached to the shares		
The company has only one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.		
(c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held.		
(d) Shares held by holding company	2014	2013
Sheth Developers Private Limited 1,79,970 (2011: 1,79,970) equity shares of Rs 10 each fully paid.	1,799,700	1,799,700
(e) Detail of shareholders holding more than 5% shares in the company	2014	2013
	% holding in the class No. of Shares Held	% holding in the class No. of Shares Held
Equity Shares of Rs 10 each fully paid up Sheth Developers Private Limited	75% 179,970	75% 179,970
3 Reserves and surplus		
Securities premium account		
Capital Reserve	98,265,518	98,265,518
	<u>98,265,518</u>	<u>98,265,518</u>
Profit and Loss Account		
Balance as per last financial statements	10,254,931	10,356,460
Add: Loss for the year transferred from the statement of Profit and loss	(97,371)	(101,529)
Closing balance at the end of the year	<u>10,157,560</u>	<u>10,254,931</u>
	<u>108,423,078</u>	<u>108,520,449</u>
4 Long term borrowings		
Unsecured loan from related party		
from Corporate (No schedule of repayment has been determined.)	90,615,005	90,530,128
	<u>90,615,005</u>	<u>90,530,128</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
as at 31st March, 2014

(Currency : Indian Rupees)

	2014	2013
5 Trade Payable		
Trade payables towards goods purchased and services rendered		
-Others	42,887	38,566
	<u>42,887</u>	<u>38,566</u>
6 Other current liabilities		
Statutory dues payable	-	746
	<u>-</u>	<u>746</u>
7 Short term provisions		
Provision for Employee benefits:		
Provision for Expense	-	750
	<u>-</u>	<u>750</u>
8 Non current investments		
Long term investments - at cost		
Trade (Unquoted)		
Investment in Equity Shares		
In Subsidiary		
1,37,70,000 Fully paid up equity shares of Rs. 10/- each of Sheth Developers & realtors (I) Ltd (P.Y. 1,37,70,000)	7,688,249	7,688,249
In Other	100	100
1 equity share of Rs. 100/- each of Sheth Shelters Pvt Ltd (P.Y 1)		
Investment in Preference Shares		
4,38,400, 6% Redeemable Non-Cumulative, Non-Participating Preference shares of Rs. 10/- each of Sheth Shelters Pvt Ltd. (P.Y. 4,38,600) (Face Value of Rs. 10/- and Premium of Rs. 190/- per share)	87,680,000	87,680,000
	<u>95,368,349</u>	<u>95,368,349</u>
9 Long term loans and advances (Unsecured, considered good)		
Unsecured loan to related party		
To Corporate	106,099,000	106,099,000
	<u>106,099,000</u>	<u>106,099,000</u>
10 Other non current assets		
Prepaid expenses	2,500	5,000
Less: Current maturity of non current assets (Transfer to other current assets)	2,500	2,500
	<u>-</u>	<u>2,500</u>
11 Cash and Bank balances		
Cash and cash equivalents		
Cash in hand	3,042	3,247
Balance with scheduled banks		
- in current accounts	8,079	15,043
	<u>11,121</u>	<u>18,290</u>
	<u>11,121</u>	<u>18,290</u>
12 Other current assets		
Current maturity of other non current asset	2,500	2,500
	<u>2,500</u>	<u>2,500</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements *(Continued)*
for the year ended 31st March,2014

(Currency : Indian Rupees)

	2014	2013
13 Operating, administrative and other expenses		
Legal, professional and other fees	22,500	22,000
Filing fees and stamping charges	4,000	4,550
Auditors remuneration (including service tax)		
- Audit fee	11,236	11,236
Bank charges and commission	100	85
Advertisement Expenses	19,020	33,103
Directors Meeting Fees	-	3,278
Stock Exchange Listing Fees	16,854	16,854
Other Fees & Stamps	50,220	6,624
Miscellaneous expenses	3,441	3,799
	<u>97,371</u>	<u>101,529</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes annexed to and forming part of accounts for year ended 31st March, 2014

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014:

SIGNIFICANT ACCOUNTING POLICY:

1. GENERAL

- a) The Financial Statements have been prepared under the Historical Cost Convention in accordance with the generally accepted Accounting principles, the Accounting Standards issued by the Institute of Chartered Accountants of India and as referred to in Section 211 (3C) of the Companies Act, 1956 and the Provisions of the Companies Act, 1956.
- b) The company follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.

2. INVESTMENTS:

Long Term Unquoted investments are stated At Cost. Cost includes the Purchase Cost and the incidental expenses to Acquisition.

3. OTHER ACCOUNTING POLICIES:

These are consistent with generally accepted accounting policies

4. CLAIMS, DEMANDS AND CONTINGENCIES

Disputed and/or contingent liabilities are either provided for or disclosed depending on management's judgment of potential outcome.

5. PROVISION FOR DEFERRED TAXATION

Income tax on Income are provided for after considering the tax effect of timing difference, which arise during the Year and reversed in subsequent period. Deferred Tax has been calculated at the tax rates and laws that have been enacted or substantially enacted as of the Balance Sheet date and is recognized on Timing differences that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized.



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes annexed to and forming part of accounts for year ended 31st March, 2014

NOTES TO ACCOUNTS

14. Contingent Liability : The investment done in subsidiary company Sheth Developers & Realtors (I) Ltd (SDR(I)L) in the form of equity share have been pledged in favour of SBICAP TRUSTEE COMPANY LIMITED as a additional security for the loan availed by SDR(I)L . by pledged agreement dated 19.12.2013.

15. In the opinion of the Directors the Current Assets and creditors have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. The provision for all known Liabilities is adequate and not in excess of the Amount reasonably necessary.

16. Auditor's remuneration

Particulars	2013-14 (₹)	2012-13 (₹)
Audit Fees (including Service Tax)	11,236	11,236

17. Directors' remuneration

Particulars	2013-14 (₹)	2012-13 (₹)
Salary	NIL	NIL
Meeting Fees	NIL	3,278
Total	NIL	3,278

18. Revenue recognition

Income & expenses considered receivable and payable are accounted for on accrual basis when no significant uncertainties as to its realization or determination exist.

19. Expenditure in Foreign Currency during the year ₹ Nil (Previous Year - ₹ NIL)

20. As per the guidelines provided under AS-13 on 'Accounting for Investments' all the long term unquoted investments and are stated At Cost. Cost Includes Purchase Cost and the cost of Acquisition.

21. The Liability for Retirement benefits as per Accounting Standard -15 in view of absence of employees. Provision during the year is ₹ NIL. (Previous Year ₹ NIL)



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes annexed to and forming part of accounts for year ended 31st March, 2014

22. Amount of Borrowing Cost capitalized as per Accounting Standard 16 during the year is ₹ NIL. (Previous Year ₹ NIL)
23. Since the Company is operating its Investment Activity only in one Segment no Segment wise Reporting per accounting Standard AS-17 is provided.

24. Related party Disclosures

As per Accounting Standard 18, issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

- (i) List of related parties where control exists and relationships:

Sr No.	Name of the Related Party	Relationship
1.	Sheth Developers Pvt. Ltd.	Holding Company
2.	Sheth Developers and Realtors (India) Limited	Subsidiary Company
3.	Sheth Estate (International) Ltd.	Associate Concern
4.	Middle East Exports Pvt. Ltd.	
5.	Lohitka Properties Pvt. Ltd.	
6.	Laxmi Prabha Impex & Investments Pvt. Ltd.	
7.	Sheth Realcon Ventures Pvt. Ltd.	
8.	Sheth Shelters Pvt. Ltd.	
9.	Atlaz Digi-Tel Pvt. Ltd.	
10.	Sheth Infrastructure Pvt. Ltd.	
11.	Sheth Building materials Pvt. Ltd.	
12.	Sheth Creators Pvt. Ltd.	
13.	Sheth Landmarks Pvt. Ltd.	
14.	Sheth Buildwell Pvt. Ltd.	
15.	Sheth Creators & Realtors Pvt. Ltd	
16.	Sheth Creators & Promoters Pvt. Ltd.	
17.	Sheth Heights Pvt. Ltd.	
18.	Sheth Creators and Constructors Pvt. Ltd.	
19.	Neepa Real Estates Private Limited	
20.	Sheth Corp Pvt. Ltd.	
21.	Sheth Holdings (India) Pvt. Ltd.	
22.	Sheth Realty (India) Pvt. Ltd.	
23.	Sheth Universal Pvt. Ltd.	
24.	Sheth Development Pvt. Ltd.	
25.	Sheth Dreamhomes Pvt. Ltd.	
26.	Sheth Homes Pvt. Ltd.	
27.	Sheth Infracore Pvt. Ltd.	
28.	Sheth Lifestyles Pvt. Ltd.	
29.	Sheth Smarthomes Pvt. Ltd.	
30.	Viviana Malls Pvt. Ltd.	
31.	Sheth Aviation Pvt. Ltd.	
32.	Sheth Infra Estate Pvt. Ltd.	
33.	Sheth Infracity Pvt. Ltd.	
34.	Alpha Business Consultants Pvt. Ltd.	
35.	Greenleaf Securities Pvt. Ltd.	



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes annexed to and forming part of accounts for year ended 31st March, 2014

36	Ashwin N. Sheth	Directors / Key Management Personnel
37	Jitendra N. Sheth	
38	Vallabh N. Sheth	
39	Sheth Vasantben Natwarlal Charitable Trust	Enterprises over which key managerial personnel are able to exercise significant influence.

- (ii) Following Transaction were carried out during the year with the Related Parties in the Ordinary course of Business :

Particulars	Associate Concerns (₹)	Directors (₹)
Meeting Fees	Nil	Nil (3,278)
Outstanding balances as at 31 st March, 2014		
A) Loans given (Sheth Shelters Pvt. Ltd.)	10,60,99,000 (10,60,99,000)	
B) Loans Taken (Sheth Developers Pvt. Ltd.) (Holding Company)	9,06,15,005 (9,05,30,128)	

Figures in Parenthesis represent previous year figures.

25. As required by Accounting Standard - 20 the basic & Diluted (EPS) during the year is ₹ (0.41) [Previous Year ₹ (0.42)] arrived at by dividing net profit/(loss) for the year after tax (NPAT) by the total number of Equity Shares issued and subscribed as at the end of the year.
26. The Disclosure of Financial Information about the subsidiary has been made as per the requirements of Accounting Standard 21 - 'Consolidated Financial Statements'.
27. **Deferred taxation**

The breakup of Net Deferred Tax Asset as at March 31, 2014 comprising of temporary differences between the profit as per financial statements and profit as per income tax as recognized in the profit & loss account is as under:

Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Therefore no DTA is recognized.



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes annexed to and forming part of accounts for year ended 31st March, 2014

28. The Disclosure of Investments made in Associate concern other than those in subsidiary concern has been made as per the requirements of Accounting Standard 23 - 'Accounting for Investments in Associates in Consolidated Financial Statements'.
29. There is no joint venture arrangement or control over operations requiring disclosure of per Requirements of AS - 27 'Financial Reporting of Interest in Joint ventures'.
30. **Prior period comparatives**

Prior period figures have been regrouped/ reclassified wherever necessary for comparative purpose.

For M. B. AGRAWAL & CO.
Chartered Accountants



Harshal Agrawal
Partner
Member No. 109438



For and on behalf of the Board



Ashwin N. Sheth
Director
DIN-00002053



Vallabh N. Sheth
Director
DIN-00002035

Mumbai - 6th September, 2014

PRECIOUS TRADING & INVESTMENTS LIMITED		
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2014		
PARTICULARS	31.03.2014	31.03.2013
A. Cash Flow from Operating Activities		
Net Profit / (Loss) before tax & extra-ordinary items	(97,371)	(101,529)
Adjustments for:		
Profit on Sale of Investment	-	-
Income Tax Payment (net of T.D.S./Advance/Self Assessment Tax Paid)	-	-
Operating Profit / (Loss) before Working Capital Changes	(97,371)	(101,529)
Adjustments for:		
Increase / (Decrease) in Current Liabilities & Provisions	2,825	(8,456)
(Increase) / Decrease in Loans	2,500	2,500
Cash generated from Operations before Extra-Ordinary Items	(92,046)	(107,485)
Less: Income Tax paid	-	-
Net Cash From Operating Activities (A)	(92,046)	(107,485)
B. Cash Flow from Investment Activities		
Sale of Investment	-	-
Net Cash From Investing Activities (B)	-	-
C. Cash Flow from Finance Activities		
Unsecured loan received	84,877	77,064
Net Cash from Finance Activities (C)	84,877	77,064
Net Increase / (Decrease) in Cash & Cash Equivalents [(A)+(B)+(C)]	(7,169)	(30,421)
Cash & Cash Equivalents as on 01/04/2012 & 01/04/2011	18,290	48,711
Cash & Cash Equivalents as on 31/03/2013 & 31/03/2012	11,121	18,290

In terms of our report of even date
For M. B. Agarwal & Co.
Chartered Accountants

A. Harshal

Harshal Agarwal
(Partner)

Member No : 109438

Mumbai; September 06,2014



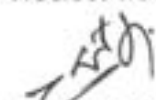
FOR AND ON BEHALF OF THE BOARD

Ashwin N. Sheth

Ashwin N. Sheth
Director
DIN-00002053

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES	
1. Name of the subsidiary Company	Sheth developers & Realtors (India) Limited
2. Financial Year of the Subsidiary	01.04.2013 to 31.03.2014
3. <u>Shares in the Subsidiary Company held by the Co.</u>	
i. Number of Shares & Face Value	1,37,70,000 Equity Shares of ₹ 10/- each fully paid up.
ii. Extent of Holding	51%
4. Net Aggregate amount of Profit and Loss of the subsidiary, so far as it concerns the Members of the Company and is not dealt within the accounts of the Company	
a. For the Financial Year ended on March 31,2014	₹ 3,10,43,919
b. For the Previous Financial Year of the Subsidiary	₹ (3,69,898)
5. Net aggregate amount of Profit/(Loss) of the Subsidiary, so far as it concerns the Members of The Company dealt with or provided for in the accounts of the Company	
a. For the Financial Year ended on March 31,2014	NIL
b. For the Previous Financial Year of the Subsidiary	NIL
6. Changes of interest of the Company in the Subsidiary between the end of financial year of Subsidiary and that of the Company	No
7. Material changes between the end of the Financial Year of subsidiary and the end of the Financial year subsidiary's Fixed assets, Investments, Lending & Borrowing for the purpose other than meeting their Current Liabilities.	No

For and on Behalf of the Board of Directors of
Precious Trading and Investments Limited



Ashwin N. Sheth
 Director
 DIN : 00002053

Mumbai, 6th September, 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY
 Part II

Name of the Subsidiary Company	Share Capital	Reserves	Total Assets	Total Liabilities	Details of Investment	Turnover	Profit Before Taxation	Tax Expenses	Profit/ (loss) After Taxation	Proposed Dividend
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
Sheth Developers & Realtors (India) Ltd.	27,00,00,000	-13,42,47,937	8,34,97,54,774	8,21,40,02,711	10,000	78,46,12,396	-2,49,02,114	5,59,46,033	3,10,43,919	0

For and on behalf of the Board
 Precious Trading & Investments Ltd.



Ashwin N. Sheth
 DIRECTOR
 DIN : 00002053

Place: Mumbai
 Date : 6th September, 2014



M.B. AGRAWAL & CO.

CHARTERED ACCOUNTANTS

204, Mhatre Pen Bldg., Senapati Bapat Marg,
Dadar (West), Mumbai - 400 028.
Tel.: 6656 8218, Fax : 2436 3312
Web.: www.mbaconsultants.in

M. B. AGRAWAL F.C.A., F.I.V.
YATIN MEHTA F.C.A.
RAMESHMAL SANGHAVI F.C.A.
SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

HEMANT AGRAWAL F.C.A.
HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.
SUBODH N. AGRAWAL F.C.A.
ASHISH BANGAD A.C.A.

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF PRECIOUS TRADING & INVESTMENTS LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of PRECIOUS TRADING & INVESTMENTS LIMITED (the Company), and its subsidiaries (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i. In the case of the Consolidated Balance Sheet of the state of affairs of the Group as at March 31, 2014;
- ii. In the case of the Consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- iii. In case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

FOR M. B. AGRAWAL & CO.
CHARTERED ACCOUNTANTS



A handwritten signature in black ink, appearing to read "A. Harshal".

HARSHAL AGRAWAL
PARTNER

M. No.109438

Firm No.100137W

Place: Mumbai

Date: September 6, 2014

PRECIOUS TRADING & INVESTMENTS LIMITED

CONSOLIDATED BALANCE SHEET

as at 31st March 2014

(Currency : Indian Rupees)

	Note No	2014	2013
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	3.1	2,400,000	2,400,000
Reserves and surplus	3.2	169,968,381	154,233,353
		<u>172,368,381</u>	<u>156,633,353</u>
Non current liabilities			
Deferred tax liabilities		-	297,852
Long term borrowings	3.3	7,022,496,987	6,137,768,017
Other long term liabilities	3.4	421,032,781	274,422,928
Long term provisions	3.5	59,000	59,000
		<u>7,443,588,768</u>	<u>6,412,547,797</u>
Current liabilities			
Short term borrowings	3.6	108,866,724	105,239,018
Trade payable	3.7	401,333,487	251,844,080
Other current liabilities	3.8	350,871,624	316,343,944
Short term provisions	3.9	-	750
		<u>861,071,835.23</u>	<u>673,427,791</u>
Minority Interest		66,518,511	51,306,990
TOTAL		<u>8,543,547,495</u>	<u>7,293,915,931</u>
ASSETS			
Non Current Assets			
Fixed assets			
(i) Tangible assets	3.10	7,625,891,126	6,656,310
(ii) Capital work in progress	3.10	371,845,238	6,790,507,510
		<u>7,997,736,365</u>	<u>6,797,163,820</u>
Non current investments	3.11	87,690,100	87,690,100
Deferred tax assets (net)		55,648,181	-
Long term loans and advances	3.12	197,196,056	299,575,940
Other non current assets	3.13	82,218,527	2,500
		<u>8,420,489,228</u>	<u>7,184,432,360</u>
Current Assets			
Inventories	3.14	6,999,933	21,031,943
Trade receivables	3.15	72,735,136	251,430
Cash and Bank	3.16	11,130,473	62,075,206
Short term loans and advances	3.17	16,932,948	26,122,492
Other current assets	3.18	15,299,777	2,500
		<u>123,058,267</u>	<u>109,483,571</u>
		<u>8,543,547,495</u>	<u>7,293,915,931</u>

The schedules referred to above form an integral part of the balance sheet

As per our report of even date attached

For M. B. Agrawal & Co

Chartered Accountants

FRN No. 100137 W

A. J. Hanubale

Hanubale Agrawal

Partner

Membership No 109438

Mumbai

Date : September 06, 2014



For and on behalf of the Board of Directors

Ashwin N. Sheth

Ashwin N. Sheth

Director

DIN-0002063

Mumbai

Date : September 06, 2014

Vandh N. Sheth

Vandh N. Sheth

Director

DIN-0002015

PRECIOUS TRADING & INVESTMENTS LIMITED

Consolidated Statement of Profit & Loss Account
for the year ended 31st March, 2014

(Currency : Indian Rupees)

	Note No	2014	2013
INCOME			
Revenue from Operations	3.19	784,612,396	-
Other income	3.20	1,207,372	1,563,650
		<u>785,819,768</u>	<u>1,563,650</u>
EXPENSES			
Finance cost	3.21	347,173,192	-
Employee benefit expense	3.22	34,485,682	-
Other expenses	3.23	348,123,697	1,503,430
		<u>729,782,571</u>	<u>1,503,430</u>
		<u>56,037,196</u>	<u>60,221</u>
Depreciation and amortisation	3.10	81,036,681	344,950
PROFIT / (LOSS) BEFORE TAX		<u>(24,999,485)</u>	<u>(284,729)</u>
Tax expense			
- Current tax		-	-
- Deferred tax		55,946,033	(186,698)
PROFIT / (LOSS) FOR THE PERIOD after Tax (Before Adjustment of Minority Interest)		<u>30,946,548</u>	<u>(471,427)</u>
Add: Share of (Profit)/ Loss transferred (to)/ from Minority Interest		(15,211,521)	181,250
Profit For the Year (after adjustment for Minority Interest)		<u>15,735,028</u>	<u>(290,177)</u>
EARNINGS PER EQUITY SHARE			
Basic and diluted earnings per share		<u>₹. 36</u>	<u>₹. 20</u>
Diluted earnings per share (Refer note 19)			
(Face value of Rs 10 each) (Refer note _____ of Notes to accounts)			

The schedules referred to above form an integral part of the profit and loss account.
As per our report of even date attached

For M. B. Agrawal & Co.
Chartered Accountants
FIRN No. 100137 W

Harsha Agrawal
Partner
Membership No. 109438

Mumbai
Date : September 06, 2014



For and on behalf of the Board of Directors

Ashwin N. Sheth
Director
DIN-0002015

Mumbai
Date : September 06, 2014

Vijibh N. Sheth
Director
DIN-0002015

PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
as at 31st March, 2014

(Currency : Indian Rupees)

	2014	2013
3.1 Share capital		
Authorised capital		
2,50,000 (2,50,000) Equity Shares of Rs. 10/- each	2,500,000	2,500,000
	<u>2,500,000</u>	<u>2,500,000</u>
Issued, subscribed and paid-up		
2,40,000 (2,40,000) Equity Shares of Rs. 10/- each	2,400,000	2,400,000
	<u>2,400,000</u>	<u>2,400,000</u>
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year		
Equity Shares	2014	2013
	Number Rupees	Number Rupees
Shares at the beginning of the year	240,000	240,000
Issued during the year	-	-
Outstanding at the end of the year	<u>240,000</u>	<u>240,000</u>
(b) Terms / rights attached to the shares		
The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.		
(c) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. However no such preferential amounts exist currently.		
(d) Shares held by holding company	2014	2013
Sheth Developers Private Limited 1,79,970 (2011: 1,79,970) equity shares of Rs. 10 each fully paid.	1,799,700	1,799,700
(e) Detail of shareholders holding more than 5% shares in the company	2014	2013
	% holding in the class No. of Shares Held	% holding in the class No. of Shares Held
Equity Shares of Rs 10 each fully paid up		
Sheth Developers Private Limited	75% 179,970	75% 179,970
3.2 Reserves and surplus		
Capital Reserve		
Balance as per last financial statements	98,265,518	98,265,518
Capital Reserve/ Goodwill on consolidation	14,969,699	14,969,699
	<u>113,235,217</u>	<u>113,235,217</u>
Profit and Loss Account		
Balance as per last financial statements	40,998,136	10,356,460
Add: Loss for the year transferred from the statement of Profit and loss	(97,371)	(101,529)
Add: Consolidation Adjustment	15,832,399	30,743,205
	<u>56,733,164</u>	<u>40,998,136</u>
	<u>169,968,381</u>	<u>154,233,353</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
as at 31st March, 2014

(Currency - Indian Rupees)

	2014	2013
3.3 Long term borrowings		
Term loan from banks/institutions (Secured)		
From Financial Institutions	4,689,222,406	4,849,005,944
Unsecured loans		
Loans from related party	2,036,090,148	1,288,762,073
From Financial Institutions	297,184,434	
(For details on nature of security and terms of repayment refer note No of the financial statements)		
	<u>7,022,496,987</u>	<u>6,137,768,017</u>
3.4 Other long term liabilities		
Security deposit	421,032,781	274,422,928
	<u>421,032,781</u>	<u>274,422,928</u>
3.5 Long term provisions		
Provision for Tax	59,000	59,000
	<u>59,000</u>	<u>59,000</u>
3.6 Short term borrowings		
Unsecured loans		
Temporary overdrawn bank balance	14,094,514	-
Loans from bodies corporate (repayable on demand)	10,000,000	-
Loans from related party (repayable on demand)	84,772,210	105,239,018
(Refer Note No of the financial statements)		
	<u>108,866,724</u>	<u>105,239,018</u>
3.7 Trade Payable		
Trade payables towards goods purchased and services rendered		
-Dues to Micro and Small enterprises (Refer Note no of the financial statements)	-	-
-Others	401,333,487	251,844,080
	<u>401,333,487</u>	<u>251,844,080</u>
3.8 Other current liabilities		
Salary & Bonus	6,022,382	2,215,767
Statutory dues payable	15,989,702	26,810,031
Advance from customers	39,128,714	-
Current maturities of long term debt	288,194,444	224,281,396
Other Liabilities	1,536,382	-
Interest accrued but not due	-	63,036,750
	<u>350,871,624</u>	<u>316,343,944</u>
3.9 Short term provisions		
Provision for Expense	-	750
	<u>-</u>	<u>750</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)

as at 31st March, 2014

(Currency : Indian Rupees)

	2014	2013
3.11 Non current investments		
Long term investments - at cost		
Trade (Unquoted)		
Investment in Equity Shares (Refer Note No of the financial statements)	10,100	10,100
Investment in Preference Shares (Refer Note No of the financial statements)	87,680,000	87,680,000
	<u>87,690,100</u>	<u>87,690,100</u>
3.12 Long term loans and advances (Unsecured, considered good)		
Loans and advances to related parties	106,099,000	106,099,000
Deposits Paid	25,889,529	80,069,217
Advance tax	8,020,274	485,520
VAT credit entitlement	129,997	129,997
CENVAT Credit Available	57,057,256	112,792,207
	<u>197,196,056</u>	<u>299,575,940</u>
3.13 Other non current assets		
Prepaid expense	55,170,081	2,500
Unbilled revenue	27,048,446	-
	<u>82,218,527</u>	<u>2,500</u>
3.14 Inventories (At lower of cost and net realisable value)		
Building materials, components and spares	6,959,933	21,031,943
	<u>6,959,933</u>	<u>21,031,943</u>
3.15 Trade receivables (Unsecured, considered good)		
Debts outstanding for a period exceeding six months	6,706,200	19,309
Others debts	66,028,936	232,121
	<u>72,735,136</u>	<u>251,430</u>
Less: Provision for doubtful Debts	-	-
	<u>72,735,136</u>	<u>251,430</u>
3.16 Cash and Bank balances		
Cash and cash equivalents		
Cash in hand	1,397,597	624,025
Balance with scheduled banks		
- in current accounts	9,732,876	30,900,738
- in fixed deposits (with maturity less than 3 months)	-	1,368,178
- Interest Accrued but not due on above	-	12,639
	<u>11,130,473</u>	<u>32,905,580</u>
Other Bank Balances		
Fixed deposits (with maturity less than 12 months)	-	28,801,402
Interest Accrued but not due on above	-	368,224
	<u>11,130,473</u>	<u>62,075,206</u>
3.17 Short term loans and advances (Unsecured, considered good)		
Advances to vendors	16,254,839	25,579,771
Other receivables	678,109	191,113
CENVAT Credit Available	-	351,608
	<u>16,932,948</u>	<u>26,122,492</u>
3.18 Other current assets		
Current maturity of other non current asset	2,500	-
Prepaid expense	7,691,246	2,500
Unbilled revenue	7,606,031	-
	<u>15,299,777</u>	<u>2,500</u>



PRECIOUS TRADING & INVESTMENTS LIMITED

Notes to the financial statements (Continued)
for the year ended 31st March, 2014

(Currency : Indian Rupees)

	2014	2013
3.19 Revenue from Operations		
License Fees	222,932,350	-
Amenity Fees	222,707,308	-
Revenue Share	24,217,493	-
CAM Recoveries & Utility Debits	291,977,978	-
Other Mall Operating Income	22,777,267	-
	<u>784,612,396</u>	-
3.20 Other income		
Interest income	1,190,869	1,550,512
Dividend income	1,000	2,000
Miscellaneous income	15,503	11,138
	<u>1,207,372</u>	<u>1,563,650</u>
3.21 Finance costs		
Interest on fixed loans	928,458,584	-
Interest on others	11,881,922	-
Other borrowing costs	69,045,995	-
	<u>1,009,386,501</u>	-
Less: Finance cost transferred to capital work in progress	662,213,309	-
	<u>347,173,192</u>	-
3.22 Employee Benefit Expenses		
Salaries, bonus and other benefits	34,485,682	-
	<u>34,485,682</u>	-
3.23 Operating, administrative and other expenses		
Rates and taxes	2,562,412	-
Travelling and conveyance	1,224,126	144,877
Communication costs	519,844	-
Printing and stationery	830,568	611,693
Legal, professional and other fees	3,908,216	36,343
Filing fees and stamping charges	94,060	4,550
Auditors remuneration (including service tax)		
- Audit fee	706,236	29,036
Bank charges and commission	100	85
Advertisement Expenses	19,020	33,103
Directors Meeting Fees	-	3,278
Stock Exchange Listing Fees	16,854	16,854
Other Fees & Stamps	20,220	6,624
Miscellaneous expenses	4,087,596	616,987
Mall Expenses	299,476,658	-
Property Tax	34,335,231	-
Licence Fees	322,556	-
	<u>348,123,697</u>	<u>1,503,430</u>



Schedule to the financial statements (*continued*)
as at 31st March 2014

(Currency: Indian Rupees)

3.10 Fixed assets

Description of assets	Gross Block		Accumulated Depreciation		Net block	
	At 01.04.2013	Additions Disposals/ Adjustment	At 01.04.2013	For the year Disposals/ Adjustment	At 31.03.2014	At 31.03.2013
Tangible Assets						
Land	-	429,127,920	-	-	429,127,920	-
Building	-	6,228,745,330	-	48,807,142	6,179,938,188	-
Infrastructure development	-	-	-	-	-	-
Plant and machinery	2,369,337	1,003,650,373	177,553	30,546,458	975,473,899	2,191,782
Office equipment	1,506,242	1,073,499	44,740	100,324	2,412,677	1,461,502
Computers Systems and Equipments	885,173	1,528,076	293,758	275,938	1,843,543	395,805
Furniture and fixture	2,553,559	36,168,097	143,938	1,484,819	37,090,899	2,407,621
Vehicle	-	-	-	-	-	-
TOTAL	7,314,311	7,700,271,497	658,001	81,016,681	7,625,891,126	6,656,310
2013	4,707,834	3,170,689	827,263	344,050	6,656,310	3,880,371
Capital Work In Progress					371,843,238	6,790,507,910



NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2014.

A. SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL

- a. The Financial Statements have been prepared under the Historical Cost Convention in accordance with the generally accepted Accounting principles, the Accounting Standards issued by the Institute of Chartered Accountants of India and the Provisions of the Companies Act, 1956.
- b. The Company follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.

2. FIXED ASSETS

Fixed Assets are stated at cost less depreciation.

3. DEPRECIATION

The Company has provided depreciation on straight line method (SLM) at the rates prescribed under schedule XIV of the Companies Act, 1956.

4. INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual assessment basis. In accordance with AS 13 – 'Accounting for Investments' issued by ICAI, the Company classifies premises held by it for earning income by way of rent as long term investments. Long-term investments are carried at cost.

5. REVENUE RECOGNITION

Revenue is recognized when no significant uncertainty as to measurability or Collectivity exists.

6. INVENTORIES

Inventories are valued at cost or net realisable value whichever is lower.

7. BORROWING COSTS

The borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets in accordance with the AS – 16 issued by the ICAI. A qualifying asset is the one that necessarily takes a substantial period of time to get ready for intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.



8. FOREIGN CURRENCY TRANSACTIONS

- Income and Expenditure in foreign currency is converted into Indian Rupees at the rate of exchange prevailing at the date of transaction.
- Exchange rate difference is charged to Profit and Loss account on final payment of liability

9. OTHER ACCOUNTING POLICIES

These are consistent with generally accepted accounting policies except interest, penalty and other demand/refunds finalized on completion of assessment under Income Tax Act, Maharashtra value added Tax, etc. which will be accounted on completion of assessment.

10. CLAIMS, DEMANDS AND CONTINGENCIES

Disputed and/or contingent liabilities are either provided for or disclosed depending on management's judgment of potential outcome.

11. PROVISION FOR TAXATION

Current tax is the amount of tax payable on the taxable Income for the year calculated in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is recognized on timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated on the accumulated timing differences between the profit as per financial statements and the profits offered for income tax, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

12. MINORITY INTEREST

Share of Minority interest in consolidated subsidiary is arrived at and identified

- a) in case of profit and loss account for the year ended, net profit attributable to them and
- b) in case of balance sheet, net assets attributable to them.

B. NOTES TO ACCOUNTS

24. PRINCIPLES OF CONSOLIDATION

The consolidated Financial Statements comprise the Financial Statements of the parent company and its Subsidiaries. Minority interest in the net assets of the subsidiary disclosed separately. The financial statements of the company and its subsidiaries are combined on a line by line basis by adding together book values of like items of assets, liabilities, income & expenses after fully eliminating intra group transactions in accordance AS-21 "Consolidated Financial Statements".



Difference between the cost of investment and the parent's portion of equity in the subsidiary company as on the date of the holding-subsidiary relationship coming into existence and at anytime thereafter is recognized as Capital Reserve / Goodwill as the case may be.

Investments made by the parent company in the subsidiary companies subsequent to the holding-subsidiary relationship coming into existence are eliminated while preparing the consolidated financial statements.

Intra group balances and intra group transactions are eliminated to the extent share of the parent company in full.

25. FINANCIAL STATEMENTS

Consolidated financial statements are prepared and presented upon the principles consistent with the manner stipulated in Accounting Standards (AS)-21: 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India, as follows:

- i. Financial statements of Parent and that of its Subsidiary have been drawn up to the same reporting date i.e. as on 31st March 2014.
- ii. Cost of Investments to the Parent Company in the Subsidiary is eliminated and the difference between the cost of Investment and the intrinsic value of investments and prior period profits is treated as Capital reserve, as follows:

Particulars	Amount (₹)
Cost of Investment (for acquisition of 1,37,70,000 Equity Shares of ₹ 10 each)	76,88,249
Intrinsic Value of 1,37,70,000 Equity Shares of ₹ 10	13,77,00,000
Less: Profits earned prior to acquisition	<u>11,50,42,052</u>
	2,26,57,948
Capital Reserve on Consolidation	1,49,69,699

26. DETAILS OF THE SUBSIDIARY INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

Name : Sheth Developers & Realtors (India) Ltd. (Previously known as Henkel Switchgear Ltd.)

Proportion of Ownership and Voting Power as on 31st March 2014 : 51%.

The Sheth Developers & Realtors (India) Ltd. (Previously known as Henkel Switchgear Ltd.) had completed Construction of mall 'Viviana Mall' and it had commenced its operation on July 25, 2013. The Parking area was made operational from January 1, 2014. For the Purpose of accounts all respective expenses including finance cost up to the aforesaid dates were capitalized. The Company is yet to commence operations in respect of Multiplex entertainment Zone and the same is still disclosed as Capital Work in Progress.



27. MINORITY INTEREST:

Share of Minority interest in consolidated subsidiary is arrived at and identified

a) ₹1,52,11,521 in case of profit and loss account for the year ended, net profit attributable to them.

b) ₹ 66,518,511 in case of balance sheet, net assets attributable to them.

28. CONTINGENT LIABILITY

Income tax Dues- Nil (Previous year Nil) as Certified by Management.

The sales tax department has raised tax demand of ₹ 1,48,27,667 (including interest amount of ₹ 34,85,290 and penalty amount of ₹ 56,79,893) for the financial year 2009-10. The Company is in appeal before the Appellate Authorities against this disputed demand and is in of view that appeal order will come in favour of company. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the above appeals.

The investment done in subsidiary company Sheth Developers & Realtors (I) Ltd (SDR(I)L) in the form of equity share have been pledged in favour of SBICAP TRUSTEE COMPANY LIMITED as a additional security for the loan availed by SDR(I)L . by pledged agreement dated 19.12.2013.

29. Secured Loans are secured by first charge on company's land & building situated at Village Panchpakhadi, District Thane vide deed of mortgage dated 1st October, 2013 and charge on all License fees/Amenities Fees/revenue sharing income/parking/signage/promotion /kiosk /any other income generated (excluding maintenance & utilities recoveries) present & future in respect of the Viviana Mall in favour of State Bank Of India and Punjab National Bank.

Maturity Profile

(₹ in Crore)

Name	2014-15	2015-16	2016-17	2017-18	2018 onwards
State Bank of India (400 Cr.)	19.50	25.50	32.67	39.50	277.47
Punjab National Bank (100 Cr.)	4.87	6.37	8.16	9.87	69.39

30. CAPITAL WORK IN PROGRESS

Capital work in progress is carried at Cost.

Cost includes:

- Expenditure directly relating to construction of property (Multiplex-Viviana Mall).
- Indirect expenditure incurred during construction period to the extent to which the expenditure is indirectly related to construction or is incidental thereto.



iii) Borrowing costs incurred in respect of loans taken for construction purposes.

31. The company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small & medium Enterprises Development Act, 2006) claiming their status as on March 31, 2014 as a Micro, Small or Medium enterprise. Consequently amount payable to these parties during the year has been taken as NIL.

32. AUDITORS REMUNERATION

Particulars	2013-14 (₹)	2012-13 (₹)
Audit Fees (including Service Tax)	7,92,138	31,236
Total	7,92,138	31,236

33. In the opinion of the directors the current assets, loans and advances and creditors have the value at which they are stated in the balance sheet, if realized in the ordinary course of business. The provision for depreciation and for all known liabilities is adequate.
34. Remuneration to the Directors ₹ Nil (Previous year ₹ Nil) Meeting Fees of ₹ Nil have been paid to the directors (Previous year ₹ 3,278)
35. Expenditure in Foreign Currency during the year is ₹ 1,02,891. (Previous Year ₹ 12,98,487). (Expenditure means expenses incurred during the year whether considered as project cost or treated as revenue).
36. The Subsidiary Company owns a mall. It leases its premises to tenants and collects lease rentals for the same. It also provides incidental services in the nature of common area maintenance and provision of utilities. Since the incidental service is inextricably linked with the main activity of leasing the risk and reward are the same. Therefore in accordance with the Accounting Standard -17 - Segment Reporting there being no separate reportable segment, no segment reporting is warranted.

37. EMPLOYEES BENEFIT:

The Subsidiary company operates defined contribution schemes like provident fund, leave encashment. For these schemes, contributions are made by the company, based on current salaries, to the Employees Provident fund.

Gratuity

The Company does not have a defined gratuity plan. Employees who were eligible under the Gratuity are paid gratuity in the year of retirement. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn) for each completed year of service. Gratuity is booked as expenses in year in which such events takes place.

RELATED PARTY DISCLOSURES



As per Accounting Standard 18, issued by The Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below:

(i) List of related parties where control exists and relationships

Sr No.	Name of the Related Party	Relationship
1	Sheth Developers Pvt. Ltd.	Holding Company
2	Alpha Business Consultants Pvt. Ltd.	Associate Concern
3	Atlaz Digi-Tel Pvt. Ltd.	
4	Greenleaf Securities Pvt Ltd	
5	Laxmi Prabha Impex & Investments Pvt. Ltd.	
6	Lohitka Properties Pvt. Ltd.	
7	Middle East Exports Pvt. Ltd.	
8	Neepa Real Estates Private Limited	
9	Sheth Aviation Pvt. Ltd.	
10	Sheth Building materials Pvt. Ltd.	
11	Sheth Buildwell Pvt. Ltd.	
12	Sheth Corp Pvt. Ltd.	
13	Sheth Creators & Promoters Pvt. Ltd.	
14	Sheth Creators & Realtors Pvt. Ltd	
15	Sheth Creators and Constructors Pvt. Ltd.	
16	Sheth Creators Pvt. Ltd.	
17	Sheth Development Pvt. Ltd.	
18	Sheth Dreamhomes Pvt. Ltd.	
19	Sheth Estate (International) Ltd.	
20	Sheth Heights Pvt. Ltd.	
21	Sheth Holdings (India) Pvt. Ltd.	
22	Sheth Homes Pvt. Ltd.	
23	Sheth Infra Estate Pvt. Ltd.	
24	Sheth Infracity Pvt. Ltd.	
25	Sheth Infrastructure Pvt. Ltd.	
26	Sheth Infracity Pvt. Ltd.	
27	Sheth Landmarks Pvt. Ltd.	
28	Sheth Lifestyles Pvt. Ltd.	
29	Sheth Realcon Ventures Pvt. Ltd.	
30	Sheth Realty (India) Pvt. Ltd.	
31	Sheth Shelters Pvt. Ltd.	
32	Sheth Smarthomes Pvt. Ltd.	
33	Sheth Universal Pvt. Ltd.	
34	Viviana Malls Pvt. Ltd.	
35	Ashwin N. Sheth	
36	Jitendra N. Sheth	
37	Vallabh N. Sheth	
38	Sheth Vasantben Natwarlal Charitable Trust	Enterprises over which key managerial personnel are able to exercise significant influence.



Following Transaction were carried out with the Related Parties in the Ordinary course of Business :
Details of Transaction are as follows:

Transaction	Relationship	Amount (₹)
Unsecured Loans	Holding Company	2,036,090,148 (128,87,62,073)
Unsecured Loans	Associate Company	190,871,210 (211,338,018)
Interest Expenses	Associate Company	1,10,23,018 (62,13,445)
Trade Payable	Associate Company	50,47,209 (50,47,209)
Meeting Fees	Directors	Nil (3,278)

(Figures in brackets represent previous year figures.)

Sr. No.	Nature Of Transaction	Holding Amount (₹)	Associates Amount (₹)
1.	Unsecured Loan balance as on 31st March, 2014		
	a) Sheth Developers Private Limited	2,036,090,148 (1,288,762,073)	-
	b) Sheth Corp Private Limited	-	8,47,72,210 (10,52,39,018)
	c) Sheth Shelters Private Limited (Given)		10,60,99,000 (10,60,99,000)
2.	Interest Expenses during F.Y. 2013-14		
	Sheth Corp Private Limited	-	1,10,23,018 (62,13,445)
3.	Trade Payable as on 31st March, 2014		
	Neepa Real Estate Private Limited	-	50,47,209 (50,47,209)

(Figures in brackets represent previous year figures.)

38. EARNINGS PER SHARE

As required by the Accounting Standard -20 the Earnings Per Share (EPS) is ₹65.56 [Previous Year ₹(1.21)] arrived at by dividing net profit/(loss) for the year after Tax (NPAT) by the total number of equity shares issued and subscribed as at the end of the year

39. DEFERRED TAXATION :

The break up of Net Deferred Tax Liability as at March 31, 2014, comprising of temporary differences between the profit as per financial statements and profit as per Income tax as recognized in the profit & loss account is as under:



	2014	2013
Deferred tax liability:		
Excess of depreciation allowable under income tax law over depreciation as per books	4,02,51,933	1,86,698
Interest on house property claimed under Income tax laws, net of depreciation	31,51,12,353	-
Straight lining of lease rental income	1,17,79,057	-
	<u>36,71,43,343</u>	<u>1,86,698</u>
Deferred tax asset:		
Unabsorbed business losses	2,01,06,658	-
Unabsorbed depreciation	5,54,22,317	-
Carry forward house property losses	34,66,11,082	-
Unpaid bonus	196,200	-
Provision for leave encashment	753,118	-
	<u>42,30,89,376</u>	<u>-</u>
Deferred tax Asset/(Liability) net recognised in the financial statements	5,59,46,033	(1,86,698)

40. The Disclosure of Investments made in Associate concern other than those in subsidiary concern has been made as per the requirements of Accounting Standard 23 - 'Accounting for Investments in Associates in Consolidated Financial Statements'.
41. There is no joint venture arrangement or control over operations requiring disclosure of per Requirements of AS - 27 'Financial Reporting of Interest in Joint ventures'.
42. The Standalone Financial Statement of Sheth Developers & Realtors (India) Ltd ("Subsidiary Company") has been attached along with it.
43. **PRIOR YEAR COMPARATIVES**
Prior year figures are regrouped / reclassified wherever necessary for comparative purposes.

For M. B. Agrawal & Co.
Chartered Accountants
FRN:100137W

A. Harshal

Harshal Agrawal
(Partner)
Membership No. 109438



For and on Behalf of the Board

Ashwin N. Sheth

Ashwin N. Sheth
Director
DIN : 00002053

Vallabh N. Sheth

Vallabh N. Sheth
Director
DIN : 00002035

Mumbai, 6th September, 2014

PRECIOUS TRADING & INVESTMENTS LIMITED		
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH,2014		
PARTICULARS	31.03.2014	31.03.2013
A. Cash flow from Operating Activities		
Net Profit / (Loss) before tax & extra-ordinary items	(24,999,485)	(284,729)
Adjustments for:		
Profit on Sale of Investment	-	-
Income Tax Payment (net of T.D.S./Advance/Self Assessment Tax Paid)	-	-
Dividend on Shares	(1,000)	(2,000)
Finance Cost	347,173,192	-
Interest Income	(1,193,660)	(1,550,512)
Reversal on Loss of Sale of Assets	-	-
Loss on Sale of Fixed Assets	-	-
Depreciation	81,036,681	344,950
Operating Profit / (Loss) before Working Capital Changes	402,015,729	(1,492,291)
Adjustments for:		
Increase / (Decrease) in Inventory	14,072,010	(14,067,555)
Increase / (Decrease) in Trade and Other Payable	329,749,892	(61,916,271)
(Increase) / Decrease in Trade and Other Receivable	(169,999,510)	(239,899)
(Increase) / Decrease in Loans & Advances	2,500	2,500
Cash generated from operations	575,840,622	(77,713,516)
Less: Taxes Paid	-	-
Net Cash From Operating Activities (A)	575,840,622	(77,713,516)
B. Cash flow from Investment Activities		
Movement in Fixed Assets	(1,281,609,226)	(1,912,301,625)
Movement in Loans and Advances	111,569,429	(128,330,048)
Interest Received	1,193,660	1,550,512
Dividend on Shares	1,000	2,000
Net Cash From Investing Activities (B)	(1,168,845,138)	(2,039,079,161)
C. Cash flow from Finance Activities		
Secured loan received	6,106,607,739	5,367,024,839
Unsecured loan received	(5,158,050,597)	(3,287,886,561)
Short Term Borrowings (Net)	3,712,583	99,018,372
Interest Paid	(410,209,942)	-
Net Cash From Finance Activities (C)	542,059,783	2,178,156,650
Net Increase or Decrease in Cash & Cash Equivalents [(A)+(B)+(C)]	(50,944,733)	61,363,973
Cash & Cash Equivalents as on 01/04/2013 & 01/04/2012	62,075,206	711,233
Cash & Cash Equivalents as on 31/03/2014 & 31/03/2013	11,130,473	62,075,206

Notes:

- Cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS)-3: 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India.
- Previous year's figures have been re-grouped/re-classified/re-arranged wherever required.

In terms of our report of even date
For M. B. Agarwal & Co.
Chartered Accountants

As Harshad

Harshad Agarwal
(Partner)
Member No : 109438
Mumbai; September 06,2014



FOR AND ON BEHALF OF THE BOARD

Ashwin N. Sheth

ASHWIN N. SHETH
Director
DIN-00002053

PRECIOUS TRADING AND INVESTMENTS LIMITED

Regd. Off: Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (E), Mumbai - 400097
CIN. L51900MH1983PLC029176

ATTENDANCE SLIP
(To be presented at the entrance)

Name	
Address:	
Reg. Folio No/DP ID	
Client ID	

I/We hereby record my/our presence at the 31st Annual General Meeting of the Company to be held on Tuesday, 30th September, 2014 at 10.30 a.m. at Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (E), Mumbai - 400097

Member's / Proxy's Name in Block Letters

Member's / Proxy's Signature

Note:

1. Member/ Proxy must bring the attendance slip to the meeting and hand it over, duly signed, at the registration counter.
2. The copy of notice may please be brought to the meeting hall.

**FORM NO. MGT-11
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

PRECIOUS TRADING AND INVESTMENTS LIMITED

Regd. Off: Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (E), Mumbai - 400097
CIN. L51900MH1983PLC029176

Name of Member(s)	
Registered Address:	
Email Id:	
Folio No./Client ID	
DP ID:	

I/We of being a Member (s) of _____ Shares of the above named Company hereby appoint:

1. Name: E-mail Id:
Address:
..... Signature.....

or falling him/her

2. Name: E-mail Id:
Address:
..... Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company to be held on Tuesday, 30th September, 2014 at 10.30 a. m. at Sheth House, Next to Dindoshi Fire Station, Opp. Oberoi Mall, Gen A K Vaidya Marg, Malad (East), Mumbai - 400097 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
ORDINARY BUSINESS	
1	To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the statement of Profit And Loss and cash flow statement for the year ended as on that date along with reports of the Board of Directors and Auditors thereon.
2	To appoint a Director in place of Mr. Ashwin N. Sheth (DIN: 00002035), who retires by rotation and being eligible, offers himself for re-appointment.
3	To appoint M/s. M. B. Agrawal & Co., Chartered Accountants, Mumbai (FRN 100137W) the retiring Auditors as the Auditors of the Company
SPECIAL BUSINESS	
4	Appointment of Mr. Sharad N. Doshi, (DIN No.: 06968835) as an Independent Director
5	Appointment of Mrs. Nalini R. Bajaria, (DIN No.: 06968844) as an Independent Director

Signed this _____ day of _____ 2014

Affix
Revenue
Stamp

.....
Signature of the shareholder

.....
Signature of proxy holder(s)

Notes: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.