

# SWAGAT SYNTHETICS PRIVATE LIMITED

## NOTICE

Notice is hereby given that the 26<sup>th</sup> ANNUAL GENERAL MEETING of the members of the company will be held at the registered office of the company, at 48, Main Sector, Shastri Nagar, Bhilwara on Tuesday 30<sup>th</sup> July 2013 at 11.00 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider & adopt the audited Balance Sheet as at 31<sup>st</sup> March 2013, the Statement of Profit & Loss for the year ended as on that date & the reports of the Board of Directors & Auditors thereon.
2. To appoint Auditors & to fix their remuneration and in this regard to consider & if thought fit, to pass, with or without modification(s), the following resolution as on Ordinary Resolution:

"Resolved that M/s S. Dad & Co. Chartered Accountants, be & is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

Bhilwara, 01<sup>st</sup> July 2013



For and on behalf the Board



Jagdish Prasad Nuwal

Chairman







# SWAGAT SYNTHETICS PRIVATE LIMITED

## DIRECTOR REPORT

To,

The Members,

We have great pleasure in presenting the 26th Annual Report and Audited Statements of Accounts of your Company for the year ended 31<sup>st</sup> March, 2013. We trusts you will find the performance of your Company satisfactory.

### FINANCIAL RESULTS

Particulars	(Rs. in Lacs)	
	Current year (2012-2013)	Previous Year (2011-2012)
Turnover/Gross Receipts	5484.96	5423.72
Profit before Depreciation, Taxation	249.02	276.19
Depreciation	170.40	217.33
Profit Before Taxation	78.61	58.85
Provision for Taxation including Deferred taxation	19.79	18.19
Net profit for the year	58.83	40.67

### OPERATIONAL RESULTS

Company has achieved a turnover of Rs. 5484.96 Lac & has attained net profit after taxes of Rs. 58.83 Lacs. The Company's focus continues to be on higher production and improving operational efficiencies in every sphere of its business operations.

### DIVIDEND

Keeping in view of need of further fund for working capital & for company expansion plan the Board of Directors decided to conserve the profit and hence do not propose any dividend and carried forward the net profit balance to the next year.

### DISCLOSURE

As required under section 271(1) (e) of the companies act, 1956 read with the companies (Disclosure of particulars in the report of Directors) Rules, 1988. The relevant information and data with respect of conservation of energy, technology, absorption and foreign exchange earnings/outgo have been provided in annexure-A attached and forms a part of this report. The Board of Directors informs the members during the financial year that there has been no change in the nature of Company's Business.

### AUDITORS

M/s S. Dad & Co., Chartered Accountants Bhilwara, the auditors of the Company are due to retire at this Annual General Meeting in accordance with the provision of the Companies Act, 1956 & and being eligible offer themselves for appointment.

### COST COMPLIANCE CERTIFICATE

Compliance Certificate from Practicing Cost Auditor in terms of section 642 (1) (b) read with section 209 (1) (d) of the Companies Act, 1956 & Companies (Cost Audit Report) Rules, 2011 is attached herewith.

### COMMENTS U/S 217(3) IN RESPECT OF AUDITOR'S QUALIFICATION

#### Qualification: 1:

Accounting of gratuity on Cash basis, this is not in accordance with AS-15 and AS-19.

#### Clarification of the Company:

The Company is consistently following its accounting policy of cash basis with regard to gratuity/Leave encashment. However the company is taking steps to ascertain the above liability & the same would be provided in years to come.





# SWAGAT SYNTHETICS PRIVATE LIMITED

## Qualification: 2

The Company has shown Land/flats as Closing Stock in-trade in the Balance Sheet as on 31/03/2013. The Company kept necessary legal document executed between the Director & company to safeguard the interest of the company.

## Clarification of the Company:

The Company has already executed necessary legal documents between the Director & the company to safeguard the interest of the company. The Company is Legal Owner of the said Land/flat shown as Stock in Trade in the Balance Sheet as on 31/03/2013.

## PARTICULARS OF EMPLOYEES

(Information as per section 217(2A) of the Companies Act, 1956 read with Companies (particulars Of Employees) Rules, 1975 as not applicable as there were no persons in employment of the company drawing or entitled to draw remuneration of exceeding the limits prescribed in the said section.

## SECRETARIAL COMPLIANCE CERTIFICATE

The Compliance Certificate from Practicing Company Secretaries in terms of proviso to section 383 A (1) of the Companies act, 1956 read with Companies amendment Act, 2000 & Companies compliance certificate rules, 2001 is attached herewith.

## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (A) That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2013; the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (B) That the directors had selected to such accounting policies and applied them consistently and made adjustments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended on 31<sup>st</sup> March 2013 and of the profit or loss of the company for the year under review.
- (C) That the directors had taken proper and sufficient care for maintenance of adequate accounting records for the year ended 31<sup>st</sup> March 2013 in accordance with the provisions of the companies act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities.
- (D) That the directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2013 on a 'going concern' basis.


## APPRECIATION / ACKNOWLEDGEMENT

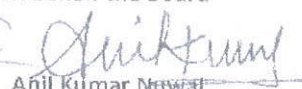
The Board of Directors wishes to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the company for its success. Your Directors would like to express their grateful appreciation for the assistance and co-operation received from Banks during the year under review.


Bhilwara, 01st July 2013




For and on behalf the Board

  
Jagdish Prasad Nuwal  
Chairman

  
Anil Kumar Nuwal  
Managing Director

  
Madhu Sudan Nuwal  
Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

ANNEXURE I FORMING PART OF THE DIRECTOR'S REPORT FOR THE YEAR ENDED ON 31st MARCH 2012

INFORMATION AS REQUIRED UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS RULES 1988) ARE AS UNDER:

## A. CONSERVATION OF ENERGY

1. Energy conservation measures taken-The Company set plant level committees to periodically review and monitor energy consumption. The committee has also entrusted explore various measures for energy conservation in consultation with experts.
2. Additional investment and proposal, if any, being implemented for reduction of consumption of energy - NIL
3. Impact of the above measures: The impact has been marginal.
4. Total energy consumption and energy consumption per unit of production prescribed in Form "A" of the annexure.

## B. TECHNOLOGY ABSORPTION

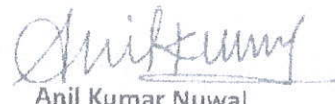
Efforts made in technology absorption are as per Form "B" of the annexure.


For and on behalf the board

Bhilwara, 01st July



  
Jagdish Prasad Nuwal  
Chairman

  
Anil Kumar Nuwal  
Managing Director

  
Madhu Sudan Nuwal  
Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

## FORM "A"

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY.

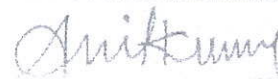
(Units & Amount in Lacs)


	Current Year 31.03.2013	Previous Year 31.03.2012
<b>1. Power and fuel consumption</b>		
<b>a. Electricity</b>		
Purchase [In KWH]	28.54	30.36
Total Amount [In Rupees]	172.42	156.60
Rate / Unit [In per KWH]	6.04	5.16
<b>b. Own Generation</b>		
Through Diesel generator [In KWH]	1.60	2.91
Total Amount [In Rupees]	21.91	38.45
Average Rate	13.69	13.19
<b>2. Consumption per unit of production</b>		
<b>Products Fabrics</b>		
A. Own	32.33	28.56
B Job	58.30	65.20
Total Production	90.63	93.76
Total units [In KWH]	30.14	33.21
Units/Mtrs. Fabric	0.33	0.35

For and on behalf the Board

Bhilwara, 01st July 2013

  
Jagdish Prasad Nuwal  
Chairman

  
Anil Kumar Nuwal  
Managing Director

  
Madhu Sudan Nuwal  
Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

## FORM "B"

### 1. RESEARCH AND DEVELOPMENT (R&D)

- a) Specific areas in which R&D carried out by the Company. At present the company is not carrying out any significant research and development activities.
- b) Benefits derived as results of above R&D from it. NIL
- c) Further plan of action. Plan for future action for research and development will be worked out.
- d) Expenditure on R&D
- |                                   |     |     |
|-----------------------------------|-----|-----|
| Capital                           | NIL | NIL |
| Recurring                         | NIL | NIL |
| R&D expenditure % age of turnover | NIL | NIL |

### 2. TECHNOLOGY ABSORPTION, ADAPTATION, ADAPTATION AND INNOVATION

- a) Efforts in brief, made towards technology absorption. NIL NIL
- b) Benefits derived as a result of the above efforts. NIL NIL
- c) Information regarding Technology Imported during The years NIL NIL

### 3. FOREIGN FXCHANGE EARNING AND OUT GO

(Rs. In Lacs)

- a) Earning in foreign exchange. 0.00 0.00
- b) Remittance in foreign exchange. 0.00 14.11

For and on behalf the Board

Bhilwara, 01st July 2013

  
Jagdish Prasad Nuwal  
Chairman

  
Anil Kumar Nuwal  
Managing Director

  
Madhu Sudan Nuwal  
Director




# SWAGAT SYNTHETICS PRIVATE LIMITED

## REPORT OF THE AUDITORS

To the Members of Swagat Synthetics Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Swagat Synthetics Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013; and
- (b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and





# SWAGAT SYNTHETICS PRIVATE LIMITED

belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account

d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. Dad & Co.  
Chartered Accountants  
Firm Regd. No. 007534C

Sanjay Dad

Partner

M. No. 076334

Bhilwara, 01st July 2013



*Quittance*



# SWAGAT SYNTHETICS PRIVATE LIMITED

## ANNEXURE FORMING PART OF AUDITORS' REPORT (Referred to in paragraph (2) of our report of even date)

The Comments given herein below are based on the data compiled by the Company in order to comply with the requirement of the new order from the effective date. On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under

- (i) In respect of Fixed Assets,
- The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
  - As per the information and explanation given to us physical verification of fixed has been carried out by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its business.
  - The company has not disposed off Plant & Machinery during the year.
- (ii) In Respect of Inventories
- As per the information furnished the inventories have been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
  - In our opinion and according to the information and explanations given to us procedure of physical verification on inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has taken unsecured loans from companies, firm or other parties covered in the register maintained under section 301 of the Act. The details of such transactions are as under.

(Rs. in Lac)

No of Parties	Amount accepted	Amount Repaid	Closing Balance as on 31/03/2013
14	201.32	427.36	359.39

The Company has not granted any loan to companies, firm or other parties covered in the register maintained under section 301 of the Act.

According to the information and explanation given to us we are of the opinion that the rate of interest and terms and conditions of loans taken by the company from other parties covered in the register maintained under section 301 of the Act are not prima facie prejudicial to the interest of company.

According to the information and explanation given to us, we are of the opinion that the payment of principal & Interest are regular wherever the terms of repayments have been stipulated. Generally there are no terms of repayment have been stipulated.

According to the information and explanation given to us, we are of the opinion that the there is no overdue amount & therefore no comments is required.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the



*Quikun*





# SWAGAT SYNTHETICS PRIVATE LIMITED

nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in internal controls.

- (v) A) According to the information & explanation given to us, we are of opinion that the transaction that needs to be entered into the register maintained under section 301 of the Companies act, 1956 have been so entered.

B) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies act, 1956 according to the information and explanations given to us transactions of purchase of material for which alternate quotations are not available. The transactions in pursuance of such contracts or arrangements have been made at price which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits to which the provisions of sections 58A & 58AA or any other relevant provisions of the Companies Act, 1956 and the companies (Acceptance of Deposits) Rules, 1975 and rules made there under.

- (vii) In our opinion the company has an internal audit system commensurate with the size of the company and the nature of its business.

- (viii) As explained to us, the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government for the Company.

- (ix) According to the information and explanations given to us and the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund Employees State Insurance, Income Tax, VAT, Wealth Tax, Custom duty, Excise Duty, Cess, Service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31<sup>st</sup> March 2013 for a period of more than six months from the date it became payable.

In our opinion and according to the information & explanation given to us, the Company has not defaulted in the repayment of dues to Bank.

According to the information and explanation given to us, there are no dues of VAT, income tax, customs duty, wealth tax, excise duty, Service tax and cess which have not been deposited on account of any dispute.

- (x) In our opinion, there is no accumulated loss of the company. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution, banks or debentures holders.

- (xii) The company has not granted loans and advances on the basis of security by way of pledge





# SWAGAT SYNTHETICS PRIVATE LIMITED

of shares, debentures and other securities.

- (xiii) Clause (xiii) of the order is not applicable to the Company as the Company is not a chit fund or a nidhi, mutual benefit fund/ society.
- (xiv) Clause (xiv) of the order is not applicable as the Company is dealing in or trading in shares, securities debentures and other investments.
- (xv) According to the information & explanation given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- (xx) The company being a Private Limited Company the said clause 4 (xx) of the said CARO, 2003 regarding utilization of funds raised by public issue is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For S. Dad & Co.  
Chartered Accountants  
Firm Regd. No. 007534C

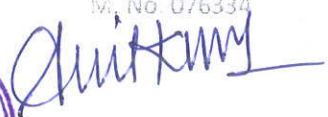
  
Sanjay Dad

Partner

M. No. 076334

Bhilwara, 01st July 2014


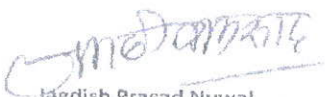

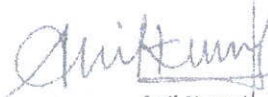








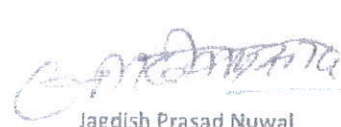
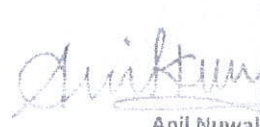


# Swagat Synthetics Private Limited

Balance Sheet as at 31st March 2013

Particulars	Note No.	Current Year	Previous Year
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	1	41340000	41340000
(b) Reserves and Surplus	2	91885024	86002099
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	109830007	129620629
(b) Deferred Tax Liabilities (Net)	4	14424397	13952005
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	5	121357100	123152570
(b) Trade Payables	6	29301962	8407842
(c) Other Current Liabilities	7	17489343	14810509
(d) Short-Term Provisions		0	0
<b>Total Equity &amp; Liabilities</b>		<b>425627833</b>	<b>417285654</b>
<b>II.ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
(i) Gross Block	8	317484067	334722112
(ii) Depreciation	8	138108954	162035257
<b>Tangible Assets</b>		<b>179375114</b>	<b>172686855</b>
Capital Work In Process		0	16448275
(b) Non-current investments	9	50000	50000
(c) Long term loans and advances	10	2141544	1794743
(d) Other non-current assets	11	562455	2595610
<b>Current Assets</b>			
(a) Inventories	12	173998434	135909777
(b) Trade receivables	13	58610265	75571603
(c) Cash and Bank	14	1417096	8929212
(d) Short term loans and advances	15	9472925	3290570
<b>Total Assets</b>		<b>425627833</b>	<b>417285654</b>
<b>Notes on Accounts &amp; Significant Accounting policies</b>		27 to 32	
As per Our report attached			
<b>For S Dad &amp; Co.</b>		<b>For and on Behalf of the Board</b>	
Firm Regn No. 007534C			
Chartered Accountants			
 <b>Sanjay Dad</b> Partner		 <b>Jagdish Prasad Nuwal</b> Chairman	
		 <b>Anil Nuwal</b> Managing Director	
Membership No. 076734		 <b>Madhusudan Nuwal</b> Director	
Bhilwara, 01st July 2013			



# Swagat Synthetics Private Limited

Statement of Profit & Loss Account				
Particulars	Note No.	Current Year	Previous Year	
Revenue from operations	16	548281417	542307243	
Other Income	17	213083	88768	
iii. Total Revenue (i + ii)		548494500	542396011	
<b>Expenses:</b>				
Cost of materials consumed	18	184019557	154390246	
Purchase of Stock-in-Trade	19	188311106	192787671	
Direct/ Production Overhead	20	75489940	71665813	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-18728851	5833355	
Employee Benefit Expense	22	31713792	27630809	
Financial Costs	23	33330021	27800270	
Depreciation and Amortization Expense	24	17040520	21733438	
Administrative Expenses	25	29456430	31619115	
Total Expenses		540632515	536510717	
Profit before exceptional and extraordinary items and tax		7861986	5885294	
Exceptional Items		0		
Profit before extraordinary items and tax (V - VI)		7861986	5885294	
Extraordinary Items				
Profit before tax (VII - VIII)		7861986	5885294	
<b>Tax expense:</b>				
(1) Current tax		1506669	1121440	
(2) Deferred tax	4	472392	697115	
Profit/(Loss) for the period (IX + XI)		5882925	4066739	
Earning per equity share:				
(1) Basic	26	1.42	0.98	
(2) Diluted	26	1.42	0.98	
Notes on Accounts & Significant Accounting policies		27 to 32		
Notes referred to above form an integral part of Balance Sheet				
As per Our report attached				
For S Dad & Co.		For and on Behalf of the Board		
Firm Regn No. 007534C				
Chartered Accountants				
				
Sanjay Dad		Jagdish Prasad Nuwal		
Partner		Chairman		
Membership No. 076334				
Bhilwara, 01st July 2012		Anil Nuwal		
		Managing Director		
				
		Madhusudan Nuwal		
		Director		



# Swagat Synthetics Private Limited

Notes Forming Integral Part of Financial Statement as at 31st March, 2013

## Note : 1 Share Capital

Particulars	Current Year	Previous Year
<b>AUTHORIZED CAPITAL</b>		
42,50,000 (42,50,000) Equity shares of Rs. 10/- each	42500000	42500000
	42500000	42500000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
4134000 (4134000) Equity shares of Rs. 10/- each fully paid up	41340000	41340000
Total in	41340000	41340000

1) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	Number	Amount (In Rs.)	Number	Amount (In Rs.)
Shares outstanding at the beginning of the year	4134000	41340000	4134000	41340000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	4134000	41340000	4134000	41340000

2) Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held

Name of Shareholder	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jagdish Prasad Nuwal	602500	14.57	602500	14.57
Anil Nuwal	933700	22.59	933700	22.59
Jugal Kishore Nuwal	300500	7.27	300500	7.27
Madhu Sudan Nuwal	497100	12.02	497100	12.02
Sita Software Pvt. Ltd.	340450	8.24	340450	8.24
Seezoo Infotech Pvt. Ltd.	619850	14.99	619850	14.99
Exclusive.com Pvt. Ltd.	555000	13.43	555000	13.43



*Swagat Synthetics*



# Swagat Synthetics Private Limited

Note No. *Notes Forming Integral Part of Financial Statement as at 31st March, 2013*

## 2 Reserve & Surplus

	Current Year	Previous Year
Capital Reserve		
Gasifier Subsidy	788522	788522
Share Premium	34560000	34560000
Balance brought forward from previous year	50653577	47203069
Less: TDS no more receivable	0	706231
Add: Profit for the period	5882925	4066739
Surplus (Profit & Loss Account)	<b>56536502</b>	<b>50653577</b>
	<b>91885024</b>	<b>86002099</b>

## 3 Long Term Borrowings

	Current Year	Previous Year
<b>SECURED LOAN</b>		
Term Loan :- From Bank		
- From Bank of Baroda	57767480	52600000
<b>UNSECURED LOAN</b>		
From Related Parties	35959389	58161257
From Others	16103138	18859372
	<b>109830007</b>	<b>126620629</b>

### Notes and Terms & Condition of Loans:-

- Term Loan Taken from Bank of Baroda of Rs. 930 Lacs and Rs 2470 lacs, is secured by a charge in the nature of equitable Mortgage over Land & Building Situated at G-13,14, F-226,227 & G-228,229, 4th Phase RHCO Industrial area, Bhilwara & all Fixed Assets, present & future along with Exclusive First charge over all stock of Raw Material, Stock in Process, semi finished & finished goods, spares and stores, Consumables and Book Debts of the company.
- Term Loan of Rs. 930 lacs is Repayable In 30 Equal Quarterly Installments of Rs. 31 Lacs each commencing from 01.04.2010.
- Term Loan of Rs. 2470 lacs (Disbursed Rs. 175.67 Lacs as on 31.03.2013 ) is Repayable In 28 Quarterly Balloning Installments starting from 24 months from first disbursement i.e. 30-6-2014
- Unsecured loan is taken from Directors, Friends, relatives. As Explained the same will become due for payment after a period of 1 year.





# Swagat Synthetics Private Limited

## 4 Deferred Tax Liabilities/Assets

Timing Difference Due to Depreciation  
WDV as on 31/03/2013 (As Per Books)  
Less: Value of Land

WDV as on 31/03/2013 (As per I.T. Act)

Timing Difference due to Depreciation Difference

Deferred Tax Liability

MAT Credit

Net Deferred Tax Liability/(Assets) upto 31/03/2013

Less: Opening Deferred Tax Liabilities

Net Deferred Tax Liability/(assets) for the Current Year

Current Year	Previous Year
179375114	172686855
1487981	1487981
177887133	171193874
127957816	121758428
49929317	49440446
(A) 15428159	15277098
(C) 1003752	1325093
(A-D-C) 14424397	13952005
13952005	13254890
472392	697115

## 5 Short Term Borrowings

Secured Loans

Working Capital loan from Bank of Baroda

Current Year	Previous Year
121357100	123152570
121357100	123152570

### Notes and Terms & Condition of Loans:-

- Working Capital Loan Taken from Bank of Baroda of Rs. 1250 Lacs, is secured by a charge in the nature of equitable Mortgage over Land & Building Situated at G-13,14, F-226,227 & G-228,229, 4th Phase RHCO Industrial area, Bhilwara & all Fixed Assets, present & future along with Exclusive First charge over all stock of Raw Material, Stock in Process, semi finished & finished goods, spares and stores, Consumables and Book Debts of the company.
- In addition to the above securities there is an equitable mortgage over Residential Plots situated at B-27, Bapu Nagar, Bhilwara in the name of Smt. Sangeeta Nuwal & B-28, Bapu Nagar, Bhilwara in the joint name of Smt. Sangeeta Nuwal, Smt. Kanta Devi Nuwal, Smt. Madhu Nuwal & Smt. Mamta Nuwal to Secure the Credit Facilities granted by BOB viz. CC Limit & Term Loan. All the aforesaid persons has also given their personal guarantees for loan with BOB upto Rs. 90.00 Lacs.
- There is an hypothecation over 2 Life Insurance Policies of Rs. 5.00 Lacs each also in the name of Shri Anil & Shri Madhu Sudan Nuwal.
- In addition to the above Shri Jugal Kishore Nuwal has also given his personal guarantee to secure all the credit facilities granted by BOB.

## 6 Trades Payable

### -Sundry Creditors for Material/Supplies:

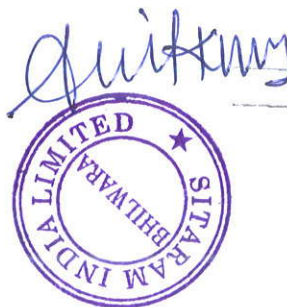
For Material  
For Expenses & Others  
For Capital Goods

Current Year	Previous Year
11056823	1086294
18104950	7201379
140189	120169
29301962	8407842

## 7 Other Current Liabilities

Current maturities of long-term debt- Term Loan  
Current maturities of Car Loan  
Duties & Taxes Payable  
Expenses Payable

Current Year	Previous Year
12400000	12400000
0	234189
1222751	1136477
3866592	1039898
17489343	14810509





# Swagat Synthetics Private Limited

Note No. 8

## DETAILS OF FIXED ASSETS & DEPRECIATION CALCULATION

S. NO.	PARTICULARS		GROSS BLOCK			DEPRECIATION			NET BLOCK	
			As on 01.04.2012	Addition	Deduction	Total as on 31.03.2013	For the Year	Deduction	Total as on 31.03.2013	As on 31.03.2012
1	Land		1487981	0	0	1487981	0	0	1487981	1487981
2	Building	3.34%	2287452	0	0	2287452	746071	0	7208397	15120055
3	Plant & Machinery-Unit I	7.42%	13537114	2042533	0	13827974	10193918	0	30411506	107863241
	Plant & Machinery-Unit I 2004	7.42%	81182979		7539153	84643226	5489066	12211651	43687599	20955227
4	Plant & Machinery-Unit I Old	0.00%	2878250	0	2878250	0	0	2878250	0	0
5	Plant & Machinery-Unit I 2001	0.00%	53339155	0	0	53339155	0	0	49579851	3759294
6	Furniture & Fixtures	6.33%	46273	405945	0	1312218	573449	0	632543	673675
7	Vehicles	9.50%	471063	0	0	471063	453251	0	3615409	115854
8	Computer	16.21%	2314596	825985	0	3140581	218961	0	2204845	981836
9	Office Equipment	4.75%	818768	85838	0	904606	39162	0	418959	485647
10	Misc. Fixed Assets	10.34%	34127	205531	0	439658	89882	0	125794	31864
11	Office Building	1.63%	114255	25713426	0	26827621	205879	0	224041	2660640
	TOTAL		31472112	29279359	4517403	31748067	17040520	40966823	13206954	17935114
										17268685



*Quikmy*



# Swagat Synthetics Private Limited

<b>9 Non Current Investment</b> Investment in Equity Instrument	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>50000</td><td>50000</td></tr> <tr> <td>50000</td><td>50000</td></tr> </table>	Current Year	Previous Year	50000	50000	50000	50000												
Current Year	Previous Year																		
50000	50000																		
50000	50000																		
<b>10 Long Term Loans and Advances</b> Other Loans & Advances Security Deposits	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>2141544</td><td>1794743</td></tr> <tr> <td>2141544</td><td>1794743</td></tr> </table>	Current Year	Previous Year	2141544	1794743	2141544	1794743												
Current Year	Previous Year																		
2141544	1794743																		
2141544	1794743																		
<b>11 Other Non Current Assets</b> Secured : Considered Good Fixed Deposit with Banks (Pledge with Bank of Baroda against Guarantee)	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>562455</td><td>2595610</td></tr> <tr> <td>562455</td><td>2595610</td></tr> </table>	Current Year	Previous Year	562455	2595610	562455	2595610												
Current Year	Previous Year																		
562455	2595610																		
562455	2595610																		
<b>12 Inventories</b> Raw Material Semi Finished Fabric Finish Fabrics Stores & Spares & packing Material Land & Building (Real estate)	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>40928040</td><td>21432664</td></tr> <tr> <td>34468083</td><td>25920359</td></tr> <tr> <td>85356663</td><td>62442836</td></tr> <tr> <td>900000</td><td>1035570</td></tr> <tr> <td>12345648</td><td>25078348</td></tr> <tr> <td>173998434</td><td>135909777</td></tr> </table>	Current Year	Previous Year	40928040	21432664	34468083	25920359	85356663	62442836	900000	1035570	12345648	25078348	173998434	135909777				
Current Year	Previous Year																		
40928040	21432664																		
34468083	25920359																		
85356663	62442836																		
900000	1035570																		
12345648	25078348																		
173998434	135909777																		
Method of Valuation of inventories:- Raw Materials, stores & spares parts, work in process & finished goods are value of cost & Net Realizable Value.																			
<b>13 Trade Recievables</b> Outstanding for more than six months Unsecured, Considered Good : Others Unsecured, Considered Good :	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>2575193</td><td>3789022</td></tr> <tr> <td>56035072</td><td>71782581</td></tr> <tr> <td>58610265</td><td>75571503</td></tr> </table>	Current Year	Previous Year	2575193	3789022	56035072	71782581	58610265	75571503										
Current Year	Previous Year																		
2575193	3789022																		
56035072	71782581																		
58610265	75571503																		
<b>14 Cash &amp; Bank</b> Cash-in-Hand Cash Balance  Bank Balance In Current A/c HDFC Bank Ltd. In Current A/c with ICICI Bank Ltd. In Current A/c with Bank of Baroda In Current A/c with SBI	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>247800</td><td>971723</td></tr> <tr> <td>247800</td><td>971723</td></tr> <tr> <td>1149511</td><td>931287</td></tr> <tr> <td>1000</td><td>1000</td></tr> <tr> <td>15202</td><td>7015202</td></tr> <tr> <td>3583</td><td>10000</td></tr> <tr> <td>1160296</td><td>7957489</td></tr> <tr> <td>1417096</td><td>8929212</td></tr> </table>	Current Year	Previous Year	247800	971723	247800	971723	1149511	931287	1000	1000	15202	7015202	3583	10000	1160296	7957489	1417096	8929212
Current Year	Previous Year																		
247800	971723																		
247800	971723																		
1149511	931287																		
1000	1000																		
15202	7015202																		
3583	10000																		
1160296	7957489																		
1417096	8929212																		
Sub Total (A)																			
Sub Total (B)																			
Total [ A + B ]																			
<b>15 Short Terms Loans and Advances</b> Loans & Advances other than related parties Advance Recoverable in cash or in kind or for value to be considered good Interest receivable Under TUF Scheme Excise Duty & cenvat Receivable Income Tax Refundable Prepaid Expenses	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>3273836</td><td>893481</td></tr> <tr> <td>397426</td><td>946027</td></tr> <tr> <td>4880798</td><td>2172</td></tr> <tr> <td>735832</td><td>1313223</td></tr> <tr> <td>185033</td><td>144676</td></tr> <tr> <td>9472925</td><td>3299579</td></tr> </table>	Current Year	Previous Year	3273836	893481	397426	946027	4880798	2172	735832	1313223	185033	144676	9472925	3299579				
Current Year	Previous Year																		
3273836	893481																		
397426	946027																		
4880798	2172																		
735832	1313223																		
185033	144676																		
9472925	3299579																		





# Swagat Synthetics Private Limited

Notes to Profit & Loss Account

Notes Forming Integral Part of Financial Statement as at 31st March, 2013

## 16 Revenue from Operations

Fabrics Sales (Net)  
Job Weaving Charges  
Sale of Land/Flat

Current Year	Previous Year
472543722	471994402
50402695	59512841
25335000	10800000
548281417	542307243

## 17 Other Income

Insurance Claim Received  
Interest Income

Current Year	Previous Year
0	21375
213083	67393
213083	88768

## 18 Cost of Material Consumed

### PURCHASES AND CONSUMPTION OF RAW MATERIALS

Opening Stock  
Add: Purchase (Net)  
Add: Freight  
Less: Closing Stock

Current Year	Previous Year
21432664	19377376
203239098	156219981
275835	225553
40928040	21432664
184019557	154390246

## 19 Details of Purchase of Traded Goods

Grey Fabric Purchase (Net)  
Finish Fabric Purchase (Net)

Current Year	Previous Year
8643152	5907632
179667954	186880039
188311106	192787671

## 20 Direct/ Production Overheads Expenses

Stores & Spares Consumed  
Power & Fuel, Oil & Lubricants  
Repairs & Maintenance (Plant & Machinery)  
Other Manufacturing Exp.  
Design & Development Expenses  
Processing/ Job weaving Charges  
Development Charges  
Excise duty

Current Year	Previous Year
4837257	8444008
20305563	71268478
480407	494000
3982191	6289194
183880	159000
34098294	29674113
5369450	551800
6232897	4785214
75489940	71665813

## 21 Change in Inventories

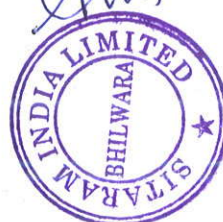
### Opening Stock :

Finish Goods  
WIP  
Land [real estate]

### Closing Stock :

Finish Goods  
WIP  
Land [real estate]

Current Year	Previous Year
113441543	122324898
62442836	71342044
25920359	71412854
25078348	29570000
132170394	113441543
85356663	62442836
34468083	25920359
12345648	25078348
18728851	8883355





# Swagat Synthetics Private Limited

## 22 Employment Benefit Expenses

Salary & wages
Contribution to Provident, Other Funds & Bonus
Office Staff Salary & Other Benefits
Director's Remuneration / Perquisites

Current Year	Previous Year
21753622	17664454
974926	1203121
5997244	5775234
2988000	2988000
<b>31713792</b>	<b>27630809</b>

## 23 Financial Cost

Interest on Cash Credit Facility
Interest on Term loan
Interest on Car loan
Interest on Other loans

Current Year	Previous Year
14776620	16642534
8992480	6177107
0	30756
9560921	4949873
<b>33330021</b>	<b>27800270</b>

## 24 Depreciation & Amortization

Depreciation
--------------

Current Year	Previous Year
17040520	21733438
<b>17040520</b>	<b>21733438</b>

## 25 Other Expenses

### Establishment Expenses

Repairs & Maintenance Vehicle
Telephone & Postage Expenses
Insurance Charges
Security Expenses
Computer Stationery & Repair Expenses
Auditors Remuneration
Audit Fees
Tax Audit Fees
Consultancy & Others
Conveyance & Travelling
Office & Other Expenses
Printing & Stationery
Service Tax
Donation
Legal & Professional Expenses
Bank Charges
Loss of sale of Plant & machinery

Current Year	Previous Year
183582.00	304797
291746.00	295150
299366.00	322349
345108.00	326247
94841.00	130651
27000.00	25000
10000.00	10000
8000.00	6677
36503.00	98809
411248.00	724523
294530.00	248181
9931.00	7784
57500.00	10356
533070.00	350340
88870.00	1253915
1542580.00	0

### Selling & Distribution Expenses

Rebate & Discounts
Sales Promotion Expenses (Advertisement)
Sales Commission (Agency Commission)
Freight charges
Travelling Expenses
Packing Material Expenses
Sales Incentive
Advertisement & Publicity

5946955.00	4306778
168390.00	3993819
5190674.00	5458949
374656.00	455277
919437.00	1228142
6325838.00	6955109
6275445.00	5046127
21060.00	60185
<b>29456430</b>	<b>31619115</b>





# Swagat Synthetics Private Limited

## 26 Earning Per Share

The calculation of Earning Per Share (EPS) has been made in accordance with Accounting Standard-20. A statement on calculation of Basic and Diluted EPS is as under:-

	Current Year	Previous Year
Net Profit after taxation	5882925	4066739
Weighted average number of Equity Shares	4134000	4134000
Add: Dilutive Potential Equity Shares		
No. of Equity Shares for Dilutive EPS	4134000	4134000
Nominal Value of Shares in ₹	10	10
Basic Earning Per Shares in ₹	1.42	0.98
Diluted Earning Per Shares in ₹	1.42	0.98

## 27 Related Party Disclosure

List of related Parties

### Key Managerial Personnel

Jagdish Prasad Nuwal

Anil Kumar Nuwal

Madhu Sudan Nuwal

Chairman

Director

Director

### Relatives of Key Managerials Personnel

Jugal Kishore Nuwal

Smt. Sangeeta Nuwal

Smt. Madhu Nuwal

Smt. Mamta Nuwal

Smt. Sunita Laddha

Smt. Kanta Devi Nuwal

Director's Brother

Director's Wife

Director's wife

Director's Wife

Chairman Daughter

Chairman Wife

### Other Related Parties

Jagdish Prasad Nuwal - HUF

Anil Kumar Nuwal - HUF

Madhu Sudhan Nuwal - HUF

Sita Software Pvt. Ltd.

Exclusive.Com Pvt. Ltd.

Seezo Infotech Pvt. Ltd.

Director's HUF

Director's HUF

Director's HUF

Associate Concern

Associate Concern

Associate Concern

## b Transaction With Related Parties

	Key Managerial Personnel	Relatives of Key Managerials Personnel	Other Related Parties
Sales			
Expenditure			115814783
Purchases			
Remunerations			176639899
Interest	2988000	996000	
Rent	112774	250452	3946565
Finance and Investments			
Loan Taken	4260664	3471092	12400568
Loan Repayment Made	4424810	2100950	36210300





# Swagat Synthetics Private Limited

## 28 Contingent Liabilities

Claims against the Company not acknowledged as debt

Current Year	Previous Year
--------------	---------------

Guarantee given in favour of President of India for import of Capital Goods under EPCG scheme at concessional rate of duty for manufacture of excisable goods.

447417	1816000
--------	---------

Other Money for which the Company is contingently liable

Bond executed in favour of President of India for import of Capital Goods under EPCG scheme at concessional rate of duty for manufacture of excisable goods.

1918372	79907000
---------	----------

## 29 Dues to Micro & Small Enterprises as defined under the MSMED Act 2006

The company has initiated the process of obtaining confirmations from the suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the Company, no balance is due to Micro & Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2013. Further during the year no interest has been paid or payable under the terms of the said Act as issued by the institute of chartered accountants of India.

## 30 Additional Information Pursuant to Provisions Provision of Paragraphs 3 & 4 of Schedule VI of the Companies Act, 19 applicable to the company are as under (As certified & classified by the management).

### Capacity & Production

		Current Year	Previous Year
<b>Installed Capacity</b>			
Looms	Nos.	96 Looms	104 Looms
<b>Production</b>			
Fabrics-Within Factory	Meter	9062774	9375793
Fabrics-From Outside On Job basis	Meter	0	1588
<b>Materials Purchase</b>			
Yarn	Kg.	1103804.226	937109.56
	Amount	203514933	156445534
Fabrics	Meter	1741196.27	1811346
	Amount	188311106	192787671
<b>Sales</b>			
Fabrics	Meter	4688580	4698782
	Amount	472543722	471994402
Flats	Amount	25335000	10800000
Fabrics- Job Billing	Meter	5853683	6547954
	Amount	50402695	59512841
<b>Closing Stock</b>			
Yarn	Kg.	227378	141068.93
	Amount	40928040	21432664
Fabrics	Meter	1363221	1187611
	Amount	119126786	87374780
Fabrics-Job	Meter	99709	123552
	Amount	697960	988415





# SWAGAT SYNTHETICS PRIVATE LIMITED

## Annexure I

### Significant Accounting Policies:

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (a) The financial statements have been prepared under the historical cost convention on the basis of "Accrual concept" and in accordance with generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, as adopted consistently by the company.
- (b) The company generally follows mercantile system of accounting recognizes significant items of income and expenditure on accrual basis. The claims, rate difference, discounts, interest on Debtors & Creditors, Gratuity & Leave encashment are unascertainable and accounted for as and when settled.

#### B. FIXED ASSETS AND DEPRECIATION

- (a) Fixed assets are stated at cost of acquisition including freight, excise local taxes and incidental expenses less accumulated depreciation.
- (b) Depreciation on Fixed Assets is provided on straight-line method at the rate and in manner prescribed in Schedule XIV to the companies Act, 1956 on pro-rate basis.
- (c) Depreciation on addition to assets or on sale/discernment of assets, is calculated pro-rata from the date of such addition or unto the of such sale/discernment, as the case may be;
- (d) Expenditure during the construction period, borrowing cost, the expenditure incidental to the expansion are accounted for in accordance with the conduct note on "treatment of expenditure during construction period" issued by the institute of the chartered accountant of India. The said expenditure is allocated to fixed assets in the year of commencement of the commercial production.

#### C. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses & liabilities.

#### D. DEFERRED LIABILITIES

The liabilities of the company is estimated considering the provision for income tax 1961. Deferred tax is recognized subject to the consideration of prudence, on time difference being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or subsequent periods.

#### E. USE OF ESTIMATES

The preparation of financial statements in conformity with accepted accounting principles require management to make estimates & assumptions that affect the reported amount of assets & liabilities & disclosure of contingent liabilities at the date of the financial statements & the result of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events & actions, actual results could differ from these estimates.





# Swagat Synthetics Private Limited

## Opening Stock

Yarn	Kg.	141069	160860
	Amount	21432664	19377376
Fabrics	Meter	1187611	1355090
	Amount	87374780	91861539
Fabrics-Job	Meter	123552	151415
	Amount	988415	893359
<b>Consumption of Stores &amp; Spares</b>			
Imported	Amount		3393731
Indigenous	Amount	4837257	5050277

31 The financial statements for the year ended 31st March, 2013 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2013 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification

32 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

As per Our report attached

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants

Sanjay Dad

Partner

Membership No. 07534

Bhilwara, 01st July 2013



For and on Behalf of the Board

*[Signature]*  
Ajodish Prasad Nuwal

Chairman

*[Signature]*  
Anil Nuwal

Managing Director

*[Signature]*  
Madhusudan Nuwal

Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

## F. PROVISIONS

A provision is recognized when there is a present obligation as a result of a past event, it is a probable that an outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made, provision is not discounted to its present value & is determined based on the best estimates required to settle the obligation at the year end date. There are reviewed at each year end date & adjusted to reflect the best current estimate.

## G. TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized subject to the consideration of prudence, on timing difference, being a difference between taxable incomes & accounting income that originate one period & are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation & carry forward of losses unless there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## H. BORROWING COST

Interest cost relating to:

- (a) Funds borrowed for acquisition of fixed assets are capitalized till the date of commissioning & there after charges to the profit & loss account, if any.
- (b) Funds borrowed for other purposes are charged to profit & loss account.

## I. VALUATION OF INVENTORIES

Inventories are valued at Lower of Cost or Net Realizable Value. Cost is measured on first in first out basis.

## J. EMPLOYEE RETIREMENT BENEFITS

- (a) The liabilities in respect of gratuity & Leave encashment have not been accounted as none of the employee has completed qualified period of services to be entitled for gratuity as per policy of the company. The gratuity will be provided as and when paid i.e., Cash Basis.
- (b) Contribution to provident fund and E.S.I. accruing during each year as per the schemes are charged to profit and loss account.

## K. IMPAIRMENT OF ASSETS

The company identifies impairable assets at every balance sheet for the purpose of arriving at Impairment loss there on being the difference between the book value & recoverable value of relevant assets. Impairment loss when crystallized is charged against the revenue of the year.

## L. FOREIGN EXCHANGE TRANSACTION/TRANSLATION

- (a) Monetary and Non-monetary items /transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- (b) Exchange differences in respect of monetary and non-monetary items are recognized as income or expense in the profit and loss account for the relevant year except otherwise disclosed in other notes.



*Shrikumar*





# SWAGAT SYNTHETICS PRIVATE LIMITED

## M. OTHERS

- a) The Closing Stock being Land/flats of Rs. 123.46 Lacs as on 31.03.2013 is not registered in the name of company due to some technical problem at the time of registration & the land was purchased in the name of one director, subsequently the matter was approved by the members in the extra ordinary General Meeting held on dated 22/01/2007. The Company has informed that necessary legal document executed between the Director & the company to safeguard the interest of the company.
- b) The balance of sundry debtors, creditors and loans and advance are subject to confirmation & reconciliation.
- c) Figures for the previous year have been re-grouped /re-arrange wherever considered necessary to make them comparable with current year figures.
- d) In the opinion of Board of Directors the Current Assets, loan, and advances have valued on Realization in the ordinary course of business at least equal the amount at which they are stated except as expressly stated otherwise and all known liabilities have been provided in the Accounts
- e) The company recognized sales of product when they are invoiced & dispatched to the customers. Revenue in respects of other income has recognized where insignificant uncertainty as to its determination or Realization exists.
- f) The Company has grouped Dealers deposits/ suppliers credit under Long term Unsecured Loans. As informed by the Company the Payment/adjustment terms of these deposits are of long term in nature & hence classified under the head unsecured loans as per the opinion of the management.
- g) Purchases include insurance & all procurement expenses unto the arrival of material at plant site.
- h) Debtors & Creditors balances are net of credit & debit, if any.

In terms of our report of even date

For S. Dad & Co

Chartered Accountants

Firm Regd. No. 007534C

Sanjay Dad  
Partner

M No.076334

Bhilwara, 01st Jan



For & on Behalf of the Board

Jagdish Prasad Nuwal

Chairman

Anil Kumar Nuwal

Managing Director

Madhu Sudan Nuwal  
Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

FORM "B"

## 1. RESEARCH AND DEVELOPMENT (R&D)

- a) Specific areas in which R&D carried out by the Company. At present the company is not carrying out any significant research and development activities.
- b) Benefits derived as results of above R&D from it. NIL
- c) Further plan of action. Plan for future action for research and development will be worked out.
- d) Expenditure on R&D
- |                                   |     |     |
|-----------------------------------|-----|-----|
| Capital                           | NIL | NIL |
| Recurring                         | NIL | NIL |
| R&D expenditure % age of turnover | NIL | NIL |

## 2. TECHNOLOGY ABSORPTION, ADAPTATION, ADAPTATION AND INNOVATION

- a) Efforts in brief, made towards technology absorption. NIL NIL
- b) Benefits derived as a result of the above efforts. NIL NIL
- c) Information regarding Technology Imported during The years NIL NIL

## 3. FOREIGN EXCHANGE EARNING AND OUT GO

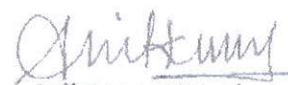
(Rs. In Lacs)

- a) Earning in foreign exchange. 0.00 0.00
- b) Remittance in foreign exchange. 0.00 14.11

For and on behalf the Board

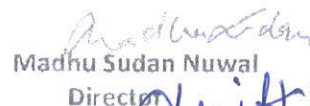
  
Jagdish Prasad Nuwal

Chairman

  
Anil Kumar Nuwal

Managing Director

Bhilwara, 01st July 2013

  
Madhu Sudan Nuwal  
Director





# SWAGAT SYNTHETICS PRIVATE LIMITED

## REPORT OF THE AUDITORS

To the Members of Swagat Synthetics Private Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Swagat Synthetics Private Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013; and
- (b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a. we have obtained all the information and explanations which to the best of our knowledge and





# SWAGAT SYNTHETICS PRIVATE LIMITED

belief were necessary for the purpose of our audit;

b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books

c. the Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account

d. in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. Dad & Co.  
Chartered Accountants  
Firm Regd. No. 007534C

Sanjay Dad

Partner

M. No. 076334

Bhilwara, 01st July 2013



*Sanjay Dad*





# SWAGAT SYNTHETICS PRIVATE LIMITED

## ANNEXURE FORMING PART OF AUDITORS' REPORT (Referred to in paragraph (2) of our report of even date)

The Comments given herein below are based on the data compiled by the Company in order to comply with the requirement of the new order from the effective date. On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under

- (i) In respect of Fixed Assets,
- The Company has maintained proper records showing full particulars including quantitative details and situations of fixed assets.
  - As per the information and explanation given to us physical verification of fixed has been carried out by the Company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its business.
  - The company has not disposed off Plant & Machinery during the year.
- (ii) In Respect of Inventories
- As per the information furnished the inventories have been physically verified at reasonable intervals during the year by the management. In our opinion, the frequency of verification is reasonable.
  - In our opinion and according to the information and explanations given to us procedure of physical verification on inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) The company has taken unsecured loans from companies, firm or other parties covered in the register maintained under section 301 of the Act. The details of such transactions are as under.

(Rs. In Lac)

No of Parties	Amount accepted	Amount Repaid	Closing Balance as on 31/03/2013
14	201.32	427.36	359.39

The Company has not granted any loan to companies, firm or other parties covered in the register maintained under section 301 of the Act.

According to the information and explanation given to us we are of the opinion that the rate of interest and terms and conditions of loans taken by the company from other parties covered in the register maintained under section 301 of the Act are not prima facie prejudicial to the interest of company.

According to the information and explanation given to us, we are of the opinion that the payment of principal & Interest are regular wherever the terms of repayments have been stipulated. Generally there are no terms of repayment have been stipulated.

According to the information and explanation given to us, we are of the opinion that the there is no overdue amount & therefore no comments is required.

- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the



*Signature*



# SWAGAT SYNTHETICS PRIVATE LIMITED

nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in internal controls.

- (v) A) According to the information & explanation given to us, we are of opinion that the transaction that needs to be entered into the register maintained under section 301 of the Companies act, 1956 have been so entered.

B) In respect of transactions entered in the register maintained in pursuance of section 301 of the Companies act, 1956 according to the information and explanations given to us transactions of purchase of material for which alternate quotations are not available. The transactions in pursuance of such contracts or arrangements have been made at price which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits to which the provisions of sections 58A & 58AA or any other relevant provisions of the Companies Act, 1956 and the companies (Acceptance of Deposits) Rules, 1975 and rules made there under.

- (vii) In our opinion the company has an internal audit system commensurate with the size of the company and the nature of its business.

- (viii) As explained to us, the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central Government for the Company.

- (ix) According to the information and explanations given to us and the records examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund Employees State Insurance, Income Tax, VAT, Wealth Tax, Custom duty, Excise Duty, Cess, Service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31<sup>st</sup> March 2013 for a period of more than six months from the date it became payable.

In our opinion and according to the information & explanation given to us, the Company has not defaulted in the repayment of dues to Bank.

According to the information and explanation given to us, there are no dues of VAT, income tax, customs duty, wealth tax, excise duty, Service tax and cess which have not been deposited on account of any dispute.

- (x) In our opinion, there is no accumulated loss of the company. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

- (xi) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution, banks or debentures holders.

- (xii) The company has not granted loans and advances on the basis of security by way of pledge



*Signature*





# SWAGAT SYNTHETICS PRIVATE LIMITED

of shares, debentures and other securities.

- (xiii) Clause (xiii) of the order is not applicable to the Company as the Company is not a chit fund or a nidhi, mutual benefit fund/ society.
- (xiv) Clause (xiv) of the order is not applicable as the Company is dealing in or trading in shares, securities debentures and other investments.
- (xv) According to the information & explanation given to us, the company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to the information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, the company had not issued any debentures.
- (xx) The company being a Private Limited Company the said clause 4 (xx) of the said CARO, 2003 regarding utilization of funds raised by public issue is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For S. Dad & Co.  
Chartered Accountants  
Firm Regd. No. 007534C

  
Sanjay Dad

Partner

M. No. 076334

Bhilwara, 01st July 2013





# Swagat Synthetics Private Limited

Balance Sheet as at 31st March 2013

Particulars	Note No.	Current Year	Previous Year
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
(a) Share Capital	1	41340000	41340000
(b) Reserves and Surplus	2	91885024	86002099
<b>Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	109830007	129620629
(b) Deferred Tax Liabilities (Net)	4	14424397	13952005
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	5	121357100	123152570
(b) Trade Payables	6	29301962	8407842
(c) Other Current Liabilities	7	17489343	14810509
(d) Short-Term Provisions		0	0
<b>Total Equity &amp; Liabilities</b>		<b>425627833</b>	<b>417285654</b>
<b>II.ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets			
(i) Gross Block	8	317484067	334722112
(ii) Depreciation	8	138108954	162035257
<b>Tangible Assets</b>		<b>179375114</b>	<b>172686855</b>
Capital Work In Process		0	16448275
(b) Non-current investments	9	50000	50000
(c) Long term loans and advances	10	2141544	1794743
(d) Other non-current assets	11	562455	2595610
<b>Current Assets</b>			
(a) Inventories	12	173998434	135909777
(b) Trade receivables	13	58610265	75571603
(c) Cash and Bank	14	1417096	8929212
(d) Short-term loans and advances	15	9472925	3299579
<b>Total Assets</b>		<b>425627833</b>	<b>417285654</b>

Notes on Accounts & Significant Accounting policies

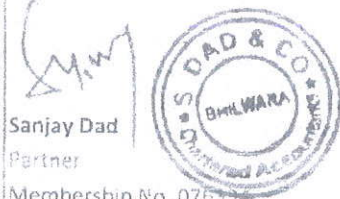
27 to 32

As per Our report attached

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants



Sanjay Dad

Partner

Membership No. 076134

Bhilwara, 01st July 2013

For and on Behalf of the Board

Jagdish Prasad Nuwal

Chairman

Anil Nuwal

Managing Director

Madhusudan Nuwal

Director





# Swagat Synthetics Private Limited

## Statement of Profit & Loss Account

Particulars	Note No.	Current Year	Previous Year
Revenue from operations	16	548281417	542307243
Other Income	17	213083	88768
<b>III. Total Revenue (I + II)</b>		<b>548494500</b>	<b>542396011</b>
<u>Expenses:</u>			
Cost of materials consumed	18	184019557	154390246
Purchase of Stock-in-Trade	19	188311106	192787671
Direct/ Production Overhead	20	75489940	71665813
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	-18728851	8833355
Employee Benefit Expense	22	31713792	27630809
Financial Costs	23	33330021	27800270
Depreciation and Amortization Expense	24	17040520	21733438
Administrative Expenses	25	29456430	31619115
<b>Total Expenses</b>		<b>540632515</b>	<b>536510717</b>
Profit before exceptional and extraordinary items and tax		<b>7861986</b>	<b>5885294</b>
Exceptional Items		0	-
Profit before extraordinary items and tax (V - VI)		<b>7861986</b>	<b>5885294</b>
Extraordinary Items		-	-
Profit before tax (VII - VIII)		<b>7861986</b>	<b>5885294</b>
<u>Tax expense:</u>			
(1) Current tax		1506669	1121440
(2) Deferred tax	4	472392	697115
<b>Profit/(Loss) for the period (IX + XI)</b>		<b>5882925</b>	<b>4066739</b>
 Earning per equity share:			
(1) Basic	26	1.42	0.98
(2) Diluted	26	1.42	0.98

### Notes on Accounts & Significant Accounting policies

27 to 32

Notes referred to above form an integral part of Balance Sheet

As per Our report attached

**For S Dad & Co.**

Firm Regn No. 007534C

Chartered Accountants

**Sanjay Dad**

Partner

Membership No. 076334

Bhilwara, 01st July 2013



**For and on Behalf of the Board**

**Jagdish Prasad Nuwal**

Chairman

**Anil Nuwal**

Managing Director

**Madhusudan Nuwal**

Director





# Swagat Synthetics Private Limited

Notes Forming Integral Part of Financial Statement as at 31st March, 2013

## Note : 1 Share Capital

Particulars	Current Year	Previous Year
<b>AUTHORIZED CAPITAL</b>		
42,50,000 (42,50,000) Equity shares of Rs. 10/- each	42500000	42500000
	42500000	42500000
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>		
4134000 (4134000) Equity shares of Rs. 10/- each fully paid up	41340000	41340000
Total in	41340000	41340000

1) A reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Particulars	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	Number	Amount (In Rs.)	Number	Amount (In Rs.)
Shares outstanding at the beginning of the year	4134000	41340000	4134000	41340000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	4134000	41340000	4134000	41340000

2) Shares in the company held by each shareholder holding more than 5 % shares specifying the number of shares held

Name of Shareholder	Equity Shares			
	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jagdish Prasad Nuwal	602500	14.57	602500	14.57
Anil Nuwal	933700	22.59	933700	22.59
Jugal Kishore Nuwal	300500	7.27	300500	7.27
Madhu Sudan Nuwal	497100	12.02	497100	12.02
Sita Software Pvt. Ltd.	340450	8.24	340450	8.24
Seezoo Infotech Pvt. Ltd.	619850	14.99	619850	14.99
Exclusive.com Pvt. Ltd.	555000	13.43	555000	13.43



*Signature*





# Swagat Synthetics Private Limited

Note No. *Notes Forming Integral Part of Financial Statement as at 31st March, 2013*

## 2 Reserve & Surplus

	Current Year	Previous Year
Capital Reserve	788522	788522
Gasifier Subsidy	34560000	34560000
Share Premium		
Balance brought forward from previous year	50653577	47203069
Less: TDS no more receivable	0	706231
Add: Profit for the period	5882925	4066739
Surplus (Profit & Loss Account)	<b>56536502</b>	<b>50653577</b>
	<b>91885024</b>	<b>86002099</b>

## 3 Long Term Borrowings

	Current Year	Previous Year
<b>SECURED LOAN</b>		
Term Loan :- From Bank		
- From Bank of Baroda	57767480	52600000
<b>UNSECURED LOAN</b>		
From Related Parties	35959389	58161257
From Others	16103138	18859372
	<b>109830007</b>	<b>129620629</b>

### Notes and Terms & Condition of Loans:-

- Term Loan Taken from Bank of Baroda of Rs. 930 Lacs and Rs 2470 lacs, is secured by a charge in the nature of equitable Mortgage over Land & Building Situated at G-13,14, F-226,227 & G-228,229, 4th Phase RIICO Industrial area, Bhilwara & all Fixed Assets, present & future along with Exclusive First charge over all stock of Raw Material, Stock in Process, semi finished & finished goods, spares and stores, Consumables and Book Debts of the company.
- Term Loan of Rs. 930 lacs is Repayable In 30 Equal Quarterly Installments of Rs. 31 Lacs each commencing from 01.04.2010.
- Term Loan of Rs. 2470 lacs (Disbursed Rs. 175.67 Lacs as-on 31.03.2013 ) is Repayable In 28 Quarterly Balloning Installments starting from 24 months from first disbursement i.e. 30-6-2014
- Unsecured loan is taken from Directors, Friends, relatives. As Explained the same will become due for payment after a period of 1 year.





# Swagat Synthetics Private Limited

## 4 Deferred Tax Liabilities/Assets

	Current Year	Previous Year
Timing Difference Due to Depreciation		
WDV as on 31/03/2013 (As Per Books)	179375114	172686855
Less: Value of Land	1487981	1487981
WDV as on 31/03/2013 (As per I.T. Act)	177887133	171198874
Timing Difference due to Depreciation Difference	127957816	121758428
Deferred Tax Liability	49929317	49440446
MAT Credit	(A) 15428159	15277098
Net Deferred Tax Liability/(Assets) upto 31/03/2013	(C) 1003762	1325093
	(A-B-C) 14424397	13952005
Less: Opening Deferred Tax Liabilities	13952005	13254890
Net Deferred Tax Liability/(assets) for the Current Year	472392	697115

## 5 Short Term Borrowings

	Current Year	Previous Year
Secured Loans		
Working Capital loan from Bank of Baroda	121357100	123152570
	121357100	123152570

### Notes and Terms & Condition of Loans:-

- Working Capital Loan Taken from Bank of Baroda of Rs. 1250 Lacs, is secured by a charge in the nature of equitable Mortgage over Land & Building Situated at G-13,14, F-226,227 & G-228,229, 4th Phase RIICO Industrial area, Bhilwara & all Fixed Assets, present & future along with Exclusive First charge over all stock of Raw Material, Stock in Process, semi finished & finished goods, spares and stores, Consumables and Book Debts of the company.
- In addition to the above securities there is an equitable mortgage over Residential Plots situated at B-27, Bapu Nagar, Bhilwara in the name of Smt. Sangeeta Nuwal & B-28, Bapu Nagar, Bhilwara in the joint name of Smt. Sangeeta Nuwal, Smt. Kanta Devi Nuwal, Smt. Madhu Nuwal & Smt. Mamta Nuwal to Secure the Credit Facilities granted by BOB viz. CC Limit & Term Loan. All the aforesaid persons has also given their personal guarantees for loan with BOB upto Rs. 90.00 Lacs
- There is an hypothecation over 2 Life Insurance Policies of Rs. 5.00 Lacs each also in the name of Shri Anil & Shri Madhu Sudan Nuwal
- In addition to the above Shri Jugal Kishore Nuwal has also given his personal guarantee to secure all the credit facilities granted by BOB

## 6 Trades Payable

### -Sundry Creditors for Material/Supplies:

	Current Year	Previous Year
For Material	11056823	1086294
For Expenses & Others	18104950	7201379
For Capital Goods	140189	120169
	29301962	8407842

## 7 Other Current Liabilities

	Current Year	Previous Year
Current maturities of long-term debt- Term Loan	12400000	12400000
Current maturities of Car Loan	0	234189
Duties & Taxes Payable	1222751	1136422
Expenses Payable	3866592	1039898
	17489343	14810509

*Signature*





# Swagat Synthetics Private Limited

## DETAILS OF FIXED ASSETS & DEPRECIATION CALCULATION

Note No. 8

S. NO.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 01.04.2012	Addition	Deduction	Total as on 31.03.2013	Up to 31.03.12	For the Year	Deduction	Total as on 31.03.2013	As on 31.03.2013	As on 31.03.2012
1	Land	1487981	0	0	1487981	0	0	0	0	1487981	1487981
2	Building	22337452	0	0	22337452	6462326	746071	0	7208397	15129055	15875126
3	Plant & Machinery-Unit 1	136237114	2042633	0	138279747	20217588	10193918	0	30411506	107668741	116019526
	Plant & Machinery-Unit 1 2004	82182979		17539153	64643726	50410188	5489066	12211655	43687599	20959227	31777791
4	Plant & Machinery-Unit 1 Old	28978250	0	28978250	0	28755168	0	28755168	0	0	223082
5	Plant & Machinery-unit 2001	53339155	0	0	53339155	49579861	0	0	49579851	3759394	3759294
6	Furniture & Fixtures	906273	405945	0	1312218	573449	59094	0	632543	679975	332824
7	Vehicles	4771063	0	0	4771063	3162158	453251	0	3615409	1155654	1608905
8	Computer	2314696	825985	0	3140681	2198961	5884	0	2204845	985836	115735
9	Office Equipment	818768	85838	0	904606	379797	39162	0	418959	485647	438971
10	Misc. Fixed Assets	744127	205531	0	439658	89882	35912	0	125794	313864	144245
11	Office Building	1154255	25713426	0	26827681	205879	18162	0	224041	26903640	908376
	TOTAL	334722112	29279358	4517403	317486067	162035257	17040520	4096873	130708954	179375114	17268855



*Swagat*





# Swagat Synthetics Private Limited

<b>9 Non Current Investment</b> Investment in Equity Instrument	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>50000</td><td>50000</td></tr> <tr> <td>50000</td><td>50000</td></tr> </table>	Current Year	Previous Year	50000	50000	50000	50000								
Current Year	Previous Year														
50000	50000														
50000	50000														
<b>10 Long Term Loans and Advances</b> Other Loans & Advances Security Deposits	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>2141544</td><td>1794743</td></tr> <tr> <td>2141544</td><td>1794743</td></tr> </table>	Current Year	Previous Year	2141544	1794743	2141544	1794743								
Current Year	Previous Year														
2141544	1794743														
2141544	1794743														
<b>11 Other Non Current Assets</b> Secured : Considered Good Fixed Deposit with Banks (Pledge with Bank of Baroda against Guarantee)	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>562455</td><td>2595610</td></tr> <tr> <td>562455</td><td>2595610</td></tr> </table>	Current Year	Previous Year	562455	2595610	562455	2595610								
Current Year	Previous Year														
562455	2595610														
562455	2595610														
<b>12 Inventories</b> Raw Material Semi Finished Fabric Finish Fabrics Stores & Spares & packing Material Land & Building (Real estate)	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>40928040</td><td>21432664</td></tr> <tr> <td>34468083</td><td>25920359</td></tr> <tr> <td>85356663</td><td>62442836</td></tr> <tr> <td>900000</td><td>1035570</td></tr> <tr> <td>12345648</td><td>25078348</td></tr> <tr> <td>173998434</td><td>135909777</td></tr> </table>	Current Year	Previous Year	40928040	21432664	34468083	25920359	85356663	62442836	900000	1035570	12345648	25078348	173998434	135909777
Current Year	Previous Year														
40928040	21432664														
34468083	25920359														
85356663	62442836														
900000	1035570														
12345648	25078348														
173998434	135909777														
Method of Valuation of inventories:- Raw Materials, stores & spares parts, work in process & finished goods are value of cost & Net Realizable Value.															
<b>13 Trade Recievables</b> Outstanding for more than six months Unsecured, Considered Good : Others Unsecured, Considered Good :	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>2575193</td><td>3789022</td></tr> <tr> <td>56035072</td><td>71782581</td></tr> <tr> <td>58610265</td><td>75571603</td></tr> </table>	Current Year	Previous Year	2575193	3789022	56035072	71782581	58610265	75571603						
Current Year	Previous Year														
2575193	3789022														
56035072	71782581														
58610265	75571603														
<b>14 Cash &amp; Bank</b> Cash-in-Hand Cash Balance	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>247800</td><td>971723</td></tr> <tr> <td>247800</td><td>971723</td></tr> </table>	Current Year	Previous Year	247800	971723	247800	971723								
Current Year	Previous Year														
247800	971723														
247800	971723														
Bank Balance In Current A/c HDFC Bank Ltd. In Current A/c with ICICI Bank Ltd. In Current A/c with Bank of Baroda In Current A/c with SBI	<table> <tr> <td>1149511</td><td>931287</td></tr> <tr> <td>1000</td><td>1000</td></tr> <tr> <td>15202</td><td>7015202</td></tr> <tr> <td>3583</td><td>10000</td></tr> </table>	1149511	931287	1000	1000	15202	7015202	3583	10000						
1149511	931287														
1000	1000														
15202	7015202														
3583	10000														
Sub Total (A)	<table> <tr> <td>247800</td><td>971723</td></tr> </table>	247800	971723												
247800	971723														
Sub Total (B)	<table> <tr> <td>1169296</td><td>7957489</td></tr> </table>	1169296	7957489												
1169296	7957489														
Total [ A + B ]	<table> <tr> <td>1417096</td><td>8929212</td></tr> </table>	1417096	8929212												
1417096	8929212														
<b>15 Short Terms Loans and Advances</b> Loans & Advances other than related parties Advance Recoverable in cash or in kind or for value to be considered good Interest receivable Under TUF Scheme Excise Duty & cenvat Receivable Income Tax Refundable Prepaid Expenses	<table> <tr> <th>Current Year</th><th>Previous Year</th></tr> <tr> <td>3273836</td><td>893481</td></tr> <tr> <td>397426</td><td>946027</td></tr> <tr> <td>4880798</td><td>2172</td></tr> <tr> <td>735832</td><td>1313223</td></tr> <tr> <td>185033</td><td>144676</td></tr> <tr> <td>9472925</td><td>3299579</td></tr> </table>	Current Year	Previous Year	3273836	893481	397426	946027	4880798	2172	735832	1313223	185033	144676	9472925	3299579
Current Year	Previous Year														
3273836	893481														
397426	946027														
4880798	2172														
735832	1313223														
185033	144676														
9472925	3299579														



*Signature*





# Swagat Synthetics Private Limited

Notes to Profit & Loss Account

Notes Forming Integral Part of Financial Statement as at 31st March, 2013

## 16 Revenue from Operations

Fabrics Sales (Net)  
Job Weaving Charges  
Sale of Land/Flat

Current Year	Previous Year
472543722	471994402
50402695	59512841
25335000	10800000
548281417	542307243

## 17 Other Income

Insurance Claim Received  
Interest Income

Current Year	Previous Year
0	21375
213083	67393
213083	88768

## 18 Cost of Material Consumed

PURCHASES AND CONSUMPTION OF RAW MATERIALS

Opening Stock  
Add: Purchase (Net)  
Add: Freight  
Less: Closing Stock

Current Year	Previous Year
21432664	19377376
203239098	156219981
275835	225553
40928040	21432664
184019557	154390246

## 19 Details of Purchase of Traded Goods

Grey Fabric Purchase (Net)  
Finish Fabric Purchase (Net)

Current Year	Previous Year
8643152	5907632
179667954	186880039
188311106	192787671

## 20 Direct/ Production Overheads Expenses

Stores & Spares Consumed  
Power & Fuel, Oil & Lubricants  
Repairs & Maintenance (Plant & Machinery)  
Other Manufacturing Exp.  
Design & Development Expenses  
Processing/ Job weaving Charges  
Development Charges  
Excise duty

Current Year	Previous Year
4837257	8444008
20305563	21268478
420407	424006
3982191	6289194
183880	159000
34098294	29674113
5369450	551800
6232897	4785714
75489940	71665813

## 21 Change in Inventories

Opening Stock :

Finish Goods  
WIP  
Land [real estate]

Closing Stock :

Finish Goods  
WIP  
Land [real estate]

Current Year	Previous Year
113441543	122324898
62442836	71342044
25920359	21412854
25078348	29570000
132170394	113441543
85356663	62442836
34468083	25920359
12345648	25078348
18728851	8883355





# Swagat Synthetics Private Limited

## 22 Employment Benefit Expenses

Salary & wages
Contribution to Provident, Other Funds & Bonus
Office Staff Salary & Other Benefits
Director's Remuneration / Perquisites

Current Year	Previous Year
21753622	17664454
974926	1203121
5997244	5775234
2988000	2988000
<b>31713792</b>	<b>27630809</b>

## 23 Financial Cost

Interest on Cash Credit Facility
Interest on Term loan
Interest on Car loan
Interest on Other loans

Current Year	Previous Year
14776620	16642534
8992480	6177107
0	30756
9560921	4949873
<b>33330021</b>	<b>27800270</b>

## 24 Depreciation & Amortization

Depreciation
--------------

Current Year	Previous Year
17040520	21733438
<b>17040520</b>	<b>21733438</b>

## 25 Other Expenses

### Establishment Expenses

Repairs & Maintenance Vehicle
Telephone & Postage Expenses
Insurance Charges
Security Expenses
Computer Stationery & Repair Expenses
Auditors Remuneration
Audit Fees
Tax Audit Fees
Consultancy & Others
Conveyance & Travelling
Office & Other Expenses
Printing & Stationery
Service Tax
Donation
Legal & Professional Expenses
Bank Charges
Loss of sale of Plant & machinery

Current Year	Previous Year
183582.00	304797
291746.00	295150
299366.00	322349
345108.00	326247
94841.00	130651
27000.00	25000
10000.00	10000
8000.00	6627
36503.00	98809
411248.00	724523
294530.00	248181
9931.00	7784
57500.00	10356
533070.00	350340
88870.00	1253915
1542580.00	0
<b>5946955.00</b>	<b>4306778</b>
168390.00	3993819
5190674.00	5458949
374656.00	455277
919437.00	1228142
6325838.00	6955109
6275445.00	5046127
21060.00	60185
<b>29456430</b>	<b>31619115</b>

### Selling & Distribution Expenses

Rebate & Discounts
Sales Promotion Expenses ( Advertisement )
Sales Commission (Agency Commission)
Freight charges
Travelling Expenses
Packing Material Expenses
Sales Incentive
Advertisement & Publicity

*Genikam*





# Swagat Synthetics Private Limited

## 26 Earning Per Share

The calculation of Earning Per Share (EPS) has been made in accordance with Accounting Standard-20. A statement on calculation of Basic and Diluted EPS is as under:-

	Current Year	Previous Year
Net Profit after taxation	5882925	4066739
Weighted average number of Equity Shares	4134000	4134000
Add: Dilutive Potential Equity Shares		
No. of Equity Shares for Dilutive EPS	4134000	4134000
Nominal Value of Shares in ₹	10	10
Basic Earning Per Shares in ₹	1.42	0.98
Diluted Earning Per Shares in ₹	1.42	0.98

## 27 Related Party Disclosure

List of related Parties

Key Managerial Personnel

Jagdish Prasad Nuwal

Anil Kumar Nuwal

Madhu Sudan Nuwal

Chairman

Director

Director

Relatives of Key Managerials Personnel

Jugal Kishore Nuwal

Smt. Sangeeta Nuwal

Smt. Madhu Nuwal

Smt. Manita Nuwal

Smt. Sunita Laddha

Smt. Kanta Devi Nuwal

Director's Brother

Director's Wife

Director's Wife

Director's Wife

Chairman Daughter

Chairman Wife

Other Related Parties

Jagdish Prasad Nuwal- HUF

Anil Kumar Nuwal - HUF

Madhu Sudhan Nuwal - HUF

Sita Software Pvt. Ltd.

Exclusive.Com Pvt. Ltd.

Seezo Infotech Pvt. Ltd.

Director's HUF

Director's HUF

Director's HUF

Associate Concern

Associate Concern

Associate Concern

## b Transaction With Related Parties

	Key Managerial Personnel	Relatives of Key Managerials Personnel	Other Related Parties
Sales			115814783
Expenditure			
Purchases			176639899
Remunerations	2988000	996000	
Interest	112774	250452	3946565
Rent			
Finance and Investments			
Loan Taken	4260664	3471092	12400569
Loan Repayment Made	4424810	2100950	36210300



*[Handwritten signature]*



# Swagat Synthetics Private Limited

## 28 Contingent Liabilities

Claims against the Company not acknowledged as debt

Current Year	Previous Year
--------------	---------------

Guarantee given in favour of President of India for import of Capital Goods under EPCG scheme at concessional rate of duty for manufacture of excisable goods.

447417

1815000

Other Money for which the Company is contingently liable

Bond executed in favour of President of India for import of Capital Goods under EPCG scheme at concessional rate of duty for manufacture of excisable goods.

1918372

29907000

## 29 Dues to Micro & Small Enterprises as defined under the MSMED Act 2006

The company has initiated the process of obtaining confirmations from the suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006. Based on the information available with the Company, no balance is due to Micro & Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2013. Further during the year no interest has been paid or payable under the terms of the said Act as issued by the institute of chartered accountants of India.

## 30 Additional Information Pursuant to Provisions Provision of Paragraphs 3 & 4 of Schedule VI of the Companies Act, 19 applicable to the company are as under (As certified & classified by the management):

### Capacity & Production

		Current Year	Previous Year
<b>Installed Capacity</b>			
Looms	Nos.	96 Looms	104 Looms
<b>Production</b>			
Fabrics-Within Factory	Meter	9062774	9375793
Fabrics-From Outside On Job basis	Meter	0	1588
<b>Materials Purchase</b>			
Yarn	Kg.	1103804.226	937109.56
	Amount	203514933	156445534
Fabrics	Meter	1741196.27	1811346
	Amount	188311106	192787671
<b>Sales</b>			
Fabrics	Meter	4688580	4698782
	Amount	472543722	471994402
Flats	Amount	25335000	10800000
Fabrics- Job Billing	Meter	5853683	6547954
	Amount	50402695	59512841
<b>Closing Stock</b>			
Yarn	Kg.	227378	141068.93
	Amount	40928040	21432664
Fabrics	Meter	1363221	1187611
	Amount	119126786	87374780
Fabrics-Job	Meter	99709	123552
	Amount	697960	988415





# Swagat Synthetics Private Limited

## Opening Stock

Yarn	Kg.	141069	160860
	Amount	21432664	19377376
Fabrics	Meter	1187611	1355090
	Amount	87374780	91861539
Fabrics-Job	Meter	123552	151415
	Amount	988415	893359
<b>Consumption of Stores &amp; Spares</b>			
Imported	Amount		3393731
Indigenous	Amount	4837257	5050277

- 31 The financial statements for the year ended 31st March, 2013 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March, 2013 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification
- 32 Significant accounting policies and practices adopted by the Company are disclosed in the statement annexed to these financial statements as Annexure I.

As per Our report attached

For S Dad & Co.

Firm Regn No. 007534C

Chartered Accountants

Sanjay Dad

Partner

Membership No. 007534

Bhilwara, 01st July 2013



For and on Behalf of the Board

*Jagdish Prasad Nuwal*  
Jagdish Prasad Nuwal  
Chairman

*Anil Nuwal*  
Anil Nuwal  
Managing Director

*Madhusudan Nuwal*  
Madhusudan Nuwal  
Director



*Anil Nuwal*



# SWAGAT SYNTHETICS PRIVATE LIMITED

## Annexure I

### Significant Accounting Policies:

#### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (a) The financial statements have been prepared under the historical cost convention on the basis of "Accrual concept" and in accordance with generally accepted accounting principles and the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956, as adopted consistently by the company.
- (b) The company generally follows mercantile system of accounting recognizes significant items of income and expenditure on accrual basis. The claims, rate difference, discounts, interest on Debtors & Creditors, Gratuity & Leave entitlement are unascertainable and accounted for as and when settled.

#### B. FIXED ASSETS AND DEPRECIATION

- (a) Fixed assets are stated at cost of acquisition including freight, excise local taxes and incidental expenses less accumulated depreciation.
- (b) Depreciation on Fixed Assets is provided on straight-line method at the rate and in manner prescribed in Schedule XIV to the companies Act, 1956 on pro-rate basis.
- (c) Depreciation on addition to assets or on sale/discernment of assets, is calculated pro-rata from the date of such addition or unto the of such sale/discernment, as the case may be;
- (d) Expenditure during the construction period, borrowing cost, the expenditure incidental to the expansion are accounted for in accordance with the conduct note on "treatment of expenditure during construction period" issued by the institute of the chartered accountant of India. The said expenditure is allocated to fixed assets in the year of commencement of the commercial production.

#### C. EXPENDITURE

Expenses are accounted for on accrual basis and provision is made for all known losses & liabilities.

#### D. DEFERRED LIABILITIES

The liabilities of the company is estimated considering the provision for income tax 1961, Deferred tax is recognized subject to the consideration of prudence, on time difference being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or subsequent periods

#### E. USE OF ESTIMATES

The preparation of financial statements in conformity with accepted accounting principles require management to make estimates & assumptions that affect the reported amount of assets & liabilities & disclosure of contingent liabilities at the date of the financial statements & the result of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events & actions, actual results could differ from these estimates.





# SWAGAT SYNTHETICS PRIVATE LIMITED

## F. PROVISIONS

A provision is recognized when there is a present obligation as a result of a past event, it is a probable that an a outflow of resources will be required to settle the obligation & in respect of which reliable estimates can be made, provision is not discounted to its present value & is determined based on the best estimates required to settle the obligation at the year end date. There are reviewed at each year end date & adjusted to reflect the best current estimate.

## G. TAXES ON INCOME

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized subject to the consideration of prudence, on timing difference, being a difference between taxable incomes & accounting income that originate one period & are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation & carry forward of losses unless there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## H. BORROWING COST

Interest cost relating to:

- (a) Funds borrowed for acquisition of fixed assets are capitalized till the date of commissioning & there after charges to the profit & loss account, if any.
- (b) Funds borrowed for other purposes are charged to profit & loss account.

## I. VALUATION OF INVENTORIES

Inventories are valued at Lower of Cost or Net Realizable Value. Cost is measured on first in first out basis.

## J. EMPLOYEE RETIREMENT BENEFITS

- (a) The liabilities in respected of gratuity & Leave encashment have not been accounted as none of the employee has completed qualified period of services to be entitled for gratuity as per policy of the company. The gratuity will be provided as and when paid i.e.; Cash Basis.
- (b) Contribution to provident fund and E.S.I. accruing during each year as per the schemes are charged to profit and loss account.

## K. IMPAIRMENT OF ASSETS

The company identifies impair able assets at every balance sheet for the purpose of arriving at Impairment loss there on being the difference between the book value & recoverable value of relevant assets. Impairment loss when crystallized is charged against the revenue of the year.

## L. FOREIGN EXCHANGE TRANSACTION/TRANSLATION

- (a) Monetary and Non-monetary items /transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- (b) Exchange differences in respect of monetary and non-monetary items are recognized as income or expense in the profit and loss account for the relevant year except otherwise disclosed in other notes.





# SWAGAT SYNTHETICS PRIVATE LIMITED

## M. OTHERS

- a) The Closing Stock being Land/flats of Rs. 123.46 Lacs as on 31.03.2013 is not registered in the name of company due to some technical problem at the time of registration & the land was purchased in the name of one director, subsequently the matter was approved by the members in the extra ordinary General Meeting held on dated 22/01/2007. The Company has informed that necessary legal document executed between the Director & the company to safeguard the interest of the company.
- b) The balance of sundry debtors, creditors and loans and advance are subject to confirmation & reconciliation.
- c) Figures for the previous year have been re-grouped /re-arrange wherever considered necessary to make them comparable with current year figures.
- d) In the opinion of Board of Directors the Current Assets, loan, and advances have valued on Realization in the ordinary course of business at least equal the amount at which they are stated except as expressly stated otherwise and all known liabilities have been provided in the Accounts
- e) The company recognized sales of product when they are invoiced & dispatched to the customers. Revenue in respects of other income has recognized where insignificant uncertainty as to its determination or Realization exists.
- f) The Company has grouped Dealers deposits/ suppliers credit under Long term Unsecured Loans. As informed by the Company the Payment/adjustment terms of these deposits are of long term in nature & hence classified under the head unsecured loans as per the opinion of the management.
- g) Purchases include insurance & all procurement expenses unto the arrival of material at plant site.
- h) Debtors & Creditors balances are net of credit & debit, if any.

In terms of our report of even date

For S. Dad & Co

Chartered Accountants

Firm Regd. No. 007534C

Sanjay Dad  
Partner

M No.076334

Bhilwara, 01st Jan 2013



For & on Behalf of the Board

Jagdish Prasad Nuwal  
Chairman

Anil Kumar Nuwal  
Managing Director

Madhu Sudan Nuwal  
Director

