

7NR RETAIL PRIVATE LIMITED

REGISTERED OFFICE: 9/G, VARDAN EXCLUSIVE, NR. LAKHUDI
TALAV, NAVRANGPURA, AHMEDABAD- 380009, GUJARAT

C I N

U52320GJ2012PTC073076

STATUS

DOMESTIC COMPANY

STATUTORY AUDIT REPORT

FINANCIAL YEAR

2013-2014

STATUTORY AUDITOR

DAXESH SHAH & ASSOCIATES

CHARTERED ACCOUNTANTS
F-211, TITANIUM CITY CENTER,
NEAR SACHIN TOWER, 100FT.
SATELLITE, AHMEDABAD - 380015

NOTICE

NOTICE is hereby given that the 2nd Annual General Meeting of the members of 7NR Retail Pvt. Ltd. will be held on Tuesday 30th September, 2014 at Registered Office of the Company, at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account for the period ended as on 31st March 2014, Balance Sheet as on that date and the Report of the Directors' and Auditors thereon.
2. To appoint Auditors DSNT & Associates, Chartered Accountants, in the place of Daxesh Shah & Associates, Chartered Accountants, to hold office from the conclusion of this meeting until conclusion of next Annual General Meeting and fix their remuneration,

Date: 2nd September, 2014

Place: Ahmedabad

BY ORDER OF THE BOARD OF
7NR RETAIL PVT.LTD.

SD/-

CHAIRMAN

NOTES:

- (1) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER

THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

7NR RETAIL PVT. LTD.

DIRECTORS' REPORT

To,
The Members,
7NR RETAIL PVT.LTD.
AHMEDABAD.

Your Directors have pleasure in presenting herewith their 2nd Annual Report together with the Audited Statements of Accounts for the period ended 31st March, 2014.

FINANCIAL RESULTS:

The Financial results of the Company for the year under review are as under:

Particulars	(Amount in Rs.)	
	2013-2014	2012-2013
Sales & Other Income	50183834	745630
Profit/ (Loss) before Depreciation & Tax	-1039223	46291
Depreciation	1345865	0
Taxation & FBT Provision	-795664	15310
Profit/(Loss) After Tax & Depreciation	-1589424	46291

OPERATIONS AND FUTURE OUTLOOK:

Company has achieved gross turnover of Rs 50183834./- and suffered net loss of Rs 1589424/- after providing depreciation and taxation for the period. In spite of tough competition in the market, your company is taking steps toward better results and prospects.

DIVIDEND:

Your directors have not recommended for dividend on equity shares of the Company.

FIXED DEPOSITS

The Company during the year has not accepted/ invited any deposits within the meaning of section 58A of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS/OUTGO

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo required under section 217(l)(e) of the Companies Act, 1956, are not applicable, hence not given.

PARTICULARS OF EMPLOYEES

None of the employees of the Company is in receipt of the remuneration in excess of remuneration specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

RESPONSIBILITY STATEMENT

The Board of Directors of the company hereby confirms:

- (1) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (2) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year;
- (3) that they taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) That they have prepared the annual accounts on the going concern basis.

AUDITORS

Daxesh Shah & Associates, Chartered Accountants, Ahmedabad, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and they have expressed their unwillingness to continue as auditor of the Company. Directors have approached DSNT & Associates, Chartered Accountants, for appointment as Statutory Auditor of the Company for the year 2014-15. You are requested to appoint the said Auditors and fix their remuneration. The company has received certificate from the said auditors to the effect that their appointment if made would be within the provisions U/s 224(1) of the Companies Act. Auditors report is self explanatory and does not require any clarification.

ACKNOWLEDGMENT

Your Directors wish to place on record the appreciation for the co-operation received from the Banks, Clients, Services rendered by the employees of the company and look forward to their continued support in the years to come.

Date: 28th August, 2014

Place: AHMEDABAD

BY ORDER OF THE BOARD OF
7NR RETAIL PVT.LTD.

SD/-

CHAIRMAN

INDEPENDENT AUDITOR'S REPORT

**To The Members of
7NR RETAIL PRIVATE LIMITED,**

Report on the Financial Statements:-

- We have audited the accompanying financial statements of 7NR RETAIL PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:-

- Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with 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, 2014;
 - b) in the case of the Profit and Loss Account, of the profit/ loss for the year ended on that date; and

Report on Other Legal and Regulatory Requirements:-

- As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet 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, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of 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, Daxesh Shah & Associates
Chartered Accountants
(Firm Registration No. 134940W)

PLACE: Ahmedabad
DATE: 28th August, 2014

Daxesh R.Shah
Proprietor
(Membership No. 114022)

7NR RETAIL PRIVATE LIMITED

9 G,Vardan Exclusive
Nr. Lakhudi Talav
Navrangpura, Ahmedabad

Balance Sheet as at 31-Mar-2014

Particulars		Note No.	as at 31-Mar-2014		as at 31-Mar-2013	
I.	EQUITY AND LIABILITIES					
1	Shareholders' Funds			-558443		1030981
	(a) Share Capital	1	1000000		1000000	
	(b) Reserves and Surplus	2	-1558443		30981	
2	Non-Current Liabilities			42547159		9601000
	(a) Long-Term Borrowings	3	42547159		9601000	
	(b) Deferred Tax Liabilities (Net)	4	0		0	
3	Current Liabilities			23811209		26508119
	(a) Short-Term Borrowings	5	0		0	
	(b) Trade Payables	6	23132088		26393431	
	(c) Other Current Liabilities	7	0		0	
	(d) Short-Term Provisions	8	679121		114688	
	Total			65799925		37140100
II.	ASSETS					
1	Non-Current Assets			36500392		8070000
	(a) Fixed Assets					
	(i) Tangible Assets	9	9626500		0	
	(b) Non-Current Investments	10	0		0	
	(c) Deferred Tax Assets (Net)	4	795664		0	
	(d) Long-Term Loans and Advances	11	26078228		8070000	
2	Current Assets			29299533		29070100
	(a) Inventories	12	25699790		25391656	
	(b) Trade receivables	13	1829509		0	
	(c) Cash and Cash Equivalentents	14	602906		721411	
	(d) Short Term loans and Advances	15	1167328		2957033	
	Total			65799925		37140100

The Notes referred to above form an integral part of the Balance Sheet.

As per our report of even date

FOR, DAXESH SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO. 134940W

DAXESH SHAH
PROPRIETOR
M.No. 114022

PLACE : AHMEDABAD
DATE: 28/08/2014

FOR & ON BEHALF OF BOARD OF DIRECTORS

SD/-

RIDDHI P. SHAH
DIRECTOR

PLACE : AHMEDABAD
DATE: 28/08/2014

SD/-

DINESHBHAI S. PATEL
DIRECTOR

7NR RETAIL PRIVATE LIMITED

9 G. Vardan Exclusive
Nr. Lakhudi Talav
Navrangpura, Ahmedabad

Statement of Profit and Loss for the year ended 31-Mar-2014

Sr. No.	Particulars	Note No.	31-Mar-2014	31-Mar-2013
I	Revenue from Operations	16	50183834	745630
II	Other Income		0	0
III	TOTAL REVENUE (I+II)		50183834	745630
IV	EXPENSES			
	Purchases of Stock-in-Trade	17	37807761	25968577
	Changes in Inventories	18	-308134	-25391656
	Employee Benefit Expenses	19	6331219	87548
	Finance Costs	20	3568713	1364
	Depreciation and Amortization Expenses	21	1345865	0
	Other Expenses	22	3823498	33506
	TOTAL EXPENSES		52568922	699339
V	Profit before Exceptional and Extraordinary Items and Tax (III-IV)		-2385088	46291
VI	Exceptional Items		-	-
VII	Profit before Extraordinary Items and Tax		-2385088	46291
VIII	Extraordinary Items		-	-
IX	Profit Before Tax		-2385088	46291
X	Tax Expense			
	Current Tax	23	0	15310
	Deferred Tax		-	-
XI	Profit/(Loss) for the period from Continuing Operations (IX-X)		-795664	0
XII	Profit/(Loss) from Discontinuing Operations		-	-
XIII	Tax Expense of Discontinuing Operations		-	-
XIV	Profit/(Loss) from Discontinuing Operations (after tax) (XII-XIII)		-	-
XV	Profit/(Loss) for the Period (XI+XIV)		-1589424	30981
XVI	Earnings per Equity Share	24		
	-Basic		-15.89	0.31
	-Diluted		-15.89	0.31

The Notes referred to above form an integral part of the Balance Sheet.
As per our report of even date

FOR, DAXESH SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN NO. 134940W

DAXESH SHAH
PROPRIETOR
M.No. 114022

PLACE : AHMEDABAD
DATE: 28/08/2014

FOR & ON BEHALF OF BOARD OF DIRECTORS

7NR RETAIL PVT. LTD.

R.P. Shah
DIRECTOR

DIRECTOR

7NR RETAIL PVT. LTD.

DIRECTOR

PLACE : AHMEDABAD
DATE: 28/08/2014

Notes to the Financial Statements for the year ended 31st March 2014

A Share Capital

Sr. No	Particulars	As at 31st March 2014	As at 31st March 2013
1	AUTHORIZED SHARE CAPITAL		
	10000 Equity Shares of Rs.10/- each	1,000,000	1,000,000
	Total	1,000,000	1,000,000
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL		
	At the beginning period	1,000,000	-
	Add : Issued during the period	-	1,000,000
	Add : Issued on account of merger / Conversion / Bonus / Split	-	-
	Less : Forfeited Share (amount originally paid up)	-	-
	At the end of reporting period	1,000,000	1,000,000
	Less: Calls Unpaid (Showing aggregate value of calls unpaid by directors and officers)	-	-
	Total	1,000,000	1,000,000

B The reconciliation of the number of shares outstanding as at March 31,2014 and March 31, 2013 is set out below :

Equity Shares	As at 31st March 2014		As at 31st March 2013	
	No of shares	Amount	No of shares	Amount
Shares outstanding at the beginning of the year	100,000	1,000,000	-	-
Add: Shares issued during the year	-	-	100,000	1,000,000
Less: Buy Back/ Forfeited Shares	-	-	-	-
Shares outstanding at the end of the year	100,000	1,000,000	100,000	1,000,000

C The details of shareholder holding more than 5% shares is set out below:

	Name of the shareholder	As at 31st March 2014		As at 31st March 2013	
		No of Shares	% of holding	No of Shares	% of holding
1	Pinal Kanchanlal Shah	5,000	5.00	5,000	5.00
2	Nutanben Jaykishan Patel	10,000	10.00	10,000	10.00
3	Jaykishan Patel	10,000	10.00	10,000	10.00
4	Kaushal U Shah	5,000	5.00	5,000	5.00
5	Shila C. Shah	5,000	5.00	5,000	5.00
6	Snehal K. Shah	5,000	5.00	5,000	5.00
7	Pragnesh Hasmukhlal Shah	5,000	5.00	5,000	5.00
8	Riddhi Pinal Shah	7,000	7.00	5,000	5.00
	Total	52,000	52.00	50,000	50.00

¹ The company has only one class of ordinary equity shares and the holders of these ordinary shares are entitled to receive dividends as and when declared by the company. All shares rank equally with regard to the company's residual assets.

Notes to the Financial Statements for the year ended 31st March 2014

2 Reserves & Surplus

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	CAPITAL RESERVE				
	As per last balance sheet	-		-	
	Add : Created during the year	-		-	
	Less :Transfer to General Reserve etc.	-	-	-	-
2	SECURITIES PRIMIUM RESERVE				
	As per last balance sheet	-		-	
	Add : Amount received on Share Issued	-		-	
	Less : Right Share Issue Expenses Written off	-		-	
	Less: Call in Arrears	-		-	
	Less : Bonus shares issued by capitalisation of share premium	-	-	-	-
3	GENERAL RESERVE				
	As per last balance sheet	-		-	
	Add : Transferred during the year from Profit & Loss Account	-		-	
	Add : Any others	-		-	
	Less : Utilised for _____	-	-	-	-
4	SURPLUS IN STATEMENT OF PROFIT AND LOSS				
	Balance as per last Financial year	30,981		-	
	Add : Profit for the year	-1589424		30981	
	Add : Addition during the year (including tranfer from reserve)				
	Less : Appropriations				
	Proposed Dividend on Equity Shares	-		-	
	Tax on Dividend	-		-	
	Prior period Tax Provision	-			
	Transferred to General Reserve	-	-1558443	-	30,981
	Total		-1558443		30,981

Notes to the Financial Statements for the year ended 31st March 2014

3 Long Term Borrowings

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Term loans				
	(a) Secured				
	(i) From Banks	-		-	
	(ii) From other parties	-	-	-	-
	(b) Unsecured				
	(i) From Bank	-		-	
	(ii) From Other parties	-	-	-	-
2	Loans and Advances from related parties				
	(a) Secured	-		-	
	(b) Unsecured	42,547,159	42,547,159	9,601,000	9,601,000
	Notes:				
	(i) As per Management's explanation, the above loans is for long term and rapayable over a period of three to five years from the date of balance sheet.				
3	Deffered Payment Laibilities				
	(a) Secured	-		-	
	(b) Unsecured	-	-	-	-
4	Other loans and advances				
	(a) Secured	-		-	
	(b) Unsecured	-	-	-	-
	Total		42,547,159		9,601,000

Notes to the Financial Statements for the year ended 31st March 2014

4 Deferred Tax Liability (Net)

Particulars		As at 31st March 2014		As at 31st March 2013	
1	DEFERRED TAX LIABILITIES :				
	- Related to Fixed Assets	-		-	
	- Related to Others	-	-	-	-
	TOTAL (A)		-		-
	Less :				
2	DEFERRED TAX ASSETS :				
	- Related to Fixed Assets	58,672		-	
	- Related to Others	736,992	795,664	-	-
	TOTAL (B)		795,664	-	-
	Total (A - B)		- 795,664		-

5 Short Term Borrowings

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
(1)	Loan repayable on demand				
	(ii) From Other Parties	-		-	
	(b) Unsecured		-		-
	(i) From banks	-		-	
	(ii) From other parties		-	-	-
(2)	Loans and advances from related parties				
	(a) Secured	-		-	
	(b) Unsecured	-	-	-	-
(3)	Deposits				
	(a) Secured	-		-	
	(b) Unsecured	-	-	-	-
	Total		-		-

Notes to the Financial Statements for the year ended 31st March 2014

6 Trade Payables

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Due to Micro, Small and Medium Enterprises	22,676,495		-	
2	Due to Others	455,593	23,132,088	26,393,431	26,393,431
	Total		23,132,088		26,393,431

7 Other Current Liabilities

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
		-	-	-	
	Total		-		-

8 Short Term Provisions

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Provision for employee benefits ;				
	- Provision for Salary & Bonus	242,592		86,878	
	- Provision for Gratuity / Leave Encashment	-		-	
	- Provident Fund Payable	23,205	265,797	-	86,878
2	Others :				
	- Provision for Income tax (Net of Advance tax)	-		15,310	
	- Provision for Bad Debts	-		-	
	- Proposed Dividend	-		-	
	- Provision for Corporate Tax on Dividend	-		-	
	- ESI Payable	5,790		-	
	- Service Tax Payable	13,323		-	
	- TDS Payable	342,567		-	
	- Unpaid Account Fees	-		-	
	- Unpaid Vakil Fees	-		-	
	- Unpaid Audit Fees	32,500		12,500	
	- Professional Tax	19,144		-	
	- Interest Expense	-		-	
	- Sales / Vat Tax Payable	-		-	
	- Listing Fees Payable	-	413,324	-	27,810
	Total		679,121		114,688

Notes to the Financial Statements for the year ended 31st March 2014

9 FIXED ASSETS

(A) Tangible Assets

Sr. No.	Particulars	As at		As at	
		31st March 2014		31st March 2013	
(1)	Furniture and Fixtures	9,148,191	9,148,191	-	-
(2)	Plant & Machinery	14,338	14,338	-	-
(3)	I-Pad	44,898	44,898	-	-
(4)	Sewing Machine	16,573	16,573	-	-
(5)	Computer	187,195	187,195	-	-
(6)	CCTV Camera	85,301	85,301	-	-
(7)	Music system	122,545	122,545	-	-
(8)	Mobile	7,459	7,459	-	-
	Total		9,626,500		-

10 Non Current Investments

Sr. No.	Particulars	As at		As at	
		31st March 2014		31st March 2013	
(1)	Trade Investments				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments		-		-
	(c) Other non-current investments (specify nature)		-		-
(2)	Other Investments				
	(a) Investment in property		-		-
	(b) Investment in Equity Instruments		-		-
	(d) Investment in Government and trust securities	-	-	-	-
	(g) Investment in Partnership Firms		-		-
	(h) Other non-current investments (specify nature)		-		-
	Total		-		-

11 Long Term Loans and Advances

Sr. No.	Particulars	As at		As at	
		31st March 2014		31st March 2013	
1	Unsecured, Considered Good unless otherwise stated : Capital Advances				
	Advance against Fixed Assets	-	-	-	-
2	Security Deposits				
	(A) Unsecured Considered Good				
	G&J Ltd	19,900,000		2,000,000	
	Aditya Birla	6,085,050			
	Anshus Clothing	12,678	25,997,728	6,000,000	8,000,000
3	Loans and Advances to Related Parties				

Notes to the Financial Statements for the year ended 31st March 2014

		-	-		
4	Loans and Advances to Employees				
	A. Secured considered Goods	80,500	80,500	70,000	
	B. Unsecured considered Goods	-			70,000
5	Prepaid Expenses				
6	Balance with Govt. Authorities	-	-	-	-
	Total		26,078,228		8,070,000

12 Inventories

Sr. No.	Particulars	As at 31st March 2014		As at 31st March 2013	
1	(At lower of cost or Net Realisable Value) Stock-in-Trade	25,699,790	25,699,790	25,391,656	25,391,656
	Total		25,699,790		25,391,656

13 Trade Receivables

Sr. No.	Particulars	-		-	
(1)	Outstanding for not more than six months				
	(a) Secured, considered good	1,829,509		-	
	(b) Unsecured, considered good		-	-	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
			1,829,509		-
(2)	Outstanding for more than six months				
	(a) Secured, considered good	-		-	
	(b) Unsecured, considered good	-		-	
	(c) Others considered doubtful	-		-	
	Less : (d) Allowance for bad and doubtful Debts	-		-	
	Total		1,829,509		-

Notes to the Financial Statements for the year ended 31st March 2014

14 Cash & Bank balances

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Cash & Cash Equivalent				
	(a) Balances with Schedule Banks				
	Central Bank-0482	456,076		92,504	
	HDFC Bank	27,000	483,076	-	92,504
	(b) Cash on Hand	119,830	119,830	230,259	230,259
	(c) Others				
	- In Fixed Deposits for less than 3 months	-		-	
	Sub Total (A)		602,906		322,763
2	Other Bank Balances				
	(a) Fixed Deposits with Banks				
	- Bank FD for less than 12 months	-		-	
	- Bank FD for more than 12 months	-		398,648	
	(b) Earmarked balances with banks (Unpaid Dividend)	-		-	
	(c) Bank Guarantee	-			
	Less : Bank FD for more than 12 months transferred to Non Current Assets	-	-	-	398,648
	Sub Total (B)		-		398,648
	Total	-	602,906	-	721,411

15 Short Terms Loans and Advances

Sr. No	Particulars	As at		As at	
	Unsecured, Considered Good :				
1	Loans & Advances to related parties :				
2	Others :				
	CST Deposit	10,000		10,000	
	TIN Deposit	10,000		10,000	
	TDS Receivable	449,473		-	
	Interest Receivable	-		19,066	
	Service tax	31,515			
	Preliminary Exp	28,242		37,656	
	Other Deposits	-		2,000,000	
	Prepaid Insurance	13,688		-	
	Telephone Deposit	4,000		-	
	VAT Receivable	620,410	1,167,328	880,311	2,957,033
	Total		1,167,328		2,957,033

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2014

16 Revenue from Operations

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Revenue from Operations				
(A)	Sale of Products				
	Trading Goods Sales - Retail Invoice	1,585,723		88,990	
	Trading Goods Sales - Tax Invoice	43,982,131	45,567,854	631,848	720,838
(B)	Sale of Service	-	-		
2	Other Operating Revenue				
	Scrap Sales	-		30	
	Commission Income	3,553,029		-	
	Incentive Income	54,762		-	
	Round off	18		-	
	Credit Note Income	120,982	3,728,791	-	30
	Total		49,296,645		720,868

17 Other Income

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
	Interest Income	799,113		24,762	
	Kasar	88,076	887,189	-	24,762
	Total		887,189		24,762

18 Purchase of Stock in Trade

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
	Trading Goods Purchase	37807761	37,807,761	25,968,577	25,968,577
	Total		37,807,761		25,968,577

19 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Stock in Trade				
	Opening Stock	25,391,656		-	
	Less : Closing Stock	25,699,790	-308134	25,391,656	-25391656
	Total		-308134		- 25,391,656

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2014

20 Employee Benefits Expense

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
(A)	Salary & Wages				
	- Director Remuneration	960,000		23,671	
	- Bonus	49,553		-	
	- Wages	-		-	
	- Salary	5,033,771			
	- Contribution to any fund	168,959	6,212,283	63,277	86,948
(B)	Staff Welfare Exp.				
	- Performance Incentive	118,936		600	
	- Staff Welfare Exp	-	118,936	-	600
	Total		6,331,219		87,548

21 Finance Cost

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
1	Interest Expense				
	- Interest Exp	3,495,141		-	
	- Interest on Prof Tax	990		-	
	- Interest on TDS	4,833		-	
	- Interest on VAT	-		-	
	- Interest on Service Tax	1,852		-	
	- Interest on CC	-	3,502,816	-	-
2	Other Borrowing Costs				
	- Bank Charges	13,700		1,364	
	- Credit card Charges	52,197		-	
	- Bank OD interest	-		-	
	- Loan Processing Charges	-	65,897	-	1,364
	Total		3,568,713		1,364

22 Depreciation

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
	Depreciation	1,345,865	1,345,865	-	-
	Total		1,345,865		-

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2014

23 Other Expenses

Sr. No	Particulars	As at 31st March 2014		As at 31st March 2013	
	Head Office				
1	Payment to Auditors				
	As Auditor	20,000	20,000	12,500	12,500
	Power and fuel				
	- Electricity Exp.	1,892,887		-	
	- Petrol Exp.	39,705	1,932,592	1,050	1,050
	Rent	-	-	-	-
	Repairs to machinery	42,776	42,776	-	-
	Insurance	42,737	42,737	-	-
	Rates and taxes (excluding taxes on income)				
	Professional Tax	10,050		-	
	Service Tax Exp	-		-	
	Vat Exp	-	10,050	-	-
	Miscellaneous expenses				
	Advertisement Exp	23,800		-	
	Alteration Exp	26,200		315	
	Computer Repairs	33,504		-	
	Consultancy Fees	42,000		-	
	Courier & Postage	18,890		140	
	Discount	5,279		448	
	Domain Exp	3,989		-	
	ESI Exp	62,956		-	
	Gift Voucher	-		1,000	
	Housekeeping Exp	162,612		-	
	Internet Exp	77,566		-	
	Misc Exp	57,740		-	
	Municipal Tax	12,335		-	
	Office Exp	199,777		670	
	Preliminary Exp W/O	9,414		9,414	
	Professional Fees	285,336		-	
	PVC Contribution	7,947		-	
	Round Off	-		2	
	SMC Exp	40,000		-	
	Staff Snack Exp	30,724		350	
	Stationery	59,166		-	
	Tea & Coffee Exp	141,082		482	
	Telephone Exp.	176,351		40	
	Transportation Exp	41,590		-	
	Travelling Exp	243,585		95	
	Vakil Fees	13,500	1,775,343	7,000	19,956
	Provision		-	-	-
	Total		3,823,498		33,506

Schedules Forming Part of the Statement of Profit & Loss for the year ended 31st March 2014

24 Current Tax

Sr. No	Particulars	As at 31st March 2014	As at 31st March 2013
1	Current Tax	0	15310
	Total	0	15310

25 Earning Per Share

Sr. No	Particulars		As at 31st March 2014	As at 31st March 2013
1	Profit attributable to the Equity Shareholders	A	-1589424	30981
2	Basic / Weighted average number of Equity Shares outstanding during the period	B	100000	100000
3	Nominal value of Equity Shares (Rs.)		10.00	10.00
4	Basic Earnings per Share (Rs.)	A / B	-15.89	0.31
5	Diluted Earning per Share (Rs.)		-15.89	0.31

1. SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of Preparation of financial statements:

- a) The financial statements have been prepared under historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company.
- b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

B) Revenue Recognition:

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from Operations include sale of goods. Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

C) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

D) Fixed Assets:

Fixed assets are stated at the cost net of recoverable taxes and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financial cost till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rates variations attributable to the fixed asset are capitalized. The depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

E) Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as a part of cost of such assets. A qualifying asset is a one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

F) **Provision for Current and Deferred Tax:**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-Tax Act, 1961. Deferred Tax resulting from “Timing Difference” between taxable & accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future. The breakup of deferred tax asset into major components as at 31st March, 2014 is as under:

Deferred Tax Asset:

i) Depreciation as per Co.Act	Rs. 1345865/-
ii) Depreciation as per Income Tax Act, 1961	Rs. 1155990/-

$$\begin{aligned}\text{Deferred Tax Asset} &= 1345865 - 1155990 = 189875 * 30.9\% + 2385088 * 30.9\% \\ &= 58672 + 736992 \\ &= 795664\end{aligned}$$

G) Retirement benefits to employees if any will be accounted for as and when paid.

H) **Investments:**

Current investments are carried at lower of cost & net realizable value. Long term (non-current) investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

I) **Extraordinary Item:**

The extraordinary items are incomes or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and therefore, are not expected to recur frequently or regularly. The nature and amount of each extraordinary item are identified and disclosed in the Statement of Profit and Loss in a manner that its impact on current profit or loss can be perceived.

J) **Inventories:**

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including overheads incurred in bringing them to their respective present location and condition.

2. Balances whether in credit or debit are subject to confirmation of parties concerned.

3. In the opinion of the management of the Company, the Current Assets & Loan and Advances have a value on realization in the ordinary course in the Balance Sheet and provision for all known liabilities have been made in the accounts except as stated otherwise.

4. Provisions and Contingent Liabilities:

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources would be required to settle the obligation and in respect of which a reliable estimate can be made. A disclosure of the contingent liability, if determinable, is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. But where there is a possible obligation but the likelihood of outflow of resources is remote, no provision / disclosure is made.

5. Impairment of Assets:

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

For, Daxesh Shah & Associates
Chartered Accountants
(Firm Registration No: 134940W)

FOR AND ON BEHALF OF THE BOARD

Daxesh R Shah
M. No. 114022
Proprietor

SD/-

RIDDHI P. SHAH

Director

SD/-

DINESHBHAI S. PATEL

Director

PLACE: Ahmedabad
DATE: 28th August, 2014