

# **33<sup>rd</sup> ANNUAL REPORT**

**2012-13**

**STABLE TRADING COMPANY LIMITED**

# STABLE TRADING COMPANY LIMITED

## BOARD OF DIRECTORS

Rachna Jindal  
Vibhor Kaushik  
Ajay Kumar Gupta  
Shrikant Ladia

## AUDIT COMMITTEE

Ajay Kumar Gupta	<i>Chairman</i>
Vibhor Kaushik	<i>Member</i>
Shrikant Ladia	<i>Member</i>

## AUDITORS

Khandelwal Prajapati & Co.  
Chartered Accountants  
Kolkata.

## REGISTERED OFFICE

2/5 Sarat Bose Road, Sukh Sagar,  
Flat No. 8A, 8<sup>th</sup> Floor,  
Kolkata - 700020

## CORPORATE OFFICE

Plot No. 30, Institutional Sector-44,  
Gurgaon- 122 002,  
(Haryana)

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## REGISTRAR & SHARE TRANSFER AGENT

NICHE TECHNOLOGIES PRIVATE LIMITED  
D-511, Bagree Market, 5th Floor  
71 B.R.B. Basu Road,  
Kolkata – 700 001

# STABLE TRADING COMPANY LIMITED

REGD OFFICE: 2/5, SARAT BOSE ROAD, SUKH SAGAR,  
FLAT NO. 8A, 8<sup>TH</sup> FLOOR, KOLKATA-700 020

## NOTICE

Notice is hereby given that 33<sup>rd</sup> Annual General Meeting of the Members of Stable Trading Company Limited will be held on Wednesday, 25<sup>th</sup> September, 2013 at 11.00 A.M. at the Registered Office of the Company at 2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8<sup>th</sup> Floor, Kolkata-700 020, to transact the following business:-

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Accounts for the year ended 31<sup>st</sup> March, 2013 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Shrikant Ladia who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Khandelwal Prajapati & Co., Chartered Accountants, Kolkata as Auditors of the Company to hold office from the conclusion of this Annual General Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board

Place : Gurgaon  
Dated : 30<sup>th</sup> May, 2013

Sd/-  
Shrikant Ladia  
Director

### NOTES:-

1. ***A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. FORM OF PROXY IS SEPARATELY ANNEXED. THE PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.***
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:

#### **Registrar and Share Transfer Agents:**

NICHE TECHNOLOGIES PRIVATE LIMITED  
D-511, Bagree Market, 5<sup>th</sup> Floor  
71 B.R.B. Basu Road,  
Kolkata – 700 001  
Phone : 033-22357271  
Fax : 033-22156823  
e-mail : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

4. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 24<sup>th</sup> September, 2013 to Wednesday, 25<sup>th</sup> September, 2013 (both days inclusive).

5. Members intending to seek any information on the Annual Accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
6. Details of the Directors seeking appointment/reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

Name	Shri Shrikant Ladia
Age	53 Years
Qualification	B.Com , Chartered Accountant
Expertise in specific functional area	Extensive Experience in Finance, Accounts and General Administration
Date of appointment as Director of the Company	10 <sup>th</sup> June, 2008
Directorship of other companies	Sparlerk Dealcomm Limited
Chairman/Member of Committees of other Companies	-
No. of shares held	Nil

## STABLE TRADING COMPANY LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 33<sup>rd</sup> Annual Report alongwith Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS

	Year Ended <u>31.03.2013</u>	(Rs.) Year Ended <u>31.03.2012</u>
<b>Total Income</b>	<b>8,04,12,749</b>	9,36,08,262
<b>Profit before tax</b>	<b>6,97,73,545</b>	6,81,04,341
<b>Less: Provision for Taxation - Current</b>	<b>14,00,000</b>	15,00,000
<b>-Earlier year</b>	<b>181622</b>	594736
<b>-Deferred</b>	<b>-</b>	(5,42,687)
<b>Profit after tax and Adjustment</b>	<b>6,81,91,923</b>	6,65,52,292
Balance brought forward from previous year	<b>107,45,23,021</b>	102,62,81,729
<b>Profit available for appropriation</b>	<b>114,27,14,944</b>	109,28,34,021
<b><u>APPROPRIATIONS</u></b>		
-Transfer to Statutory Reserve	<b>1,36,39,000</b>	1,33,11,000
-Transfer to General Reserve	<b>50,00,000</b>	50,00,000
-Balance carried to Balance Sheet	<b>112,40,75,944</b>	107,45,23,021
	<b>114,27,14,944</b>	109,28,34,021

### OPERATIONS

During the year under review your Company has earned a profit after tax of Rs. 681.92 lacs as against Rs. 665.52 lacs in the previous year.

### DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the year under review.

### DIRECTORS

Shri Shrikant Ladia, Director of the Company retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for reappointment.

## **FIXED DEPOSITS**

The Company has not accepted any fixed deposit during the year.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- (ii) that the accounting policies selected and applied are consistent and the judgements and estimates made 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 financial year and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken 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;
- (iv) that the Annual Accounts have been prepared on a going concern basis.

## **CORPORATE GOVERNANCE**

As per the requirements of Clause 49 of the Listing Agreement with the Stock Exchange, a separate Report on Corporate Governance has been annexed as part of the Annual Report. Certificate from the Auditors of the Company confirming compliance of conditions of Corporate Governance is annexed to this Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

A Report on Management Discussion and Analysis is attached as a part of Annual Report.

## **COMPLIANCE CERTIFICATE**

The Company has obtained a Certificate under Section 383A(1) of the Companies Act, 1956 from a Company Secretary in Whole-time practice confirming that the Company has complied with all provisions of the Companies Act, 1956, is attached herewith.

## **AUDITORS**

M/s Khandelwal Prajapati & Co., Chartered Accountants, Kolkata, the retiring Auditors, hold office upto the conclusion of the ensuing Annual General Meeting. The Statutory Auditors have confirmed their eligibility and willingness to accept the office on reappointment.

The observations of the Auditors are explained, wherever necessary in the appropriate notes on accounts.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

The provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 regarding conservation of energy etc. do not apply to the Company.

## **PARTICULARS OF EMPLOYEES**

There was no employee in the Company drawing remuneration exceeding the prescribed limits under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **ACKNOWLEDGEMENT**

The Board expresses its grateful appreciation of the assistance and co-operation received from various Govt. Departments, Banks and Shareholders.

For & on behalf of the Board

Place: Gurgaon  
Dated: 30<sup>th</sup> May, 2013

Sd/-  
Shrikant Ladia  
Director

Sd/-  
Ajay Kumar Gupta  
Director

# STABLE TRADING COMPANY LIMITED

## CORPORATE GOVERNANCE REPORT

The Company has been maintaining the highest standards of Corporate Governance principles and best practices, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock Exchanges are as under:

### A COMPLIANCE OF MANDATORY REQUIREMENTS:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, lenders, employees, the government and the society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In this pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

#### 2. BOARD OF DIRECTORS Composition

The strength of the Board as on March 31, 2013 was 4 non-executive Directors comprising of two promoter Directors and two independent Directors. One-half of the Board of the Company consists of Independent Directors.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees of Public Limited Companies.

During the year under review 6 Board Meetings were held on 15<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 14<sup>th</sup> August, 2012, 10<sup>th</sup> October, 2012, 8<sup>th</sup> November, 2012 and 7<sup>th</sup> February, 2013

Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31<sup>st</sup> March, 2013 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
SMT. RACHNA JINDAL	NE	2,55,525	2	-	-	-	-
SHRI SHRIKANT LADIA	NE	-	6	Yes	1	-	-
SHRI A.K.GUPTA	NE-I	-	5	Yes	2	-	-
SHRI VIBHOR KAUSHIK	NE-I	-	5	-	1	-	-

NE - Non-Executive, I - Independent

#### Note:

1. Only Audit and Shareholders'/Investors' Grievance Committees are considered
2. Excludes Directorship in private/foreign companies and alternate Directorship
3. No Director is related to the other Director on the Board as defined in the Companies Act, 1956.



### 3 CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The code has been circulated to all members of the Board and senior management personnel and the compliance with the Code of Conduct is affirmed by them annually.

A declaration signed by Shri Shrikant Ladia, Director of the Company is given below:

I hereby confirm that the Company has obtained from all members of the Board and Senior Management affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management in respect of the financial year 2012-13

Dated: 30th May, 2013

Shrikant Ladia  
Director

### 4. AUDIT COMMITTEE

#### Term of Reference

The terms of reference of the Audit Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors from time to time.

#### Composition

The Audit Committee of the Company is comprised of three Directors including an independent Non-Executive Director as Chairman of the Committee. All members possess knowledge of Corporate Finance, Accounts and Company Law.

The minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the year under review 5 Audit Committee Meetings were held on 15<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 14<sup>th</sup> August, 2012, 8<sup>th</sup> November, 2012 and 7<sup>th</sup> February, 2013.

The composition of Audit Committee as on 31<sup>st</sup> March, 2013 and attendance at its Meetings was as follows:

Members	No. of meetings attended
Shri Ajay Kumar Gupta	5
Shri Vibhor Kaushik	5
Shri S.K. Ladia	5

### 5. REMUNERATION TO DIRECTORS

- No remuneration was paid to Managing/Whole-time Directors as there was no Managing/Whole-time Director during the year 2012-13.
- The Non Executive Directors were paid by way of sitting fees for attending each meeting of the Board of Directors and Audit Committee. Details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31st March, 2013 was as under:

Directors	Sitting Fees (Rs.)
Shri A.K. Gupta	27,500
Shri Vibhor Kaushik	25,000
Smt. Rachna Jindal	5,000
Shri S.K. Ladia*	-

\*Shri S.K. Ladia, Director of the Company relinquished his entitlement to receive sitting fees as Director of the Company for attending any meeting of the Board or Committee(s) thereof.

Apart from receiving Directors' remuneration by way of sitting fee for attending each meeting of Board and Audit Committee, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31<sup>st</sup> March, 2013.

## **6. SHAREHOLDERS'/INVESTORS' GRIEVANCE CUM SHARE TRANSFER COMMITTEE Functions**

The Board has constituted a Committee under the Chairmanship of a Non-Executive Director. The Committee meets as per requirement to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time.

### **Composition**

The composition of Shareholders'/Investors' Grievance – Cum Share Transfer Committee as on 31<sup>st</sup> March, 2013 was as follows:

<b>Name of the Members</b>	<b>Designation</b>
Shri S.K. Ladia	Chairman
Smt. Rachna Jindal	Member

### **Compliance Officer**

The Board has designated Mr. Mangat Ram Garg, C.F.O. of the Company as Compliance Officer.

## **DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED & REPLIED TO THE SATISFACTION OF SHAREHOLDERS**

Number of Shareholders complaints received during the period 01.04.2012 to 31.03.2013	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	N. A.
Number of pending complaints as on 31.03.2013 which were solved later on	:	N. A.

## **7. GENERAL BODY MEETINGS**

(I) Details of the last three Annual General Meetings:

<b>Financial year</b>	<b>Date</b>	<b>Location of the Meeting</b>	<b>Time</b>
2009-10	30.09.2010	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	11.00 A.M.
2010-11	20.08.2011	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)	11.00 A.M.
2011-12	29.09.2012	2/5, Sarat Bose Road, Sukh Sagar, Flat No. 8A, 8 <sup>th</sup> Floor, Kolkata- 700 020 West Bengal)	11.00 A.M.

(ii) No Special Resolution was passed in the preceding three Annual General Meetings

(iii) During the Financial year 2012-13, no resolution was passed through postal ballot.

No Special resolution is proposed to be conducted through postal ballot.

## 8. DISCLOSURES

### (i) Related Party Transactions

There have been no materially significant related party transactions in conflict with the interest of the Company.

### (ii) Accounting Standards

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountants of India and there has been no deviation during the year.

### (iii) Details on Non Compliance

There are no instances of non-compliance by the Company on any matter relating to the Capital Market during the last 3 years.

### (iv) Declaration by CEO with regard to Code of Conduct

Shri Shrikant Ladia, Director has furnished a declaration affirming compliance of Code of Conduct by the Board of Directors and Senior Management Personnel.

### (v) CEO/CFO Certificates

Shri Shrikant Ladia, Director, and Mr. M.R. Garg, CFO have furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

### (vi) Whistle Blower Policy

The Company does have any Whistle Blower Policy, however, no person has been denied access to Audit Committee.

## 9. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to the Stock Exchange with whom the Company has listing arrangements as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are published in leading newspapers.

## 10. GENERAL SHAREHOLDERS INFORMATION

### a) Annual General Meeting:

Date & Time : 25<sup>th</sup> September, 2013 at 11.00 A.M.

Venue : 2/5, Sarat Bose Road, Sukh Sagar , Flat No. 8A,  
8<sup>th</sup> Floor, Kolkata- 700 020 (West Bengal)

b) Financial Year : 1<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013

c) Book Closure : 24<sup>th</sup> September, 2013 to 25<sup>th</sup> September, 2013

d) Dividend : NIL

Financial Calendar (Tentative):

- Financial reporting for the quarter ending 30<sup>th</sup> June, 2013

:July/Aug,  
2013

- Financial reporting for the quarter ending 30<sup>th</sup> September, 2013 :Oct/Nov, 2013
- Financial reporting for the quarter ending 31<sup>st</sup> December, 2013 :Jan./Feb, 2014
- Financial reporting for the quarter/year ending 31<sup>st</sup> March, 2014 :April/May, 2014

### Listing on Stock Exchanges:

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Association Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2013-14 has been duly paid.

Scrip Name: STABLE TRADING  
 Scrip Code: CSE 10029386  
 NSDL/ CDSL – ISIN INE204F01019

### Stock Market Data

There was no trading of shares on CSE during the period from April, 2012 to 31<sup>st</sup> March, 2013.

### Distribution of shareholding as on 31st March, 2013

No. of Equity Shares held	No. of Shareholders	% of shareholders	No. of Shares held	% of Shareholding
Upto 5000	68	87.34	54,900	2.47
5001-50000	-	-	-	-
50001 to 100000	-	-	-	-
100001 and Above	10	12.66	21,68,600	97.53
<b>Total</b>	<b>78</b>	<b>100.00</b>	<b>2223500</b>	<b>100.00</b>

### Shareholding Pattern as on 31<sup>st</sup> March, 2013:

<u>CATEGORY</u>	<u>NO. OF SHARE HELD</u>	<u>% OF HOLDING</u>
Promoters	15,31,005	68.85
Private Bodies Corporate	6,37,595	28.68
Individuals	54,900	2.47
<b>Total</b>	<b>2,223,500</b>	<b>100.00</b>

### Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialized form. As on 31<sup>st</sup> March 2013, 66.08 % of total equity shares were held in dematerialized form.

### Outstanding GDR / Warrants and Convertible Bonds, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs or other convertible instruments.

### Share Transfer System:

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within the prescribed time from the date of receipt.

**Investor correspondence address**

Shareholders correspondence should be addressed to the Registrar and Transfer Agent at the address given below or to the Corporate Office of the Company.

NICHE TECHNOLOGIES PRIVATE LIMITED

D-511, Bagree Market, 5<sup>th</sup> Floor

71 B.R.B. Basu Road,

Kolkata – 700 001

Phone : 033-22357271

Fax : 033-22156823

e-mail : [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participant.

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of

### **STABLE TRADING COMPANY LIMITED**

We have examined the compliance of conditions of corporate governance of Stable Trading Company Limited for the year ended 31<sup>st</sup> March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

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

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, no investor grievance is pending for a period exceeding one month.

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

**For KHANDELWAL PRAJAPATI & CO.**

Chartered Accountants

Sd/-

**V.N. KHANDELWAL**

Partner

Membership No. 52862

Place: Kolkata

Dated: 30<sup>th</sup> May, 2013

## **STABLE TRADING COMPANY LIMITED**

### **Management Discussion and Analysis**

Forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2013

#### **FORWARD LOOKING STATEMENTS**

The statement in the Directors' Report and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, the impact of changes in oil, Steel prices worldwide and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

#### **INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian economic growth during the year slowed down substantially at 5.0% against 6.5% in the previous year. However, considering the fact that the world has now entered a low growth economic landscape, the Country's performance is not altogether discouraging, as India's key macroeconomic fundamentals look robust.

The Reserve Bank of India's efforts to rein in inflation and the Government's initiative and measures to limit the fiscal deficit at 4.8% of GDP during 2013-14 are expected to restore confidence in India's macroeconomic policy.

Non-Banking Financial Companies (NBFCs), over the years have played a vital role in driving the Country's inclusive growth. When it comes to lending, NBFCs are generally regarded to be complementary to banks and are often able to offer better services and products to their customers.

The Company was not exposed to the capital market at large during the year under review. It holds only a controlling stake in Maharashtra Seamless Ltd. (a Company with the same Management). Major operations of Maharashtra Seamless are focused on Oil & gas sector, which is currently a very prominent and global sector. Your Company is looking forward for a sustainable growth in the investee Company in future, which would enhance the shareholders' value.

#### **OPPORTUNITIES & THREATS**

The Company foresees, new opportunities to come up to expand its operations by way of equity participation in new projects/expansion of existing projects, considering long term growth potential of the Country. The NBFC industry holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

The economic slowdown, coupled with inflationary pressure has the prospects of curtailing business growth, raise the delinquency rate and enhance credit costs. With multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

## **SEGMENT-WISE PERFORMANCE**

The Company is engaged in the business of Finance/Investment activities. There is no other segment. Therefore, there are no separate segments for reporting as per the Accounting Standard AS-17 issued by The Institute of Chartered Accountants of India.

## **BUSINESS OUTLOOK**

The Company continues to hold investment in Maharashtra Seamless Limited and expect to earn reasonable return on the same. Maharashtra Seamless is focusing on Oil & gas sector, which is currently a very prominent and global sector. The performance of your Company largely depends on the performance of the entity in which it holds investment. Your Company, therefore, closely monitors the working of the Company.

## **RISKS AND CONCERNS**

As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes the strategic investments in a specific sector. Any downward movement in the prospects of the sector could be a threat to Company's prospects.

At this juncture of rapidly evolving macroeconomic risks, it becomes imperative for business to track the macroeconomic performance on an ongoing basis. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks, so as to arrive at a profitable investment decision.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system, commensurate with its size and nature of operations, covering assurance of recording all the transaction details, regulatory compliance and protecting the Company assets from any kind of loss or misuse. Accounting records are adequate for preparation of financial statements and other financial information. Internal Audit is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The total income of the Company during the year was Rs. 804.13 lacs as against Rs. 936.08 lacs in the previous year. The profit before tax during the year was Rs. 697.74 lacs as against Rs. 681.04 lacs in the previous year. The profit after tax was Rs.681.92 lacs as against Rs. 665.52 lacs in the previous year.

## **HUMAN RESOURCES**

The Company has employees who are professionals/experienced persons playing an important role in the development of the Company. The Company will strengthen its operative staff as and when the need arises.





**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS  
OF  
M/S. STABLE TRADING COMPANY LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s. STABLE TRADING COMPANY LIMITED which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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 flow of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. 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 judgement, 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.

*Cont.....2*

30 MAY 2013

# **KHANDELWAL PRAJAPATI & CO.**

*Chartered Accountants*



8, Ganesh Chandra Avenue

5<sup>th</sup> Floor, Room No. 33

Kolkata - 700 013

Phone - 2236 - 4634

2234 - 5110

E-mail - kpcaco@gmail.com

:: 2 ::

## **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.:

- i) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31<sup>st</sup> March, 2013.
- ii) In the case of the Statement of Profit and Loss of the **Profit** for the year ended on that date,
- iii) In the case of Cash Flow Statement, of the cash flows 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 as amended, issued by the Central Government of India in terms of subsection (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 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, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.;

Cont....3



10 MAY 2013

**KHANDELWAL PRAJAPATI & CO.**  
*Chartered Accountants*

8, Ganesh Chandra Avenue  
5<sup>th</sup> Floor, Room No. 33  
Kolkata - 700 013  
Phone - 2236 - 4634  
2234 - 5110  
E-mail - kpcaco@gmail.com



:: 3 ::

- e. On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 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 KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants,  
Firm Registration No. 313154E

PLACE : KOLKATA

DATED : 30 MAY 2013

A handwritten signature in black ink, appearing to read 'V. N. Khandelwal'.

(V. N. KHANDELWAL)  
Partner  
Membership No. - 052862





**Re. : STABLE TRADING COMPANY LIMITED(31.03.2013)**

**Annexure referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even dated**

- i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) All the assets have been physically verified by the management during the year at reasonable intervals. No material discrepancies were noticed on such verification.
- c) No part of the Fixed Assets has been disposed off during the year.
- ii) The Company has no inventory as on the opening and the closing date of the financial year, hence provisions of para (ii) of the order are not applicable.
- iii) a) According to the information and explanations given to us the company has granted unsecured loan to one party, covered in register maintained u/s. 301 of the Companies Act, 1956. The maximum amount involved is Rs.15,502,502/- and the balance at the year end is Rs. 11,157,950/-.
- b) In our opinion, the rate of interest and other terms and conditions on which loans have been granted by the company are not, prima facie, prejudicial to the interest of the Company.
- c) According to information and explanations given to us, the receipt of the principal amount of loan and interest are generally regular, and as per stipulation.
- d) There is no overdue principal amount or interest for recovery.
- e) The Company has taken unsecured loan from one party covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs.14,298,947/- and the balance at the year end is Nil.
- f) In our opinion, the rate of interest and other terms and conditions on which loans were taken by the company are not, prima facie, prejudicial to the interest of the Company, and
- g) The payment of the principal amount and interest are also regular.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures, commensurate with the size of the company and the nature of its business with regard to purchase and for sale of shares and securities held as investments. There are no transactions involving purchase of fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness in internal controls system.

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30 MAY 2013



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- v) In our opinion, and according to the information and explanations given to us there are no contracts and arrangements entered into this year, the particulars of which needs to be entered into the register required to be maintained under Section 301 of the Act.
- vi) The Company has not accepted any deposits from public during the year within the provisions of section 58A & 58AA of the Companies, Act, 1956 and the rules framed there under.
- vii) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with its size and nature of its business.
- viii) In our opinion and according to the information and explanation given to us, the activities carried on by the Company do not require maintenance of any cost records.
- ix) i) According to information and explanations provided to us and as per the records of the company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues like income tax, and other statutory dues applicable to it with the appropriate authority.
- ii) As explained to us and the records of the company examined by us, the details of disputed dues not paid towards income tax as on 31<sup>st</sup> March 2013 are as follows:

Nature of Dues	F.Y to which the matter pertains	Forum where disputes pending	Amount as per demand order (Rs. In lacs)	
			C.Y	P.Y
Income Tax under Income Tax Act, 1961	2009 – 10	Commissioner of Income Tax (Appeals)	10.25	-

- x) The Company does not have any accumulated loss as at 31<sup>st</sup> March, 2013 and the Company has not incurred cash losses in the current year and immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institution, bank or debenture holders.
- xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of Shares, debentures and other securities.

Cont...3



30 MAY 2013



:: 3 ::

- xiii) The provision for any special statute as specified under paragraph 4(xiii) of the order are not applicable to the company.
- xiv) In respect of transactions in securities & other investments, in our opinion and according to information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The securities and other investments have been held by the company in its own name.
- xv) According to information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xvi) Based on information and explanations given to us, the Company has not taken any term loan.
- xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis have been used for long term investment.
- xviii) According to the information and explanations given to us, during the period covered by our audit, the company has not made preferential allotment of equity shares to parties and companies covered in register maintained u/s. 301 of the Co. Act., 1956.
- xix) The Company has not issued any debentures.
- xx) The Company has not raised any money by public issues during the period
- xxi) According to the information and explanations given to us and during the course of our examination of books of accounts and records of the company, no fraud on or by the company has been noticed or reported during the course of our audit.

PLACE : KOLKATA.

DATED: 30 MAY 2013

For KHANDELWAL PRAJAPATI & CO.

Chartered Accountants.

Firm Registration No. 313154E

(V. N. KHANDELWAL)

Partner

Membership No. - 52862



STABLE TRADING COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2013

	NOTES	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b><u>Shareholders' Funds</u></b>			
Share Capital	2	22,235,000	22,235,000
Reserves and Surplus	3	1,558,666,219	1,490,474,296
		<u>1,580,901,219</u>	<u>1,512,709,296</u>
<b><u>Non-Current Liabilities-Unsecured</u></b>			
Long- Term Provisions	4	990,875	943,799
		<u>990,875</u>	<u>943,799</u>
<b><u>Current Liabilities- Unsecured</u></b>			
Short -Term Borrowings	5	92,929,328	51,229,144
Other Current Liabilities	6	651,949	2,501,398
Short-Term Provisions	7	423,760	138,350
Total Current Liabilities		<u>94,005,037</u>	<u>53,868,892</u>
<b>Total Equity &amp; Liabilities</b>		<u><b>1,675,897,131</b></u>	<u><b>1,567,521,987</b></u>
<b><u>ASSETS</u></b>			
<b><u>Non- Current Assets</u></b>			
Fixed Assets - Tangible Assets	8	7,189,647	7,523,776
Non-Current Investments	9	1,484,489,459	1,492,591,848
Long Term Loans and Advances	10	9,780,033	12,974,363
		<u>1,501,459,139</u>	<u>1,513,089,987</u>
<b><u>Current Assets</u></b>			
Cash and Cash Equivalents	11	6,434,531	3,507,404
Short-Term Loans and Advances	12	168,003,461	50,924,596
Total Current Assets		<u>174,437,992</u>	<u>54,432,000</u>
<b>Total Assets</b>		<u><b>1,675,897,131</b></u>	<u><b>1,567,521,987</b></u>


Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **KHANDELWAL PRAJAPATI & CO.**  
Chartered Accountants  
Firm Registration No. 313154E

For & on Behalf of the Board



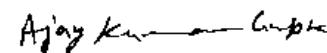
V.N. Khandelwal  
Partner  
Membership No. 52862



Chief Financial Officer



Director



Director

Place : Kolkata  
Dated : 30-05-2013



STABLE TRADING COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

	NOTES	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
Revenue from Operations	13	79,764,749	92,960,262
Other Income	14	648,000	648,000
		<u>80,412,749</u>	<u>93,608,262</u>
<b>EXPENDITURE</b>			
Employees Benefit Expenses	15	1,539,293	3,890,152
Depreciation/Amortization	8	334,129	355,559
Finance Cost	16	4,740,669	21,040,222
Other Expenses	17	820,571	1,259,217
Contingent Provision against Standard Assets ( Refer item-3 of Note-10 in Notes on Accounts )	18	285,410	(1,041,229)
		<u>7,720,072</u>	<u>25,503,921</u>
Profit before tax		72,692,677	68,104,341
<b>Exceptional Items</b>			
Provision for Diminution in value of Investment		2,919,132	-
		<u>69,773,545</u>	<u>68,104,341</u>
<b>Tax Expense</b>			
<b>Income Tax</b>			
- Current Year		1,400,000	1,500,000
- Earlier Year		181,622	594,736
<b>Deferred Tax</b>		-	(542,687)
Total Tax Expense		<u>1,581,622</u>	<u>1,552,049</u>
Profit / (Loss) from Continuing Operations		<u>68,191,923</u>	<u>66,552,292</u>
<b>Earning Per Share (Basic/ Diluted)</b>		30.67	29.93

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants  
Firm Registration No. 313154E

For & on Behalf of the Board

V.N. Khandelwal  
Partner  
Membership No. 52862

  
Chief Financial Officer

  
Director

Place : Kolkata  
Dated : 30-05-2013





**STABLE TRADING COMPANY LIMITED**

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE YEAR ENDED 31ST MARCH 2013**

	Year Ended 31.03.2013 Rupees	Year Ended 31.03.2012 Rupees
<b>A. <u>Cash Flow from Operating Activities</u></b>		
Net Profit before tax and extraordinary items	72,692,677	68,104,341
Adjusted for:		
Depreciation	334,129	355,559
Contingent Provision for Standard Assets Written back	285,410	(1,041,229)
(Profit)/ Loss on Sale of Investments	<u>(5,261,835)</u>	<u>(456,396)</u>
Operating Profit before Working Capital Changes	68,050,381	66,962,275
Adjusted for Changes in :		
Trade & Other Receivables	(13,292)	1,032,962
Loans & Advances	(114,164,135)	416,491,662
Trade Payables & Others	<u>(1,802,373)</u>	<u>1,592,805</u>
Cash Generated from operations	(47,929,419)	486,079,704
Direct taxes Paid	<u>(1,288,730)</u>	<u>(2,507,583)</u>
Cash Flow before extraordinary items	(49,218,149)	483,572,121
Extraordinary item	-	-
Net Cash From Operating Activities	<u>(49,218,149)</u>	<u>483,572,121</u>
	A	
<b>B. <u>Cash Flow from Investing Activities</u></b>		
Purchase of Fixed Assets	-	-
Purchase of Investments	(2,866,101)	(270,488,095)
Sale of Investments	13,311,193	131,676,943
Net Cash from Investing Activities	<u>10,445,092</u>	<u>(138,811,152)</u>
	B	
<b>C. <u>Cash Flow from Financing Activities</u></b>		
Proceeds from Short Term Borrowings	41,700,184	(348,751,116)
Net Cash from Financing Activities	<u>41,700,184</u>	<u>(348,751,116)</u>
	C	
Net Increase in Cash & Cash Equivalents (A+B+C)	2,927,127	(3,990,147)
Opening Balances of Cash and Cash Equivalents	3,507,404	7,497,551
Closing Balances of Cash and Cash Equivalents	6,434,531	3,507,404
Change in Cash and Cash Equivalents	2,927,127	(3,990,147)

As per our report of even date attached

For KHANDELWAL PRAJAPATI & CO.  
Chartered Accountants  
Firm Registration No. 313154E

For & on behalf of the Board

*V.N. Khandelwal*  
V.N. Khandelwal  
Partner  
Membership No. 52862

*M. P. Singh*  
Chief Financial Officer

*Ajay Kumar Gupta*  
Director

Director

Place : Kolkata  
Dated : 30-05-2013



# STABLE TRADING COMPANY LIMITED

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

### NOTE – 1: SUMMARY OF ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

#### a. Basis of Preparation and Accounting

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of the section 211 of the said Act. The accounting policies, except otherwise stated, have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle of 12 months and other criteria set-out in Revised Schedule-VI of the Companies Act, 1956.

#### b. Use of Estimates

The presentations of financial statements is in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized.

#### c. Revenue Recognition

Revenue is recognized on accrual basis in accordance with Accounting Standard (AS-9) "Revenue recognition".

Interest Income is accrued on time proportion basis and recognised only if in the opinion of Management realisation is certain. Profit and loss on sale of investment is recognised on contract date. Dividend income is recognised when right to receive dividend is established.

#### d. Fixed Assets & Depreciation

Fixed Assets are stated at cost of acquisition, construction less accumulated depreciation. The cost comprises of purchase price and any other directly attributable cost of bringing the assets to working condition for its intended use. Depreciation on assets have been provided on pro-rata basis, for the period of use, on written down value method at the rates prescribed under schedule XIV to the Companies Act, 1956, as amended till date.



30 MAY 2013

## STABLE TRADING COMPANY LIMITED

### e. Investments

Investments are classified into Current and Non-current (Long Term) investments. Non-current (Long-term) investments are stated at their acquisition cost (on average basis). Current investments are stated at lower of cost (on average basis) and fair market value. The provision for any diminution in the value of Current and Non-current investments is made only if such a decline is other than temporary in the opinion of the management.

### f. Employees Benefits

All employee benefits like salary, bonus, ex-gratia & others accruing & payable within the reporting accounting period are classified as short period and recognised on accrual basis.

Retirement benefits for Leave Encashment & Gratuity to employees are insignificant and un-funded Long-Term Term Liability classified as Non-Current. Gratuity payable to an employee is equal to 15 days salary for every completed year of service calculated as per Payment of Gratuity Act, 1972. Leave encashment liability is calculated for the period fixed by Company policy for which daily salary is arrived by dividing the salary last drawn. The liability for retirement benefits are restated on Balance Sheet date and difference with the opening balance is charged in the Profit & Loss Accounts.

### g. Taxes on Income

#### Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961 & tax advices, wherever considered necessary.

#### Deferred Tax:

Deferred Tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognised and carried forward to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

### h. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is reliable estimate of present obligation as a result of past events. Contingent Liabilities are disclosed by way of notes on accounts. Contingent Provision against Standard Assets is accounted as per RBI directive on standard assets. Contingent Assets are neither accounted nor disclosed in the financial statements due to uncertainty of their realisation.



30 MAY 2013

## STABLE TRADING COMPANY LIMITED

**i. Event occurring after the Balance Sheet Date**

Event occurring after the Balance Sheet Date and till the date on which the Financial Statement are approved, which are material in nature and indicate the need for adjustments in the financial statement are considered.

**j. Impairment of Assets**

At each Balance Sheet Date, the Company assesses whether there is any indication that an assets has impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds recoverable amount.

**k. Borrowing Costs**

Borrowing cost attributable to acquisition of qualifying assets till date of acquisition is capitalised as part of cost of such assets. All other borrowing costs are classified as revenue expense

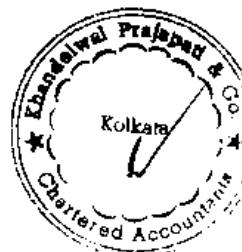
**l. Earning Per Share**

Basic earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of Potential equity shares outstanding during the year arrived at giving effect to all dilutive options.

**m. Research and Developments**

Revenue Expenditure on Research & Development is charged in the Statement of Profit & Loss of the year in which it is incurred. Capital Expenditure on Research & Development is capitalised with the cost of asset for which it is incurred.



30 MAY 2013

**STABLE TRADING COMPANY LIMITED**

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2013

2 <b>SHARE CAPITAL</b>	As At	As At
	31.03.2013	31.03.2012
	Rupees	Rupees
<b>Authorised</b>		
2,500,000 Equity shares of Rs. 10 each	25,000,000	25,000,000
	<u>25,000,000</u>	<u>25,000,000</u>
<b>Issued, Subscribed and Paid up</b>		
<b>Equity Capital</b>		
2,223,500 Equity Shares of Rs.10 each fully paid up	22,235,000	22,235,000
	<u>22,235,000</u>	<u>22,235,000</u>

- a) Of the above Shares 1,983,500 Equity Shares were allotted as fully paid up pursuant to scheme of amalgamation without payment being received in cash
- b) Reconciliation of Shares Outstanding at the beginning and end of the year

**Equity Shares of Rs. 10 each fully paid up**

Particulars	As at 31.03.2013		As at 31.03.2012	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	2,223,500	22,235,000	2,223,500	22,235,000
Add - Addition during the Year	-	-		
Less - Reduction during the Year	-	-		
At the end of the Year	2,223,500	22,235,000	2,223,500	22,235,000

- c) Equity share holders have right to receive dividend proposed by the Board of Directors, subject to approval by shareholders at the General Meeting.
- d) Equity shareholders have no right to repayment of capital except, distribution of surplus assets on liquidation.

List of persons holding more than 5% equity shares of Rs 10/- each of the company:

Equity shares	As at 31.03.2013		As at 31.03.2012	
	Nos.	%	Nos.	%
Global Jindal Fin-invest Limited	150,805	6.78	150,805	6.78
Brahmadev Holdings & Trading Limited	135,000	6.07	135,000	6.07
Jhanjhari Holdings Pvt. Limited	222,100	9.99	222,100	9.99
Dharam Pal Jindal	355,350	15.98	355,350	15.98
Savita Jindal	325,000	14.62	325,000	14.62
Saket Jindal	309,325	13.91	309,325	13.91
Rachna Jindal	255,525	11.49	255,525	11.49
<b>TOTAL</b>	<b>1,753,105</b>	<b>78.84</b>	<b>1,753,105</b>	<b>78.84</b>



0 MAY 2013

**STABLE TRADING COMPANY LIMITED**

		As At 31.03.13 Rupees	As At 31.03.12 Rupees
<b>3 RESERVES &amp; SURPLUS</b>			
<b>3.1 Capital Reserve</b>			
As per Last Account		34,762,311	34,762,311
<b>3.2 Other Reserves</b>			
<b>a) General Reserve</b>			
As per last Balance Sheet		98,939,188	93,939,188
Add : Addition during the year		5,000,000	5,000,000
<b>Total</b>		<b>103,939,188</b>	<b>98,939,188</b>
<b>b) Statutory Reserve</b>			
As per last Balance Sheet		282,249,776	288,938,776
Add : Addition during the year		13,639,000	13,311,000
<b>Total</b>		<b>295,888,776</b>	<b>282,249,776</b>
<b>3.3 Surplus in Statement of Profit &amp; Loss A/c</b>			
<b>Profit during the Year</b>		68,191,923	66,552,292
Less - Transfer to Statutory Reserve		13,639,000	13,311,000
		54,552,923	53,241,292
Less - Transfer to General Reserve		5,000,000	5,000,000
Current Year Surplus		49,552,923	48,241,292
Add - As per last Balance sheet		1,074,523,021	1,026,281,729
Closing Surplus/(Deficit)	<b>Total</b>	<b>1,124,075,944</b>	<b>1,074,523,021</b>
<b>Total Reserves &amp; Surplus</b>		<b>1,558,666,219</b>	<b>1,490,474,296</b>
<b>NON - CURRENT LIABILITIES</b>			
<b>4 Long - Term Provisions</b>			
For Employees Benefits		990,875	943,799
<b>Total</b>		<b>990,875</b>	<b>943,799</b>
<b>CURRENT LIABILITIES (UNSECURED)</b>			
<b>5 Short -Term Borrowings - Unsecured</b>			
From Bodies Corporate Repayable on Demand		92,929,328	51,229,144
<b>Total</b>		<b>92,929,328</b>	<b>51,229,144</b>
<b>6 Other Current Liabilities</b>			
Liabilities for Expenses		169,402	278,297
Liabilities for Statutory Dues		482,547	2,223,101
<b>Total</b>		<b>651,949</b>	<b>2,501,398</b>
<b>7 Short Term Provisions</b>			
Contingent Provision for Standard Assets		423,760	138,350
<b>Total</b>		<b>423,760</b>	<b>138,350</b>



30 MAY 2013

**STABLE TRADING COMPANY LIMITED**

**NOTE - B : FIXED ASSETS**

**Tangible Fixed Assets**

(Rupees)

DESCRIPTION	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2012	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2013	UPTO 31.03.2012	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
Land at Raigarh	957,140	-	-	957,140	-	-	-	-	957,140	957,140
Office Equipments	209,848	-	-	209,848	194,652	6,078	-	200,730	9,118	15,196
Furniture & Fixtures	29,856	-	-	29,856	26,198	662	-	26,860	2,996	3,658
Building at Gurgaon	8,233,550	-	-	8,233,550	1,685,768	327,389	-	2,013,157	6,220,393	6,547,782
<b>Total</b>	<b>9,430,394</b>	<b>-</b>	<b>-</b>	<b>9,430,394</b>	<b>1,906,618</b>	<b>334,129</b>	<b>-</b>	<b>2,240,747</b>	<b>7,189,647</b>	<b>6,566,636</b>
Previous Year	9,430,394	-	-	9,430,394	1,551,059	355,559	-	1,906,618	7,523,776	



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**STABLE TRADING COMPANY LIMITED**

**NOTE - 9 : NON-CURRENT INVESTMENTS**

(Fully paid up unless otherwise specified)

Particulars	As At 31.03.2013		As At 31.03.2012	
	Numbers	Rupees	Numbers	Rupees
<b>I. NON TRADE</b>				
<b>i) Quoted</b>				
<u>Equity Shares</u>				
Rs. 5 each of Jindal Drilling & Industries Limited	1,674,168	114,293,727	1,674,168	114,293,727
Rs. 5 each of Maharashtra Seamless Limited	11,285,544	1,283,751,246	11,263,812	1,279,278,265
Rs. 10 each of Haryana Capfin Limited	878,590	29,265,825	878,590	29,265,825
Rs. 10 each of Dena Bank	-	-	36,500	2,210,920
Rs. 10 each of Great Eastern Shipping Company I	-	-	100	15,184
Rs. 10 each of Videcon Industries Limited	-	-	10,000	1,108,307
Rs. 10 each of Allahabad Bank	-	-	100	3,994
Rs. 10 each of Electrosteel Steels Limited	-	-	621,092	3,577,966
Rs. 10 each of Mahalaxmi Seamless Limited	45,000	1,338,915	45,000	1,338,915
Rs. 5 each of ISMT Limited	2,100	63,502	2,100	63,502
Rs. 10 each of Shipping Corporation of India Limit	100	7,205	100	7,205
Rs. 5 each of Welspun Corporation Limited	23,500	1,585,560	1,500	273,309
Rs. 10 each of Indraprastha Medical Corp. Limited	-	-	100	2,982
Rs. 2 each of Aban Offshore Limited	75	26,314	11,413	4,000,963
Rs. 10 each of Hindustan Oil Exploration Co. Limit	1,500	353,588	1,500	353,588
Rs. 10 each of Setan Exploration Tecnology Limit	1,100	438,952	1,100	438,952
Rs. 10 each of Shiv-vani Oil & Gas Exploration Se	1,000	402,664	1,000	402,664
Rs. 10 each of Apollo Tyres Limited	-	-	1,600	74,487
Rs. 10 each of Great Offshore Limited	2,000	829,947	2,000	829,947
Rs. 10 each of Jindal Steel & Power Limited	3,000	1,360,426	3,000	1,360,426
<b>ii) Un - Quoted</b>				
<u>a) Equity Shares</u>				
Rs. 10 each of Odd & Even Trades & Finance Pvt	700	7,030	700	7,030
Rs. 10 each of Brahma Dev Holding & Trading Lin	20,000	210,000	20,000	210,000
Rs. 10 each of Jaguar International Limited	199,000	2,992,490	199,000	2,992,490
Rs. 10 each of Global Jindal Fin-invest Limited	1,000	10,025	1,000	10,025
Rs. 10 each of GVN Fuels Limited	47,000	471,175	47,000	471,175
<u>b) Preference Shares</u>				
Rs. 10 each of Global Jindal Fininvest Limited	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Crishpark Vincorn Limited	75,000	15,000,000	75,000	15,000,000
Rs. 10 each of Jindal Global Finance & Investmen	200,000	10,000,000	200,000	10,000,000
		<u>1,487,408,591</u>		<u>1,442,591,848</u>
Less - Provision for Diminution in value of Quoted Investment		2,919,132		-
		<u>1,484,489,459</u>		<u>1,492,591,848</u>
Aggregate Value of Unquoted Investments		53,690,720		53,690,720
Aggregate Value of Quoted Investments		1,433,717,871		1,438,901,128
Market Value of Quoted Investments		2,842,568,242		4,986,646,247

**Notes :**

All investment in shares of Private Limited Companies are subject to restrictions on transfer of shares as contained in the Articals of Association of respective company.

All investment in Preference Shares are optionally convertible in to equity shares as per terms of issue and redeemable on expiry 7 years from allotment. These shares carry preferential right of cumulative dividend @ 12% per annum from date of allotment.



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**STABLE TRADING COMPANY LIMITED**

	As At 31.03.2013 Rupees	As At 31.03.2012 Rupees
<b><u>NON - CURRENT ASSETS</u></b>		
<b>10 <u>LONG TERM LOANS AND ADVANCES</u></b> (Unsecured, Considered Good)		
Others Loans to Bodies Corporates	9,780,033	12,974,363
	<u>9,780,033</u>	<u>12,974,363</u>
<b><u>CURRENT ASSETS</u></b>		
<b>11 <u>CASH AND CASH EQUIVALENTS</u></b>		
Cash on hand	27,794	34,490
Balances with Banks - In current accounts	6,406,737	3,472,914
Total	<u>6,434,531</u>	<u>3,507,404</u>
<b>12 <u>SHORT TERM LOANS AND ADVANCES</u></b> (Unsecured, Considered Good)		
Loans to Bodies Corporates	159,724,107	42,365,642
Other Short Term Advances	102,151	88,859
Advance Tax ( Net of Provision of Rs. 30,461,771/-, Previous Year Rs 29,298,331/-)	2,315,187	2,492,255
MAT Credit Entitlement	5,862,016	5,977,840
Total	<u>168,003,461</u>	<u>50,924,596</u>
<b>Total Current Assets</b>	<u>174,437,992</u>	<u>54,432,000</u>



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**STABLE TRADING COMPANY LIMITED**

	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
<b>13 REVENUE FROM OPERATIONS</b>		
Dividend Income - on Non current Investment	68,683,994	66,516,436
Interest Income (TDS Rs.873,808/-, Previous Year Rs. 23,55,802/-)	8,738,052	25,987,430
Profit / (Loss) on Sale of Non-Current Investments (Net)	2,342,703	456,396
<b>Total</b>	<b>79,764,749</b>	<b>92,960,262</b>
<b>14 OTHER INCOME</b>		
Rent (TDS Rs.64,800/-, Previous Year Rs.64,800/-)	648,000	648,000
<b>Total</b>	<b>648,000</b>	<b>648,000</b>
<b>15 EMPLOYEES' BENEFIT EXPENSES</b>		
Salaries & Other Allowances	1,516,950	3,868,804
Staff Welfare Expenses	22,343	21,348
<b>Total</b>	<b>1,539,293</b>	<b>3,890,152</b>
<b>16 FINANCE COSTS</b>		
Interest on Intercompany Loan	4,739,385	21,037,755
Bank Charges	1,284	2,467
<b>Total</b>	<b>4,740,669</b>	<b>21,040,222</b>
<b>17 OTHER EXPENSES</b>		
D.P. Charges	6,741	59,095
Rent	195,000	195,000
Rates & Taxes	20,400	7,900
Postage & Telephone	35,130	135,709
Printing & Stationery	2,653	3,916
Fee & Subscription	13,798	15,582
Travelling - Director	-	379,371
Conveyance	129,726	130,633
Repair & Maintenance-Others	88,018	89,421
Legal & Professional Charges	91,729	116,247
Internal Audit Fee	5,000	5,000
Advertisement & Publicity	62,400	46,080
Auditors' Remuneration :		
- Audit Fee	39,326	39,326
- Tax Audit Fee	6,742	6,618
- Certification / others services	17,975	16,582
Miscellaneous Expenses	105,933	12,737
<b>Total</b>	<b>820,571</b>	<b>1,259,217</b>



30 MAY 2013

**STABLE TRADING COMPANY LIMITED**

**18 Provision on Standard Assets**

Opening Balance		138,350	1,179,579
Add During the Year		285,410	(1,041,229)
Closing Balance	<b>Total</b>	<b>423,760</b>	<b>138,350</b>

The Reserve Bank of India has notified vide its Notification No DNBS.222/CGM(US)-2011 dated 17th January, 2011 to make a provision on 0.25% on the standard assets

**19 Deferred Tax Assets ( Net)**

Particulars	As At 31.03.2012	For The Year	As At 31.03.2013
Fixed Assets	(3,834)	5,381	1,547
Unabsorbed Capital Loss	2,601,679	(367,628)	2,234,051
Others	291,634	14,546	306,180
<b>Net Deferred Tax assets at the end of the year</b>	<b>2,889,479</b>	<b>(347,701)</b>	<b>2,541,778</b>

In view of uncertainty of its realisation, Deferred Tax assets of Rs. 2,541,778/- as on 31st March, 2013 ( Previous Year Rs. 2,889,479/- ) has not been recognised.

**20 Contingent Liabilities / Commitments not accounted for**

Disputed Income Tax Demand For A/Y 2010-11	1,024,630	Nil
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**21 Related Party Disclosure as per Accounting Standard - 18**

**Key Managerial Personnel**  
Mrs. Rachna Jindal

**Enterprises under Significant Influence with whom the  
Company had transactions during the year**  
Maharashtra Seamless Limited

**Transactions with Related parties during the Year**

i) Managerial Remuneration paid to Key Managerial Person	Nil	2,100,000
ii) Loan Taken from party under Significant influence		
Maximum amount involved	14,298,947	399,980,260
Year end balance	Nil	14,298,947
Interest Paid	443,924	20,109,941
iii) Loan given to party under Significant influence		
Maximum amount involved	15,502,502	16,160,250
Year end balance	11,157,950	13,254,108
Interest Received	1,259,328	1,399,094
iv) Investment made in party under Significant influence		
Investment made during the year	4,472,981	101,838,952
Investment at the year end	1,283,751,246	1,279,278,265

**22 SEGMENT REPORTING**

The company is primarily engaged in Investment in shares and securities and financing which are not separate reportable segment as per Accounting Standard - 17 of The Institute of Chartered Accountants of India. Hence there is no separate segment-wise report

**23 Earning Per Share**

Particulars	31-03-2013	31-03-2012
Net Profit after tax available for Equity Shareholders (Rs.)	68,191,923	66,552,292
Weighted average number of Equity Shares of Rs. 10/-	2,223,500	2,223,500
Total number of shares	2,223,500	2,223,500
Basic / Diluted Earning per share (Rs.)	30.67	29.93



30 MAY 2013

**STABLE TRADING COMPANY LIMITED**

**24 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY**

The company is registered as Non Banking Finance Company with Reserve Bank of India vide Registration no. 05.02274 dated 16.05.1998 and has been complying with prudential norms as prescribed by RBI for NBFC. The Company has applied for its registration as Core Investment Company, which is pending for approval with Reserve Bank of India.

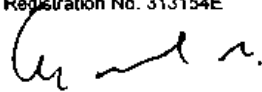
Schedule to the Balance Sheet as required in terms of paragraph 13 of Non Banking Financial (Non-Deposit Accepting or Holding Companies) Prudential Norms (Reserve bank) Directions, 2007 separately attached as Annexure - I.

Previous years figures have been regrouped / rearranged where ever necessary to make them comparable with current year.

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For KHANDELWAL PRAJAPATI & CO.**  
Chartered Accountants  
Firm Registration No. 313154E



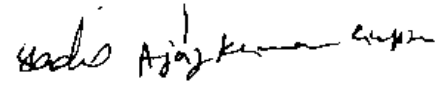
V.N. Khandelwal  
Partner  
Membership No. 52862

Place : Kolkata  
Dated : 30-05-2013



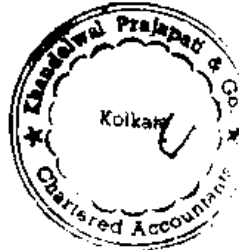
Chief Financial Officer

**For & on Behalf of the Board**



Director

Director



# STABLE TRADING COMPANY LIMITED

Annexure - I

**Schedule to the Balance Sheet of a non-deposit taking non-banking financial company**  
[as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

		(Rupees)	
	Particulars		
(1)	<b>Liabilities side:</b>		
	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured (other than falling within the meaning of public deposits*)	-	-
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	92,929,328	-
	(e) Commercial Paper	-	-
	(h) Other Loans (specify nature) * Please see note 1 below	-	-
	<b>Assets side:</b>		
		Amount Outstanding	
(2)	1. Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured		
	(b) Unsecured	169,606,291	
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry Debtors :		
	(a) Financial Lease	-	
	(b) Operating Lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been re-possessed	-	
	(b) Loans other than (a) above	-	



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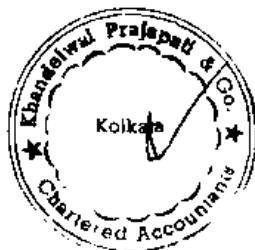


## STABLE TRADING COMPANY LIMITED

(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below		
	Category	Amount of net of provisions	
	1. Related Parties**	Secured	Unsecured
	Subsidiaries	-	-
	Companies in the same group	-	-
	Other related parties	-	-
	Other than related parties	-	169,606,291
	Total	-	169,606,291
(6)	Investors group-wise classifications of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below		
	Category	Market Value / Book Value (Net of Break-up or Fair Provisions) Value or NAV	
	1. Related Parties**		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	2,957,618,914	1,487,408,591
	Total	2,957,618,914	1,487,408,591

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7)	Other Information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	-
	(b) Other then related parties	-
	Net Non-Performing Assets	
	Related parties	-
	Other then related parties	-
	(iii) Assets acquired in satisfaction of debts	-



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# STABLE TRADING COMPANY LIMITED

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053

## ATTENDANCE SLIP

Folio No .....  
DP Id\* .....  
Client Id\* .....

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Company held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 at 11.00 A.M on Wednesday 25<sup>th</sup> September, 2013.

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

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

No. of Shares held.....

.....  
Members/Proxy's Signature

Note: This attendance slip duly filled in should be handed over at the entrance of the meeting hall.  
\*Applicable for investors holding shares in demat form.

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# STABLE TRADING COMPANY LIMITED

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053

## PROXY FORM

Folio No .....  
DP Id\* .....  
Client Id\* .....

I/We, .....being the member(s) of Stable Trading Company Limited  
.....holding shares, hereby appoint .....or failing  
him.....as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf  
at the 33<sup>rd</sup> Annual General meeting of the Company, to be held at 11.00 A.M on Wednesday  
25<sup>th</sup> September, 2013 at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 and  
at any adjournment thereof.

Signed this ..... Day of ..... 2013

Affix a  
Revenue  
Stamp

Signature