

# **34<sup>th</sup> ANNUAL REPORT**

**2013-14**

**STABLE TRADING COMPANY LIMITED**

# STABLE TRADING COMPANY LIMITED

## BOARD OF DIRECTORS

Rachna Jindal (Smt.)  
Ajay Kumar Gupta  
Vibhor Kaushik  
Shrikant Ladia

## AUDIT COMMITTEE

Ajay Kumar Gupta *Chairman*  
Vibhor Kaushik  
Shrikant Ladia

## 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)

---

## 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

CIN: L27204WB1979PLC032215

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

Website: [www.stabletrading.in](http://www.stabletrading.in); Email: [investors@stabletrading.in](mailto:investors@stabletrading.in)

## NOTICE

Notice is hereby given that 34<sup>th</sup> Annual General Meeting of Stable Trading Company Limited will be held on Monday 29<sup>th</sup> September, 2014 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, 2014 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Rachna Jindal (DIN: 00449767), who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint M/s. Khandelwal Prajapati & Co., Chartered Accountants (Firm Registration No. 313154E), as Auditors of the Company to hold office from the conclusion of this Meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS:**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the said Act the consent of the members of the Company be and is hereby accorded for appointment and payment of remuneration to Shri Shrikant Ladia (DIN 02163361) as Whole time Director of the Company for a period of 3 (Three years) with effect from 1<sup>st</sup> July, 2014 on the terms and conditions set out herein with liberty to the Board of Directors to alter and vary the terms and conditions and/remuneration, subject to the same not exceeding the limits specified in schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Shri Shrikant Ladia.

#### **SALARY**

Rs. 32,500/- per month with such increase as may be decided by the Board of Directors, from time to time.

#### **PERQUISITES**

I. The Whole Time Director shall be entitled to perquisites & benefits like furnished/non furnished accommodation or house rent allowance in lieu thereof, leave travel concession for self & family, car with driver for business use, other allowances, bonus/ex-gratia etc. as per rules of the Company. The value of perquisites shall be evaluated as per Income Tax Rules wherever applicable.

II. The Whole Time Director shall be entitled to Company's contribution to Provident Fund, Gratuity, encashment of earned leave at the end of the Tenure, as per the rules of the Company, and these shall not be included in the computation of perquisites.

#### MINIMUM REMUNERATION

In the event of loss or inadequacy of profits, the remuneration including the perquisites as mentioned above shall be paid in accordance with Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time.

#### OTHER TERMS

I. The Whole Time Director shall not be paid any sitting fees for attending the meeting(s) of the Board of Directors or Committees thereof.

II. The Whole Time Director shall be entitled to reimbursement of travelling and all other expenses incurred in the course of the Company's business.

III. The appointment may be terminated by the Company or by the Whole Time Director by giving not less than three months prior notice."

5. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as may be amended from time to time, Shri Ajay Kumar Gupta (DIN: 00556848), be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years commencing from the date of 34<sup>th</sup> Annual General Meeting of the Company."

6. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution

"RESOLVED THAT pursuant to the provisions of section 149,152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as may be amended from time to time, Shri Vibhor Kaushik (DIN: 01834866), be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years commencing from the date of 34<sup>th</sup> Annual General Meeting of the Company."

By order of the Board  
Shrikant Ladia

Director

Place : Gurgaon  
Dated : 1<sup>st</sup> Sept., 2014

**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 instrument of Proxy, in order to be effective must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies/ bodies corporate must be supported by an appropriate resolution/authority as applicable.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person and shareholder.

2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
3. Members/Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting as also the Attendance Slip duly filled in for attending the meeting.
4. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, the Company has fixed 22nd August, 2014 as the cut-off date to ascertain the entitlement of the shareholders to cast their votes through ballot at the 34<sup>th</sup> Annual General Meeting under the Companies Act, 2013 and rules made thereunder. Consequently the same cut-off date i.e. 22nd August, 2014 would also be considered for entitlement of the shareholders, who do not cast their vote through ballot, to cast their vote at the 34<sup>th</sup> Annual General Meeting on 29th September, 2014.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Friday 26<sup>th</sup> September, 2014 to Monday 29<sup>th</sup> September, 2014 (both days inclusive) for the purpose of ascertaining the shareholders entitled to attend Annual General Meeting.
6. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at its Registered Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.
7. Details of the Director seeking appointment/ reappointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

<b>Name of the Director</b>	<b>Smt. Rachna Jindal</b>	<b>Shri Shrikant Ladia</b>	<b>Shri Ajay Kumar Gupta</b>	<b>Shri Vibhor Kaushik</b>
Age	40 Years	54 Years	54 Years	31 Years
Qualification	Graduate	B.Com., CA	Graduate	Graduate
Experience	Having wide experience in the field of business and management	Extensive experience in Finance, Accounts and General Administration.	Prominent businessman having wide business experience	Prominent businessman having wide business experience
Date of appointment as Director of the company	20.11.2001	10.06.2008	24.03.2009	18.12.2010
Directorship of other Companies	Nil	Sparlerk Dealcomm Limited	Vibhor Steel Tube Pvt. Ltd.	1.Raigarh Plastics Pvt. Ltd. 2.Maharashtra Seamless Finance Ltd. 3.Depose Vincom Pvt. Ltd.
Chairman/ Member of Committee of the other Companies	Nil	Nil	Nil	Nil
No. of shares held	2,55,525	Nil	Nil	Nil
Inter-se relation-ship with other Directors	None	None	None	None

8. 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, 5th Floor  
71 .R.B. Basu Road,  
Kolkata – 700 001  
Phone: 033-22357271, Fax: 033-22156823  
e-mail: nichetechpl@nichetechpl.com
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names recorded in the Register of Members will be entitled to vote. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
10. All documents referred to in the accompanying notice and the Explanatory Statement are open by the members for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day upto the date of the Annual General Meeting and also at the meeting.
11. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
12. The Members are provided with the facility to cast their vote through Ballot on all resolutions set forth in this Notice.
- (i) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send copy of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer along with the Ballot paper.
  - (i) The voting period commences on Thursday, September 18, 2014 and ends on Saturday, September 20, 2014. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on August 22, 2014, may cast their vote.
  - (ii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on August 22, 2014.
  - (iii) Mr. Gaurav Garg, Practicing Company Secretary (Membership No. ACS 21499), has been appointed as the Scrutinizer to scrutinize the Ballot Forms received from the Members in a fair and transparent manner.
  - (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the voting period, make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - (v) Members may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Gaurav Garg, Practicing Company Secretary, (Membership No. ACS 21499), at the Registered Office of the Company not later than Saturday, September 20, 2014.
  - (vi) Ballot Form received after this date will be treated as invalid.
  - (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.stabletrading.in](http://www.stabletrading.in) within two days of the passing of the resolutions at the 34<sup>th</sup> AGM of the Company on September 29, 2014 and communicated to the Calcutta Stock Exchange Limited, where the shares of the Company are listed.

#### **Explanatory Statement under Section 102(1) of the Companies Act, 2013**

##### **Item no. 4**

The Board of Directors of the Company has appointed Shri Shrikant Ladia, as Whole-time Director of the Company for a period of 3 (Three) years from 1<sup>st</sup> July, 2014 on the terms and conditions including remuneration as contained in the resolution.

Pursuant to the provisions of the Companies Act, 2013 read with Schedule V of the said Act, the approval of members is required to be obtained for payment of remuneration to Shri Shrikant Ladia as Whole time Director.

Except Shri Shrikant Ladia and his relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Board recommends the resolution for your approval.

**Item no. 5 & 6**

In terms of Section 149 of the Companies Act, 2013, (The Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint Independent directors, who shall hold office for a period of upto five consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of upto five years each.

Shri Ajay Kumar Gupta and Shri Vibhor Kaushik are Independent Directors of the Company and have been holding the office of directorship for a period of 4-5 years and five years. As per their existing terms of appointment, they are liable to retire by rotation.

The Company has received notices, in writing, from a member, along with the deposit of the requisite amount under Section 160 of the Act, proposing the candidature of each of the abovementioned Director for appointment as Independent Directors of the Company. They are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has also received declarations from these Directors that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and Clause 49 of the listing agreement.

The Board of Directors considers that their continued association would be of immense benefit to the Company and has proposed their appointment as Independent Directors under Section 149 of the Act to hold office for a term of five consecutive years commencing from the date of 34<sup>th</sup> Annual General Meeting of the Company. In the opinion of the Board both the above mentioned Directors fulfill conditions of appointment as Independent Director as specified in the Act and the listing agreement.

Details of the Independent Directors, whose appointment is proposed at item nos. 5 & 6 of the accompanying Notice, have been given in the Notes to the Notice.

A copy of their draft letters of appointment as Independent Directors, setting out the terms and conditions are available for inspection by the Members at the registered office of the Company on all working days between 10.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are thereof other than Shri Ajay Kumar Gupta and Shri Vibhor Kaushik and their relatives are concerned or interested in the respective resolutions for their appointment.

The Board recommends the resolutions as set out in item No. 5 & 6 of the Notice for your approval.

By order of the Board  
Shrikant Ladia

Director

Place : Gurgaon

Dated : 1<sup>st</sup> Sept., 2014

## STABLE TRADING COMPANY LIMITED

### DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 34<sup>th</sup> Annual Report alongwith Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2014.

### FINANCIAL RESULTS

	Year Ended <u>31.03.2014</u>	(Rs.) Year Ended 31.03.2013
<b>Total Income</b>	<b>8,23,89,161</b>	8,04,12,749
<b>Profit before tax</b>	<b>6,02,01,557</b>	6,97,73,545
<b>Less: Provision for Taxation - Current</b>	<b>29,00,000</b>	14,00,000
<b>-Earlier year</b>	<b>-</b>	1,81,622
<b>Profit after tax and Adjustment</b>	<b>5,73,01,557</b>	6,81,91,923
Balance brought forward from previous year	<b>112,40,75,944</b>	107,45,23,021
<b>Profit available for appropriation</b>	<b>118,13,77,501</b>	114,27,14,944
<b><u>APPROPRIATIONS</u></b>		
-Transfer to Statutory Reserve	<b>1,14,61,000</b>	1,36,39,000
-Transfer to General Reserve	<b>50,00,000</b>	50,00,000
-Balance carried to Balance Sheet	<b>116,49,16,501</b>	112,40,75,944
	<b>118,13,77,501</b>	114,27,14,944

### OPERATIONS

The total income of the Company during the year was Rs.823.89 lacs as against Rs. 804.13 lacs in the previous year. The profit before tax during the year was Rs. 602.02 lacs as against Rs. 697.74 lacs in the previous year. The profit after tax was Rs. 573.02 lacs as against Rs. 681.92 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

Smt. Rachna Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.



The Board of Directors of the Company has appointed Shri Shrikant Ladia as Whole time Director of the Company on 1<sup>st</sup> July, 2014 for a period of three years on the terms and conditions, including remuneration, as contained in the Notice, convening the Annual General Meeting.

Pursuant to Section 149 of the Companies Act, 2013, your Directors are seeking appointment of Shri Ajay Kumar Gupta and Shri Vibhor Kaushik as Independent Directors for a period of five years.

Items seeking your approval on the above are included in the Notice convening the Annual General Meeting.

### **FIXED DEPOSIT**

Your Company has not accepted any Public deposits and as such, no amount of principal or interest on public deposit was outstanding as on the date of the Balance Sheet.

### **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 for the year ended 31<sup>st</sup> March, 2014 have been prepared on a going concern basis.

### **AUDIT COMMITTEE**

The Audit Committee of the Company consists of Shri Ajay Kumar Gupta, Chairman, Shri Vibhor Kaushik and Shri Shrikant Ladia. The Board of Directors of your Company has revised its terms of reference to be in conformity requirements of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Your Directors have constituted the Corporate Social Responsibility Committee, comprising Shri Shrikant Ladia as the Chairman and Shri Ajay Kumar Gupta, and Shri Vibhor Kaushik as its other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

### **NOMINATION AND REMUNERATION COMMITTEE**

Your Directors have constituted the Nomination and Remuneration Committee, comprising Shri Ajay Kumar Gupta, Chairman and Shri Vibhor Kaushik and Shri Shrikant Ladia as its member.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Your Directors have renamed the 'Shareholders'/Investors Grievance cum Share Transfer Committee' as Stakeholders' Relationship Committee, with revised terms of reference in accordance with provisions of the Companies Act, 2013 and Clause 49 of the listing agreement.

#### **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Corporate Governance Report along with Auditors' Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

A detailed analysis of your company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

#### **AUDITORS**

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

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts.

#### **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.

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

The requirements 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 are not applicable.

#### **PARTICULARS OF EMPLOYEES**

There was no employee in the Company drawing remuneration more than the prescribed limit 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.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees & associates at all levels.

For & on behalf of the Board

Place: Gurgaon  
Dated: 1<sup>st</sup> Sept., 2014

Shrikant Ladia  
Director

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, 2014 was 4 non-executive Directors comprising of two independent Directors. One-half of the Board of the Company consists of Independent Directors. All Directors of the Company were Non-Executive Directors.

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

During the year under review 5 Board Meetings were held on 9<sup>th</sup> April, 2013, 30<sup>th</sup> May, 2013, 8<sup>th</sup> August, 2013, 31<sup>st</sup> October, 2013 and 24<sup>th</sup> January, 2014.

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, 2014 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	Non-Executive	2,55,525	5	-	-	-	-
Shri Shrikant Ladia	Non-Executive	-	5	Yes	1	-	-
Shri Ajay Kumar Gupta	Independent	-	5	Yes	1	-	-
Shri Vibhor Kaushik	Independent	-	5	-	-	-	-

#### 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 of the Company who have confirmed compliance with the said Code.

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 2013-14

Dated: 1<sup>st</sup> Sept., 2014

Shrikant Ladia  
Director

### 4. AUDIT COMMITTEE

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

The terms of reference of the Committee are as per guidelines set out in the revised Listing agreement and Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the Audit functions and monitors the quality of internal and statutory audit and functioning of Whistle Blower mechanism.

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

During the year under review 4 Audit Committee Meetings were held on 30<sup>th</sup> May, 2013, 8<sup>th</sup> August, 2013, 31<sup>st</sup> October, 2013 and 24<sup>th</sup> January, 2014.

The composition of Audit Committee as on 31<sup>st</sup> March, 2014 and attendance at its Meetings was as follows:

Members	Category	No. of meetings attended
Shri Ajay Kumar Gupta	Chairman	4
Shri Vibhor Kaushik	Member	4
Shri S.K. Ladia	Member	4

### 5. REMUNERATION TO DIRECTORS

The Company as on 31<sup>st</sup> March, 2014 does not have a Remuneration Committee as no remuneration as there was no Managing/Whole-time Director to whom the remuneration was payable.

The Directors of the Company relinquished their entitlement to receive sitting fees as Directors of the Company for attending any meeting of the Board or Committee(s) thereof.

None of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31<sup>st</sup> March, 2014.

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

The Board has renamed the Shareholders'/Investors' Grievance cum Share Transfer Committee as Stakeholders Relationship Committee to align it with the requirements of the Companies Act, 2013. 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, 2014 was as follows:

Name of the Members	Designation
Shri S.K. Ladia	Chairman
Smt. Rachna Jindal	Member

### Compliance Officer

The Board has designated Shri Mangat Ram Garg as Compliance Officer of the Company.

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

Number of Shareholders complaints received during the period 01.04.2013 to 31.03.2014	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	N. A.
Number of pending complaints as on 31.03.2014 which were solved later on	:	N. A.

## 7. GENERAL BODY MEETINGS

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

Financial year	Date	Location of the Meeting	Time
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.
2012-13	25.09.2013	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 2013-14, 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, Whole time 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, Whole time Director has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

**9. MEANS OF COMMUNICATION**

The Company's financial results are communicated forthwith to the Calcutta Stock Exchange as soon as they are approved and taken on record by the Board of Directors of the Company. Additionally, in strict compliance of Listing Agreement, the Company has always promptly reported dates of various Board Meetings, Book Closures/ Record Dates to the Stock Exchange Thereafter the results are published in leading newspapers.

**10. GENERAL SHAREHOLDERS INFORMATION**

- a) Annual General Meeting:
- Date & Time : 29<sup>th</sup> September, 2014 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, 2013 to 31<sup>st</sup> March, 2014
- c) Book Closure : 26<sup>th</sup> September, 2014 to 29<sup>th</sup> September, 2014

**Financial Calendar (Tentative):**

- Financial reporting for the quarter ended 30<sup>th</sup> June, 2014 : Aug, 2014
- Financial reporting for the quarter ended 30<sup>th</sup> Sept, 2014 : Oct./Nov,  
2014
- Financial reporting for the quarter ended 31<sup>st</sup> Dec, 2014 : Jan./Feb,  
2015
- Financial reporting for the quarter/year ended 31<sup>st</sup> March, : May, 2015  
2015.

**Listing on Stock Exchanges:**

The Equity Shares of the Company are listed on The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata- 700 001 (West Bengal) and Listing Fee for the year 2014-15 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 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014.

### Distribution of shareholding as on 31st March, 2014

No. of Equity Shares held	No. of Share-holders	% of share-holders	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, 2014:

<u>CATEGORY</u>	No. of Shares held	% of Shareholding
Promoters	15,31,005	68.85
Private Bodies Corporate	6,37,595	28.68
Indian Public	54,900	2.47
Grand Total	<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 2014, 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 above mentioned address or to the Corporate Office of the Company.

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

### B. NON-MANDATORY REQUIREMENTS

#### (1) a) CHAIRMAN OF THE BOARD

The Company has a Non-executive Chairman and expenses incurred in performance of his duties are paid by the Company.



**b) TENURE OF INDEPENDENT DIRECTORS**

In terms of the provisions of the Companies Act, 2013, and the revised Clause 49 of the listing agreement, the Independent Directors are proposed to be appointed for a period of five years at the ensuing Annual General Meeting.

**(2) REMUNERATION COMMITTEE**

The Company has constituted a Nomination and Remuneration Committee.

**(3) SHAREHOLDERS RIGHTS**

As the Company's quarterly results are published in English newspapers and in a regional language newspaper widely circulated in the Region and posted on the website of the Company i.e. [www.stabletrading.in](http://www.stabletrading.in), the same are not sent to each household of shareholders.

**(4) AUDIT QUALIFICATIONS**

There are no Audit Qualifications in the Auditors' Report.

**(5) TRAINING OF BOARD MEMBERS**

At present, the Company does not have such a training program for the Board Members. However, the same would be implemented during the current year in compliance with revised Clause 49 of the listing agreement.

**(6) MECHANISM FOR EVALUATING NON-EXECUTIVE BOARD MEMBERS**

At present, the Company does not have such a mechanism as contemplated for evaluating the performance of Non-Executive Board Members. However, the same would be implemented during the current year in compliance with revised Clause 49 of the listing agreement.

## **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, 2014, 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

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

Place: Kolkata  
Dated: 1<sup>st</sup> Sept., 2014

## **STABLE TRADING COMPANY LIMITED**

### **Management Discussion and Analysis**

Forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2014

#### **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**

The Indian economy witnessed challenging year with GDP growth slowing down to sub 5.0% for the second year in succession. Containment of the fiscal and current account deficits in the coming period is expected to provide cushion to the Indian economy from further volatility.

Inflation remained high and sticky for most part of the year leading to the RBI hiking the Repo rate by 75 basis points since May' 13. While headline inflation has moderated in recent months, Core CPI inflation remains elevated at around 8% leaving little room for the RBI to ease policy rates to spur growth.

Non-Banking Financial Companies (NBFCs), continue to play a key role in the development of the Country, by being present in under banked and unbanked regions and participating in inclusive growth.

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. 823.89 lacs as against Rs. 804.13 lacs in the previous year. The profit before tax during the year was Rs. 602.02 lacs as against Rs. 697.74 lacs in the previous year. The profit after tax was Rs.573.02 lacs as against Rs. 681.92 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.

# **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

## **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, 2014 the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

*Cont.....2*



:: 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, 2014.
- 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**

# **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, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;

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

**PLACE : KOLKATA**

**DATED : 29 MAY, 2014**

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



**Re. : STABLE TRADING COMPANY LIMITED(31.03.2014)**

**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.1,11,57,950/- and the balance at the year end is Rs. 72,84,080/-.
  - 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 during the year not taken any loan from any party covered in the register maintained under section 301 of the Act. Hence the para (iii) (f) and (iii) (g) of the order are not applicable.
- 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.
- 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.





:: 2 ::

- 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 2014 are as follows:

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

- x) The Company does not have any accumulated loss as at 31<sup>st</sup> March, 2014 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**

**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 ::**

- 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 : 29 MAY, 2014**

**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, 2014**

	<b>NOTES</b>	<b>As At 31.03.2014 Rupees</b>	<b>As At 31.03.2013 Rupees</b>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Shareholders' Funds</u></b>			
Share Capital	2	<b>22,235,000</b>	22,235,000
Reserves and Surplus	3	<b>1,615,967,776</b>	1,558,666,219
		<b>1,638,202,776</b>	1,580,901,219
<b><u>Non-Current Liabilities-Unsecured</u></b>			
Long- Term Provisions	4	<b>1,063,390</b>	990,875
		<b>1,063,390</b>	990,875
<b><u>Current Liabilities- Unsecured</u></b>			
Short -Term Borrowings	5	-	92,929,328
Other Current Liabilities	6	<b>414,164</b>	651,949
Short-Term Provisions	7	<b>20,591,109</b>	3,342,892
Total Current Liabilities		<b>21,005,273</b>	96,924,169
<b>Total Equity &amp; Liabilities</b>		<b>1,660,271,439</b>	1,678,816,263
<b><u>ASSETS</u></b>			
<b><u>Non- Current Assets</u></b>			
Fixed Assets - TangibleAssets	8	<b>6,874,438</b>	7,189,647
Non-Current Investments	9	<b>1,488,045,263</b>	1,487,408,591
Long Term Loans and Advances	10	<b>5,475,363</b>	9,780,033
		<b>1,500,395,064</b>	1,504,378,271
<b><u>Current Assets</u></b>			
Cash and Cash Equivalent	11	<b>3,966,778</b>	6,434,531
Short-Term Loans and Advances	12	<b>155,909,597</b>	168,003,461
Total Current Assets		<b>159,876,375</b>	174,437,992
<b>Total Assets</b>		<b>1,660,271,439</b>	1,678,816,263
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

SHRIKANT LADIA  
Director

AJAY KUMAR GUPTA  
Director

Place : Kolkata  
Dated : 29-05-2014

**STABLE TRADING COMPANY LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	NOTES	Year ended 31.03.2014 Rupees	Year ended 31.03.2013 Rupees
Revenue from Operations	13	81,741,161	79,764,749
Other Income	14	648,000	648,000
		<b>82,389,161</b>	<b>80,412,749</b>
<b><u>EXPENDITURE</u></b>			
Employees Benefit Expenses	15	1,549,302	1,539,293
Depreciation/Amortization	8	315,209	334,129
Finance Cost	16	2,285,668	4,740,669
Other Expenses	17	789,208	820,571
Contingent Provision against Standard Assets ( Refer Note-18 in Notes on Accounts )	18	(36,684)	285,410
		<b>4,902,703</b>	<b>7,720,072</b>
Profit before tax		77,486,458	72,692,677
<b>Exceptional Items</b>			
Provision for Diminution in value of Investment		17,284,901	2,919,132
		<b>60,201,557</b>	<b>69,773,545</b>
<b><u>Tax Expense</u></b>			
<b>Income Tax</b>			
- Current Year		2,900,000	1,400,000
- Earlier Year		-	181,622
Total Tax Expense		<b>2,900,000</b>	<b>1,581,622</b>
Profit / (Loss) from Continuing Operations		<b>57,301,557</b>	<b>68,191,923</b>
<b>Earning Per Share (Basic/ Diluted)</b>		<b>25.77</b>	<b>30.67</b>

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

SHRIKANT LADIA  
Director

AJAY KUMAR GUPTA  
Director

Place : Kolkata  
Dated : 29-05-2014

**STABLE TRADING COMPANY LIMITED**

**CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET  
FOR THE YEAR ENDED 31ST MARCH 2014**

	<u>Year Ended 31.03.2014 Rupees</u>	<u>Year Ended 31.03.2013 Rupees</u>
<b>A. <u>Cash Flow from Operating Activities</u></b>		
<b>Net Profit before tax and extraordinary items</b>	<b>77,486,458</b>	72,692,677
<b>Adjusted for:</b>		
Depreciation	315,209	334,129
Contingent Provision for Standard Assets Written back (Profit)/ Loss on Sale of Investments	<b>(36,684)</b>	285,410
	<u>3,533</u>	<u>(5,261,835)</u>
<b>Operating Profit before Working Capital Changes</b>	<b>77,768,516</b>	68,050,381
<b>Adjusted for Changes in :</b>		
Trade & Other Receivable:	<b>(7,079)</b>	(13,292)
Loans & Advances:	<b>14,673,639</b>	(114,164,135)
Trade Payables & Other:	<b>(165,270)</b>	(1,802,373)
	<u>92,269,806</u>	<u>(47,929,419)</u>
<b>Cash Generated from operations</b>	<b>92,269,806</b>	(47,929,419)
Direct taxes Paid	<b>(1,168,026)</b>	(1,288,730)
<b>Cash Flow before extraordinary items</b>	<b>91,101,780</b>	(49,218,149)
Extraordinary item	-	-
<b>Net Cash From Operating Activities</b>	<b>91,101,780</b>	<u>(49,218,149)</u>
A		
<b>B. <u>Cash Flow from Investing Activities</u></b>		
Purchase of Fixed Assets	-	-
Purchase of Investment:	<b>(643,877)</b>	(2,866,101)
Sale of Investment:	<b>3,673</b>	13,311,193
	<u>(640,205)</u>	<u>10,445,092</u>
<b>Net Cash from Investing Activities</b>	<b>(640,205)</b>	10,445,092
B		
<b>C. <u>Cash Flow from Financing Activities</u></b>		
Proceeds from Short Term Borrowing:	<b>(92,929,328)</b>	41,700,184
	<u>(92,929,328)</u>	<u>41,700,184</u>
<b>Net Cash from Financing Activities</b>	<b>(92,929,328)</b>	41,700,184
C		
<b>Net increase in Cash &amp; Cash Equivalent (A+B+C):</b>	<b>(2,467,753)</b>	2,927,127
Opening Balances of Cash and Cash Equivalent	<b>6,434,531</b>	3,507,404
Closing Balances of Cash and Cash Equivalent	<b>3,966,778</b>	6,434,531
Change in Cash and Cash Equivalent	<b>(2,467,753)</b>	2,927,127

As per our report of even date attache

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

**For & on behalf of the Board**

V.N. Khandelwa  
Partner  
Membership No. 52862

SHRIKANT LADIA  
Director

AJAY KUMAR GUPTA  
Director

Place : Kolkata  
Dated : 29-05-2014

# 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.

## 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.

## **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.



## STABLE TRADING COMPANY LIMITED

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31 ST MARCH, 2014

2 <b>SHARE CAPITAL</b>	<b>As At 31.03.2014 Rupees</b>	<b>As At 31.03.2013 Rupees</b>
<b>Authorised</b>		
2,500,000 Equity shares of Rs. 10 each	<b>25,000,000</b>	25,000,000
	<b>25,000,000</b>	25,000,000
<b>Issued, Subscribed and Paid up</b>		
<u>Equity Capital</u>		
2,223,500 Equity Shares of Rs.10 each fully paid up	<b>22,235,000</b>	22,235,000
	<b>22,235,000</b>	22,235,000

- 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 31.03.2014		As at 31.03.2013	
	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 31.03.2014		As at 31.03.2013	
	Nos.	%	Nos.	%
Global Jindal Fin-invest Limitec	150,805	6.78	150,805	6.78
Brahmadev Holdings & Trading Limitec	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
Gautam Fin-invest Pvt. Limited	195,495	8.79	195,495	8.79

**STABLE TRADING COMPANY LIMITED**

	As At 31.03.14 Rupees	As At 31.03.13 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	103,939,188	98,939,188
Add : Addition during the year	5,000,000	5,000,000
<b>Total</b>	<b>108,939,188</b>	<b>103,939,188</b>
<b>b) Statutory Reserve</b>		
As per last Balance Sheet	295,888,776	282,249,776
Add : Addition during the year	11,461,000	13,639,000
<b>Total</b>	<b>307,349,776</b>	<b>295,888,776</b>
<b>3.3 Surplus in Statement of Profit &amp; Loss A/c</b>		
<b>Profit during the Year</b>	<b>57,301,557</b>	68,191,923
Less - Transfer to Statutory Reserve	11,461,000	13,639,000
	<b>45,840,557</b>	54,552,923
Less - Transfer to General Reserve	5,000,000	5,000,000
Current Year Surplus	<b>40,840,557</b>	49,552,923
Add - As per last Balance sheet	<b>1,124,075,944</b>	1,074,523,021
Closing Surplus/(Deficit)	<b>1,164,916,501</b>	1,124,075,944
<b>Total</b>	<b>1,615,967,776</b>	1,558,666,219
<b>Total Reserves &amp; Surplus</b>	<b>1,615,967,776</b>	1,558,666,219
<b>NON - CURRENT LIABILITIES</b>		
<b>4 Long- Term Provisions</b>		
For Employees Benefits	1,063,390	990,875
<b>Total</b>	<b>1,063,390</b>	990,875
<b>CURRENT LIABILITIES (UNSECURED)</b>		
<b>5 Short -Term Borrowings - Unsecured</b>		
From Bodies Corporate Repayable on Demand	-	92,929,328
<b>Total</b>	<b>-</b>	92,929,328
<b>6 Other Current Liabilities</b>		
Liabilities for Expenses	178,590	169,402
Liabilities for Statutory Dues	235,574	482,547
<b>Total</b>	<b>414,164</b>	651,949
<b>7 Short Term Provisions</b>		
<b>7.1 Contingent Provision for Standard Assets</b>		
Opening Balance	423,760	138,350
Add / (Less) during the year	(36,684)	285,410
	<b>387,076</b>	423,760
<b>7.2 Provision for Diminution in value of Investment</b>		
Opening Balance	2,919,132	-
Add / (Less) during the year	17,284,901	2,919,132
	<b>20,204,033</b>	2,919,132
<b>Total</b>	<b>20,591,109</b>	3,342,892

**STABLE TRADING COMPANY LIMITED**

**NOTE - 8 : FIXED ASSETS**

**Tangible Fixed Assets**

(Rupees)

DESCRIPTION	GROSS BLOCK (AT COST)		DEPRECIATION		NET BLOCK	
	AS AT 01.04.2013	AS AT 31.03.2014	FOR THE YEAR	SALES/ ADJUSTMENTS	AS AT 31.03.2014	AS AT 31.03.2013
Land at Raigarh	957,140	957,140	-	-	957,140	957,140
Office Equipments	209,848	209,848	3,647	-	5,471	9,118
Furniture & Fixtures	29,856	29,856	542	-	2,454	2,996
Building at Gurgaon	8,233,550	8,233,550	311,020	-	5,909,373	6,220,393
<b>Total</b>	9,430,394	9,430,394	315,209	-	6,874,438	7,189,647
Previous Year	9,430,394	9,430,394	334,129	-	7,189,647	

**STABLE TRADING COMPANY LIMITED**

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

(Fully paid up unless otherwise specified)

<b>Particulars</b>	<b>As At 31.03.2014</b>		<b>As At 31.03.2013</b>	
	<b>Numbers</b>	<b>Rupees</b>	<b>Numbers</b>	<b>Rupees</b>
<b>I. NON TRADE</b>				
<b>i) <u>Quoted</u></b>				
<b><u>Equity Shares</u></b>				
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	11,285,544	1,283,751,246
Rs. 10 each of Haryana Capfin Limited	878,590	29,265,825	878,590	29,265,825
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 Ltd.	-	-	100	7,205
Rs. 5 each of Welspun Corporation Limited	23,500	658,325	23,500	1,585,560
Rs. 2 each of Aban Offshore Limited	75	26,314	75	26,314
Rs. 10 each of Hindustan Oil Exploration Co. Ltd.	1,500	353,588	1,500	353,588
Rs. 10 each of Selan Exploration Tecnology Ltd.	1,100	438,952	1,100	438,952
Rs. 10 each of Shiv-vani Oil & Gas Exploration Service	1,000	402,664	1,000	402,664
Rs. 10 each of GOL Offshore Limited	2,000	829,947	2,000	829,947
Rs. 1 each of Jindal Steel & Power Limited	3,000	1,360,426	3,000	1,360,426
<b>ii) <u>Un - Quoted</u></b>				
<b>a) <u>Equity Shares</u></b>				
Rs. 10 each of Odd & Even Trades & Finance Pvt. Ltd	700	7,030	700	7,030
Rs. 10 each of Brahma Dev Holding & Trading Ltd.	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
Rs. 10 each of Welspun Enterprises Limited	1,175	927,235 #	-	-
Rs. 10 each of Jindal Premium Connection Pvt. Ltd. (Formerly Hydril Jindal International Pvt. Limited)	4,399,095	643,877	-	-
<b>b) <u>Preference Shares</u></b>				
Rs. 10 each of Global Jindal Fininvest Limited	250,000	25,000,000	250,000	25,000,000
Rs. 10 each of Crishpark Vincom Limited	75,000	15,000,000	75,000	15,000,000
Rs. 10 each of Jindal Global Finance & Investment Lin	200,000	10,000,000	200,000	10,000,000
		<b>1,488,045,263</b>		<b>1,487,408,591</b>
Aggregate Value of Unquoted Investments		55,261,832		53,690,720
Aggregate Value of Quoted Investments		1,432,783,431		1,433,717,871
Market Value of Quoted Investments		2,523,080,599		2,842,568,242

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 of 7 years from allotment. These shares carry preferential right of cumulative dividend @ 12% per annum from date of allotment.

# 1175 nos. of Equity Shares of Welspun Enterprises Limited ware issued upon demerger of Welspun Corporation Limited Dt.21.02.2014 in the ratio of 1:20.

**STABLE TRADING COMPANY LIMITED**

	<b>As At 31.03.2014 Rupees</b>	<b>As At 31.03.2013 Rupees</b>
<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	<b>5,475,363</b>	9,780,033
	<b>5,475,363</b>	9,780,033
<b><u>CURRENT ASSETS</u></b>		
<b>11 <u>CASH AND CASH EQUIVALENTS</u></b>		
Cash on hand	<b>67,438</b>	27,794
Balances with Banks - In current accounts	<b>3,899,340</b>	6,406,737
<b>Total</b>	<b>3,966,778</b>	6,434,531
<b>12 <u>SHORT TERM LOANS AND ADVANCES</u></b> (Unsecured, Considered Good)		
Loans to Bodies Corporates	<b>149,355,138</b>	159,724,107
Other Short Term Advances	<b>109,230</b>	102,151
Advance Tax ( Net of Provision of Rs.3,22,47,402/-, Previous Year Rs 3,04,61,356/-)	<b>1,698,200</b>	2,315,187
MAT Credit Entitlement	<b>4,747,029</b>	5,862,016
<b>Total</b>	<b>155,909,597</b>	168,003,461
<b>Total Current Assets</b>	<b>159,876,375</b>	174,437,992

**STABLE TRADING COMPANY LIMITED**

	Year ended 31.03.2014 Rupees	Year ended 31.03.2013 Rupees
<b>13 REVENUE FROM OPERATIONS</b>		
Dividend Income - on Non current Investment	68,872,668	68,683,994
Interest Income (TDS Rs.12,87,201/-, Previous Year Rs. 8,73,808/-)	12,872,026	8,738,052
Profit on Sale of Non-Current Investments (Net)	(3,533)	2,342,703
<b>Total</b>	<b>81,741,161</b>	<b>79,764,749</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	1,535,510	1,516,950
Staff Welfare Expenses	13,792	22,343
<b>Total</b>	<b>1,549,302</b>	<b>1,539,293</b>
<b>16 FINANCE COSTS</b>		
Interest on Intercompany Loan	2,282,556	4,739,385
Bank Charges	3,112	1,284
<b>Total</b>	<b>2,285,668</b>	<b>4,740,669</b>
<b>17 OTHER EXPENSES</b>		
D.P. Charges	836	6,741
Rent	195,000	195,000
Rates & Taxes	9,950	20,400
Postage & Telephone	31,531	35,130
Printing & Stationery	5,181	2,653
Fee & Subscription	14,298	13,798
Travelling - Director	35,050	-
Conveyance	127,320	129,726
Repair & Maintenance-Others	128,006	88,018
Legal & Professional Charges	105,189	91,729
Internal Audit Fee	5,000	5,000
Advertisement & Publicity	54,840	62,400
Auditors' Remuneration :		
- Audit Fee	39,326	39,326
- Tax Audit Fee	6,742	6,742
- Certification / others services	26,403	17,975
Miscellaneous Expenses	4,536	105,933
<b>Total</b>	<b>789,208</b>	<b>820,571</b>

## STABLE TRADING COMPANY LIMITED

### 18 Provision on Standard Assets

Opening Balance	423,760	138,350
Add During the Year	(36,684)	285,410
Closing Balance	<b>Total</b>	<b>423,760</b>
	<b>387,076</b>	<b>423,760</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 @ 0.25% on the standard assets

### 19 Deferred Tax Assets ( Net)

Particulars	As At 31.03.2013	For The Year	As At 31.03.2014
Fixed Assets	1,547	(826)	721
Unabsorbed Capital Loss	2,234,051	-	2,234,051
Others	306,180	22,407	328,587
Net Deferred Tax assets at the end of the year	2,541,778	21,581	2,563,359

In view of uncertainty of its realisation, Deferred Tax assets of Rs. 2,563,359/- as on 31st March, 2014 ( Previous Year Rs. 25,41,778/- ) has not been recognised.

### 20 Contingent Liabilities / Commitments not accounted for

Disputed Income Tax Demand For A/Y 2010-11	1,024,630	1,024,630
---	-----------	-----------

### 21 Related Party Disclosure as per Accounting Standard - 18

#### Key Managerial Personnel

Mrs. Rachna Jindal

#### Associated Enterprises

Maharashtra Seamless Limited  
Jindal Premium Connections Pvt. Limited

#### Transactions with Related parties during the Year

i) Managerial Remuneration / Sitting Fee paid to Key Managerial	Nil	5,000
ii) Loan Taken from Associated Enterprise		
Maximum amount involved	Nil	14,298,947
Year End Balance	Nil	Nil
Interest Paid	Nil	443,924
iii) Loan given to Associated Enterprises		
Maximum amount involved	12,059,287	15,502,502
Year End Balance	8,284,080	11,157,950
Interest Received	1,002,851	1,259,328
iv) Investment in related party		
Investment made during the year	643,877	4,472,981
Investment at the year end	1,284,395,123	1,283,751,246

### 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

## STABLE TRADING COMPANY LIMITED

### 23 Earning Per Share

Particulars	31-03-2014	31-03-2013
Net Profit after tax available for Equity Shareholders (Rs.)	57,301,557	68,191,923
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.)	25.77	30.67

- 24 No provision has been made for Dividend income this year on 12% Redemible Cumulative Convertible Preference shares of Jindal Global Finance & Investment Limited and Crishpark Vincom Limited held by the Company due to insufficient profit in respective companies.

### 25 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY

The company is registerd as Non Banking Finance 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.

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

SHRIKANT LADIAAJAY KUMAR GUPTA  
Director Director

Place : Kolkata  
Dated : 29-05-2014



## 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 Outstanding	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	-	

## STABLE TRADING COMPANY LIMITED

(4)	Break-up of Investments:	
	Current Investments:	
	1. Quoted:	
	Shares: (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	2. Unquoted:	
	Shares: (a) Equity	-
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	Long Term Investments:	
	1. Quoted:	
	Shares: (a) Equity	1,433,717,871
	(b) Preference	-
	Debentures and Bonds	-
	Units of mutual funds	-
	Government Securities	-
	Others (please specify)	-
	2. Unquoted:	
	i. Shares: (a) Equity	3,690,720
	(b) Preference	50,000,000
	ii. Debentures and Bonds	-
	iii. Units of mutual funds	-
	iv. Government Securities	-
	v. Others (please specify)	-

## 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	Total
	Subsidiaries	-	-	-
	Companies in the same group	-	11,157,950	11,157,950
	Other related parties	-	-	-
	Other than related parties	-	158,448,341	158,448,341
	Total	-	169,606,291	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 / Break-up or Fair Value or NAV	Book Value (Net of Provisions)	
	1. Related Parties**			
	(a) Subsidiaries	-	-	
	(b) Companies in the same group	2,483,948,234	1,283,751,246	
	(c) Other related parties	-	-	
	2, Other than related parties	473,670,680	203,657,345	
	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	-

# STABLE TRADING COMPANY LIMITED

**Disclosure pursuant to Reserve Bank of India Notification DNBS (PD).CC No. 125/03.05.002/2008-2009 dated August 1, 2008 (Guidelines for NBFC-ND-SI as regards capital adequacy, liquidity and disclosure norms)**

**AS ON 31.03.2014**

## CRAR

Items		Current Year	Previous Year
i)	CRAR (%)	102.00	81.94
ii)	CRAR – Tier I Capital (%)	101.91	81.84
iii)	CRAR – Tier II Capital (%)	00.09	0.10

## Exposures

### Exposure to Real Estate Sector

		Category	Current Year	Previous Year
a)	Direct Exposure		-	-
	i)	Residential Mortgages		
		Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; ( individual housing loans upto Rs. 15 lacs may be shown separately)	-	-
	(ii)	Commercial Real Estate-		
		Lending secured by mortgages on commercial real estates ( office building, retail space, multipurpose commercial premises, multi-family residential building, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	-	-
	(iii)	Investment in Mortgage Backed Securities (MBS) and other securitized exposures -		
		a. Residential	-	-
		b. Commercial Real Estate	-	-
b)	Indirect Exposure			-
		Fund based and non-fund based exposures on National Housing bank(NHB) and Housing Finance Companies (HFCs)	-	-

## Asset Liability Management

### Maturity pattern of certain items of assets and liabilities

( Rs. in crore)									
	1 day to 30/31 Days ( One Month)	Over one months upto 2 months	Over 2 months upto 3 months	Over 3months upto 6 months	Over 6 months upto 1 year	Over one upto 3 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowings from Banks	-	-	-	-	-	-	-	-	-
Market/other borrowings	-	-	-	-	-	-	-	-	-
<b>Assets</b>									
Advances	-	-	-	14.93	-	0.55			15.48
Investments	-	-	-		-	143.28	-	5.52	148.80

# STABLE TRADING COMPANY LIMITED

CIN: L27204WB1979PLC032215

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053  
Website [www.stabletrading.in](http://www.stabletrading.in) Email: [investors@stabletrading.in](mailto:investors@stabletrading.in)

## ATTENDANCE SLIP

Folio No .....

DP Id\* .....

Client Id\* .....

I hereby record my presence at the 34th Annual General Meeting of the Company held at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 at 11.00 A.M on Monday 29th September, 2014.

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.

# STABLE TRADING COMPANY LIMITED

CIN: L27204WB1979PLC032215

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053  
Website [www.stabletrading.in](http://www.stabletrading.in) Email: [investors@stabletrading.in](mailto:investors@stabletrading.in)

## PROXY FORM

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

Name of the member(s):

.....

Registered address

.....

E-mail ID:

.....

Folio No. / DP ID and Client ID:

.....

I/We, being the member(s) of Stable Trading Company Limited .....holding shares, hereby appoint

1) Name: .....

Address:.....

Email:.....

Signature.....or failing him/her

2) Name: .....

Address:.....

Email:.....

Signature.....or failing him/her

3) Name: .....

Address:.....

Email:.....

Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34<sup>th</sup> Annual General meeting of the Company, to be held on Monday, 29th September, 2014 at 11.00 a.m. at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8th Floor, Kolkata-700 020 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolutions		For	Against
1.	Adoption of the Audited Balance Sheet as on 31 <sup>st</sup> March, 2014, the Statement of Profit and Loss for the year ended 31 <sup>st</sup> March, 2014, the report of Directors and Auditors thereon.		
2.	Re-appointment of Smt. Rachna Jindal who retires by rotation		
3.	Appointment of Auditors and fixing their remuneration		
4.	Appointment of Shri Shrikant Ladia as Whole-time Director of the Company		
5.	Appointment of Shri Ajay Kumar Gupta as Independent Director of the Company		
6.	Appointment of Shri Vibhor Kaushik as Independent Director of the Company		

\*Applicable for investors holding shares in electronic form.

Signed this ..... Day of ..... 2014



Signature of shareholder

.....  
Signature of first proxy holder

.....  
Signature of second proxy holder

.....  
Signature of third proxy holder

\*Please put a (√) in the appropriate column against the resolution indicator in the box. Alternatively, you may mention the no. of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) In Case the member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorization should be attached to the proxy form.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# STABLE TRADING COMPANY LIMITED

CIN: L27204WB1979PLC032215

Registered Office: 2/5, Sarat Bose Road, Sukh Sagar,  
Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020, Phone: 033-30522053  
Website [www.stabletrading.in](http://www.stabletrading.in) Email: [investors@stabletrading.in](mailto:investors@stabletrading.in)

## BALLOT FORM

(To be returned to the Scrutinizer appointed by the Company)

Name of Member(s) : .....

.....

Registered Address : .....

.....

Folio No./DP ID & Client ID No. : .....

No. of Equity Shares held

I/we hereby exercise my/our vote in respect of the following resolutions to be passed at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, 29<sup>th</sup> September, 2014 at 2/5, Sarat Bose Road, Sukh Sagar, Flat No.8A, 8<sup>th</sup> Floor, Kolkata-700 020 In respect of the businesses as stated in the Notice dated 1<sup>st</sup> September, 2014 by conveying my/our assent or dissent to the said resolution(s) by placing the tick (✓) mark at the box against the respective matters:

Sr. No.	Description of business as set out in the Notice dated 1 <sup>st</sup> September, 2014	No. of Shares	I/We assent to the Resolution ( FOR)	I/We dissent to the Resolution ( AGAINST)
1.	Adoption of the Audited Balance Sheet as on 31 <sup>st</sup> March, 2014, the Statement of Profit and Loss for the year ended 31 <sup>st</sup> March, 2014, the report of Directors and Auditors thereon.			
2.	Re-appointment of Smt. Rachna Jindal who retires by rotation			
3.	Appointment of Auditors and fixing their remuneration			
4.	Appointment of Shri Shrikant Ladia as Whole-time Director of the Company			
5.	Appointment of Shri Ajay Kumar Gupta as Independent Director of the Company			
6.	Appointment of Shri Vibhor Kaushik as Independent Director of the Company			

Place: .....

Date: .....

Signature: .....

Note: Please read the Instructions given overleaf and in the Notice dated 1<sup>st</sup> September, 2014 carefully before exercise your Vote.



## INSTRUCTIONS

- I. A member desirous to exercise vote by Ballot Form may complete this Ballot and send it to the scrutinizer at the registered office of the company. Envelopes containing Ballot Form(s), if deposited in person or sent by courier or registered / speed post will also be accepted.
- II. This Form should be completed and signed by the Member (as per the specimen signature registered with the Company/ Registrar /Depository Participants). In case of Joint holding, this Form should be completed and signed by the first named Member and in his / her absence by the next named Member.
- III. In case of shares held by Companies, Trusts, Societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution / Authority letter duly attested by authorized signatory(ies).
- IV. Duly completed Ballot Form should reach Scrutinizer on or before the close of working hours on Saturday 20th September, 2014 at 5.00 P.M. All Ballot Forms received after this date will be strictly treated as if reply from such Members has not been received.
- V. The Company will not be responsible if the envelope containing the Ballot form is lost in transit.
- VI. There will be only one Ballot Form for every Folio irrespective of numbers of joint holder(s).
- VII. A Member need not use all the votes or cast all the votes in the same way. The voting rights of the members shall be in proportion to their shares in total paid up equity share capital of the company as on 22<sup>nd</sup> August, 2014.
- VIII. Incomplete, unsigned or incorrect Ballot Forms will be rejected. The Scrutinizer's decision on the validity of a Ballot will be final and binding on the concerned Member and the Company.
- IX. The Company is providing this facility for all its Members to cast their votes by using the Ballot Form.