
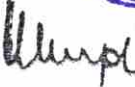



FORM A
As per Clause 31(a) of Listing Agreement

Format of covering letter of the annual audit report to be filed with the Stock Exchange(s)

1.	Name of the Company	Svam Software Limited
2.	Annual financial statement for the year ended	31 st March, 2014
3.	Type of Audit Observation	Unqualified
4.	Frequency Observation	Not Available
5.	To be Signed by-	
	• Managing Director	
	• Auditor of the Company	
	• Audit Committee Chairman	 



SVAM SOFTWARE LIMITED

SVAM SOFTWARE LIMITED

(CIN. L7200DL1992PLC047327)

ANNUAL REPORT FOR THE FINANCIAL YEAR 2013-2014

BOARD OF DIRECTORS

Mr. Rajeev Garg Managing Director
Mr. Harshwardhan M. Koshal
Mr. Sudhir Kumar Agarwal
Mr. Neeraj Khetrpal
Mrs. Manisha Agarwal

REGISTERED OFFICE

S-524, Vikas Marg,
Shakarpur,
Delhi-110092

STATUTORY AUDITORS

M/s. SNMG & Company
Chartered Accountants
E-35, Lajpat Nagar-III
New Delhi-110024

REGISTRAR & TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.
D-153A, Okhla industrial Area
Phase-I, New Delhi-110020
Email: viren@skylinerta.com
PH No. 011-26812682

IMPORTANT

Shareholders may please note that
NO COUPONS / REFERESHMENT
will be provided at the AGM

Visit our Website at <http://www.svamsoftwareltd.com>

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NOTICE

Notice is hereby given that the 22nd Annual General Meeting of **SVAM SOFTWARE LIMITED** will be held on Tuesday, the 30th September, 2014 at 10:00 A.M. at the registered office of the Company at S-524, Vikas Marg, Shakarpur, Delhi -110 092 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2014 and the Auditors and Directors Report thereon.
2. To appoint **M/S. DEEPAK I P AGARWAL & CO., CHARTERED ACCOUNTANTS** in place of **M/s SNMG & CO. CHARTERED ACCOUNTANTS** as Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting till the Conclusion of next Annual General Meeting of the Company and to fix their remuneration.

SPECIAL BUSINESS

3. To consider and if though fit, to pass with or without modification, the following resolution as **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing agreement, Mr. Harshwardhan Koshal whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto Five Consecutive years Form September 30, 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

4. To consider and if though fit, to pass with or without modification, the following resolution as **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing agreement, Mr. Neeraj Khetrapal whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto Five Consecutive years Form September 30, 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and clause 49 of the Listing agreement, Mrs. Manisha Agarwal whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of director, be and is hereby appointed as an Director of the Company and liable to retire by roatation .



SVAM SOFTWARE LIMITED

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.”

By the Order of the Board
For **SVAM SOFTWARE LIMITED**

Sd/-
Rajeev Garg
(Managing Director)
Din 02216829

Place : New Delhi
Dated : 14/08/2014

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THAT MEETING.
2. REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS WILL BE CLOSED FROM WEDNESDAY 24/09/2014 TO TUESDAY 30/09/2014 (BOTH THE DAYS INCLUSIVE).
3. MEMBERS ARE REQUESTED TO PLEASE NOTIFY IMMEDIATELY ANY CHANGE IN THEIR ADDRESSES TO THE COMPANY.
4. MEMBERS/PROXIES SHOULD BRING THE ATTENDANCE SLIP DULY FILLED IN FOR ATTENDING THE MEETING.
5. SHAREHOLDERS SEEKING ANY INFORMATION WITH REGARD TO ACCOUNTS ARE REQUESTED TO WRITE WELL IN ADVANCE SO AS TO REACH THE COMPANY AT LEAST 7 DAYS PRIOR TO THE ANNUAL GENERAL MEETING TO ENABLE THE MANAGEMENT TO KEEP THE INFORMATION READY AT THE AGM.
6. THE MEMBER ARE REQUESTED TO: -
 - a. INTIMATE CHANGES IF ANY IN THEIR ADDRESS TO THE COMPANY OR TO THE REGISTRAR AND SHARE TRANSFER AGENT OF THE COMPANY, M/s SKYLINE FINANCIAL SERVICES (P) LTD. AT D-153A, OKHLA INDUSTRIAL AREA, PHASE-I, DELHI-110020.PH-011-30857575.
 - b. QUOTE FOLIO NUMBER IN ALL THEIR CORRESPONDENCE WITH THE COMPANY.
 - c. BRING THEIR COPIES OF ANNUAL REPORT INCLUDING ATTENDANCE SLIP AT THE VENUE FOR THE AGM.
7. MEMBER HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO LODGE SHARE TRANSFER, TRANSMISSION AND INTIMATE CHANGES, IF ANY, IN THEIR REGISTERED ADDRESS, BANK ACCOUNT AND MANDATE DETAILS, RESIDENTIAL STATUS ETC. QUOTING THEIR FOLIO NUMBER(S) TO COMPANY'S SHARE TRANSFER AGENT.
8. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORIZED REPRESENTATIVES ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THE REPRESENTATIVES TO ATTEND AND VOTE AT THE GENERAL MEETING.
9. THE EXPLANATORY STATEMENTS, PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF THE BUSINESS UNDER ITEM NOS. 3 TO 5 ABOVE, IS ANNEXED HERETO. DISCLOSURES REQUIRED TO BE MADE IN TERMS OF THE SEBI (ICDR) REGULATIONS, 2009 WITH RESPECT TO THE PROPOSED RESOLUTIONS FOR PREFERENTIAL ALLOTMENT ARE ALSO GIVEN IN THE SAID EXPLANATORY STATEMENT AND MAY BE CONSIDERED AS AN INTEGRAL PART OF THE NOTICE OF EGM.

SVAM SOFTWARE LIMITED

10. Voting through electronic means:

In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), listed companies are required to provide members with the facility to exercise their right to vote at the Annual General Meeting (AGM) through electronic means. The Company has availed the services of Central Depository Services Limited (CDSL) for providing the necessary e-voting platform to the members of the Company:

The Board of Directors has appointed M/s Naresh Gupta & Associates through proprietor Mr. Naresh Gupta (C P No. 8783) Practising Company Secretary, as the Scrutinizer for conducting the e-voting process in accordance with law and in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, and submit it forthwith to the Managing Director and/or Chartered Accountant of the Company.

The instructions for members for e-voting are as under:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com during the voting period.
- (ii) Click on "Shareholders" tab.
- (iii) Select the "**Svam Software Limited**" from the drop down menu and click on submit
- (iv) Now Enter your User ID
 - a. For CDSL : 16 digits beneficiary ID.
 - b. For NSDL : 8 character DP ID followed by 8 Digits Client ID.
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. Next enter the Verification Code as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and casted your vote earlier for any company/entity, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department(In Capital) (Applicable for both demat shareholders as well as physical shareholders) Or Details as printed in the bottom of Attendance Slip of the AGM Notice.
DOB#	Enter the Date of Birth (DOB) as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Or Enter Bank account as given in your demat account or folio number.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.

Please enter the DOB or Dividend Bank Details in order to login. In case both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the

SVAM SOFTWARE LIMITED

demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for **SVAM SOFTWARE LIMITED** on which you choose to vote.
- (xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) In case a Member receives physical copy of the Notice of AGM [or members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (E Voting Event Number)	USER ID	PASSWORD/PIN
------------------------------	---------	--------------
 - (ii) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

General Instructions:

- (a) The voting period begins on September 26, 2014 from 10:00 AM and ends on September 27, 2014 upto 6:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by CDSL on September 27, 2014 at 6:00 PM for voting thereafter.
- (b) Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares in electronic form or in dematerialized form, and not casting their vote electronically, may cast their respective vote at the Annual General Meeting.
- (c) The voting rights of the shareholders shall be in proportion to their shares of the paid up Equity share capital of the Company as on August 22, 2014.
- (d) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.svamsoftwareltd.com and on the website of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company scheduled to be held on September 30, 2014 and communicated to all the participating Stock Exchanges(s).
- (e) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQ”) and e-voting manual available at <http://www.evotingindia.co.in> under help section or write an email to helpdesk.evoting@cdslindia.com or svamsoftwareltd@gmail.com, [svamsoftwareltd.com](http://www.svamsoftwareltd.com).



SVAM SOFTWARE LIMITED

ANNEXURE TO THE NOTICE

Explanatory statement pursuant to the provision of Section 102 of the Companies Act, 2013 in respect to the special business:

Item No-3&4

The Company had appointed Sh. Harshwardhan Koshal (DIN: 00984159) and Sh. Neeraj Khetarpal (DIN: 00033332) as Independent Directors pursuant to the provisions of Section 194 of the Companies Act, 2013 (the Act) and Clause 49 of the Listing Agreement entitled with the Stock Exchange(s), at various occasions, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 and the corresponding rules thereon and in accordance with the Ministry of Corporate Affairs Circular No. 09/2014 dated 9th June, 2014 regarding clarification on Rules prescribed under the Companies Act, 2013.

- Matters relating to appointment and qualification of Directors and Independent Directors, there is requirement to appoint the independent Directors of the Company in accordance with the provisions of Section 149 of the Companies Act, 2013 and the corresponding rules thereon.

Sh. Harshwardhan Koshal (DIN: 00984159) and Sh. Neeraj Khetarpal (DIN: 00033332) non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors, mentioned in the Appointment letter shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday till the date of Annual General Meeting.

Item No-5

Mrs. Manisha Agarwal was appointed as Additional Director of the Company on 10/08/2014 and is liable to retire at the ensuing Annual General Meeting. The Company has received a notice under section 160 of the Companies Act, 2013 along with a requisite deposit from himself proposing his appointment for the office of the Director of the Company. Considering the vast experience of Mrs. Manisha Agarwal, your Board recommend for his re-appointment as Director of the Company.

Except Mrs. Manisha Agarwal, none of the Director is interested or concerned in the resolution.

By the Order of the Board
For **SVAM SOFTWARE LIMITED**

Sd/-

Rajeev Garg
(Managing Director)
Din 02216829

Place : New Delhi
Dated : 14/08/2014

SVAM SOFTWARE LIMITED

Pursuant to clause 49 of Listing Agreement, the brief profile of Directors eligible for appointment vide item no. 3 & 4 is as follows :

Name of the Director(s)	DIN	Date of Birth	Date of Appointment	Qualifications and experience	Number of shares held in the company
Harshwardhan Koshal	00984159	24/07/1944	15/03/2007	Graduate and experience in managing business	Nil
Neeraj Khetarpal	00033332	13/10/1972	16/01/2012	Graduate and experience in Finance & taxation	Nil
Manisha Agarwal	00025419	24/01/1972	10/08/2014	Graduate	Nil

By the Order of the Board
For **SVAM SOFTWARE LIMITED**

Sd/-
Rajeev Garg
(Managing Director)
Din 02216829

Place : New Delhi
Dated : 14/08/2014

DIRECTOR'S REPORT

To
 The Members
Svam Software Ltd.

Your Directors have pleasure in presenting the 22nd Annual Report on the business, operations and financial performance of the company during the financial year ended 31st March 2014. The profit after tax of the company is ₹ 1.11/- lacs during current financial year.

FINANCIAL RESULTS

(₹ In lacs)

Particulars	For The Year Ended	
	31st March 2014	31st March, 2013
Sales/Operating Income	815.74	1484.61
Other Income	43.45	25.72
Expenses:-		
Purchase of Stock in trade	786.81	1465.68
Changes in Inventory of Stock-in-Trade	18.70	(5.04)
Employee Benefit Expenses	16.67	20.89
Depreciation and Amortisation Expenses	7.84	0.50
Administrative & Other expenses	26.98	22.15
Profit Before Tax	2.19	6.15
Tax Expense:-		
Current Tax	0.40	1.17
Deferred Tax	0.68	3.41
Profit/(Loss) After Tax	1.11	1.57

BUSINESS REVIEW

The turnover of the company during the year 2013-14 is ₹ 815.74 lacs as compared to ₹ 1484.62 lacs during the immediately preceding financial year. However, profit before tax is ₹ 2.19/- lacs during the current financial year as compared to ₹ 6.15/- lacs during the immediately preceding financial year.

FUTURE OUTLOOK

The outlook of the economic growth across the globe with positive vibrations will fuel a growth and demand recovery. At the present moment there is a lull in the market and the management is looking forward for changing situation in the global market. While optimism rears for new vigour and thrust like emphasis on colour ways and new designs, it is expected these changes will bring in positive response from the overseas buyers and will trigger growth and profitability in due course of time.

DIVIDEND

In order to augment reserves and to cater to the working capital requirements, no dividend is being recommended.

PUBLIC DEPOSIT SCHEME

During the year, your Company has not accepted any deposits. There are no outstanding deposits as on date.

CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance. Your Director adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges and have implemented all the prescribed requirements.

SVAM SOFTWARE LIMITED

A separate report on Corporate Governance as stipulated, under Clause 49 of the listing Agreement, with the Stock Exchanges and have implemented all the prescribed requirements.

A certificate from the auditors of the company M/s SNMG & Co; Chartered Accountants confirming compliance of conditions of Corporate Governance as stipulated in Clause 49 is annexed to this report.

BOARD OF DIRECTORS

Your board has an Executive Chairman and the number of Independent Directors is one half of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

Your board of directors consist of the following four directors:

1. Mr. Rajeev Garg (Managing Director & Executive);
2. Mr. Harshwardhan Koshal (Non Executive Independent) and;
3. Mr. Sudhir Kumar Agarwal (Non Executive); and
4. Mr. Neeraj Khetarpal (Non-Executive Independent)
5. Mrs. Manisha Agarwal (Non Executive)

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 217 (2AA) of the companies ACT, 1956, it is hereby confirmed:

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

AUDITORS AND THEIR REPORT

M/s SNMG & Co., Chartered Accountants, Chartered Accountants, who served as Statutory Auditors of the company since a long time, resigned from the position w.e.f. 30th September, 2014, expressing their inability to continue as the Statutory Auditors of the Company. In their replacement, M/s DEEPAK I P AGARWAL & CO., CHARTERED ACCOUNTANTS, will be appointed as Statutory Auditors of the Company with approval of shareholders of the company by way of ordinary resolution passed in its Annual General Meeting.

The board recommends their appointment as statutory auditors of the company.

SUBSIDIARIES

As on 31st March 2014, the Company has three Wholly Owned Subsidiary namely Deby Exim Limited , Apron Estates Limited and Phoebe Infotech Limited respectively.

Consolidated Accounts of its subsidiaries for the year under review has also been drawn in accordance with applicable accounting Standards.

CONSOLIDATED FINANCIAL STATEMENT

As required under the Listing Agreements with the Stock Exchanges Consolidated Financial Statements of the Company are attached. The consolidated Financial statements have been prepared in accordance with Accounting standard 21 ,Accounting standard 23 and Accounting standard 27 issued by The Institute of Chartered Accountants of India and showing the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries as a single entity, after elimination of minority interest.

SVAM SOFTWARE LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as required under Clause 49 of the Listing Agreement with the Stock Exchanges is given in Annexure-A and forms an integral part of this report.

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

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings & outgo, as required under the Companies Act, 2013, read with the Draft Companies Rules, 2014 is given as per Annexure of the Directors Report.

PARTICULARS OF EMPLOYEES

As required under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended time to time, no employee of the company was covered by these provisions during the year ended 31.03.2014.

APPRECIATION

The Company places on record its deep appreciation of the devoted services of executives and other staff of the company who have contributed in the performance and the Company's inherent strength. Grateful thanks are also due to the investors, the bankers, business associates & all other stakeholders for their continued support to the company from time to time.

By the Order of the Board
For **SVAM SOFTWARE LIMITED**

Sd/-
Rajeev Garg
(Managing Director)
DIN: 02216829

Sd/-
Sudhir Kumar Agarwal
(Director)
DIN: 00024935

Place : Delhi
Dated : 14/08/2014

ANNEXURE TO THE DIRECTORS REPORT

A. CONSERVATION OF ENERGY

The operations of your Company do not consume high levels of energy. Adequate measures have been taken to conserve by using energy efficient computers and equipment.

B. TECHNOLOGY ABSORPTION

1. Specific areas in which R & D carried out are as follows:
 - a. Review of the existing courses and evaluation of feasibility of the new courses to be launched and estimating the costing thereof.
 - b. Providing technical support on existing products.
2. Benefits derived as a result of the above R & D:
As a result the organization is being able to implement current courses.
3. Future Plan of action:
R & D plans to enter the client server areas, as this is a major thrust area in the IT industry.
4. Expenditure on R & D: NIL

C. FOREIGN EXCHANGE EARNINGS

There were foreign exchange earnings of the company & no outgo during the year under report.

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
Earnings in Foreign currency	\$ 39950	Nil
Expenditure in Foreign Currency	Nil	Nil

REPORT ON CORPORATE GOVERNANCE

(As required by clause 49 of the Listing Agreement of the Stock Exchanges)

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your company possesses an ethical mindset about the values of good Corporate Governance. For **SVAM SOFTWARE LIMITED**, Corporate Governance stands for responsible and value creating management and control of the Company. The company's policies and practice are not only consistent with the statutory requirement but also underline its commitment to operate in the best interest of its stakeholders.

SVAM SOFTWARE LIMITED is committed to maintain highest standards of ethical behaviour and makes an honest endeavour to uphold the attributes of transparency, independence, accountability, responsibility and growth in all aspects of its operations.

II. BOARD OF DIRECTOR

Your board has an Executive Chairman and the number of Independent Directors is half of the total strength of Directors. The composition of the board is in conformity of Clause 49 of the Listing Agreement.

The management of the company is entrusted in the hand of the key management personnel of company and is headed by the Managing Director, who functions under the supervision and control of the board. The board reviews and approves strategy and oversees the action and result of management.

None of the Independent Director has any other material pecuniary relationship or transaction with the company, its promoters and its directors which, in their judgement would affect their independence.

As on year ended 31st March 2014, the Board had strength of four directors.

The composition of board is as follows:

S. No.	Name of the director	Status
1	Mr. Rajeev Garg	Executive and Non-Independent(MD)
2	Mr. Sudhir Kumar Agarwal	Non Executive and Non-Independent
3	Mr. Harshwardhan Koshal	Non Executive and Independent
4	Mr. Neeraj Khetarpal	Non-Executive and Independent
5.	Mrs. Manisha Agarwal	Non-Executive Director

In furtherance of its Corporate Governance policy the Company ensures that all statutory, significant material information are placed before the board/committee of directors for their approval to enable them to discharge their responsibilities as trustees.

Attendance of each director at Board Meetings and the last AGM

During the year the board of directors met 8 times 30/05/2013, 10/06/2013, 10/08/2013, 02/09/2013, 05/10/2013, 14/11/2013,25/12/2013 and 14/02/2014 on the attendance and composition and category of directors are as follows:

Name of the Director	Attendance Particulars			Committee memberships/ Chairmanships in our Company		Number of other Directorships & Committee memberships
	Board Meeting		Last AGM	Memberships	Chairmanships	
	Held	Present				Directorships
Mr. Sudhir Kumar Agarwal	8	8	Yes	-	Nil	10
Mr. Harshwardhan Koshal	8	8	Yes	2	2	4
Mr. Rajeev Garg	8	8	Yes	2	-	3
Mr. Neeraj Khetarpal	8	8	Yes	2	Nil	3
Mrs. Manisha Agarwal	8	-	No	-	-	4

III. COMMITTEES OF THE BOARD

a) AUDIT COMMITTEE

The audit committee of the company was constituted to exercise power & discharge functions as stipulated in section 177 of the Companies Act, 2013 (Corresponding to section 292A of the Companies Act, 1956), Clause 49 of the listed agreement with Stock Exchange and other relevant statutory / regulatory provision.

Composition

The Audit Committee comprises following three members having strong background in financial management:-

Mr. Harshwardhan Koshal	Chairman (Independent & Non-Executive)
Mr. Rajeev Garg	Member (Non-Independent & Executive)
Mr. Neeraj Khetarpal	Member (Independent & Non- Executive)

Meetings of the Audit Committee:

Four meetings of committee were held during the year on 30/05/2013, 10/08/2013, 14/11/2013, and 14/02/2014. All the members of the committee were present in the meetings held during their respective tenure.

Role of Audit Committee:

The Audit Committee of the Company, inter-alia, provides assurance to the Board on the existence and adequacy of effective internal control systems. Brief description of the terms of reference to the Audit Committee: -

- a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
- b) Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment of any other services.
- c) Reviewing and recommending the appointment and removal of managerial personnel, fixation of remuneration and also approval for payment for any other services as recommended by the Remuneration Committee.
- d) Reviewing with management of the annual financial statements before submission to the board, focusing primarily on:
 - e) Any changes in accounting policies and practice.
 - f) Major accounting entries based on exercise of judgment by management.
 - g) Qualifications in draft audit report.
 - h) Significant adjustments arising out of audit.
 - i) The going concern assumption.
 - j) Compliance with accounting standard.
- k) Any related party transactions of the company of material nature, with Promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of Company at large.
- l) Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.
- m) Reviewing the adequacy of internal audit functions.
- n) Discussion with internal auditors on any significant findings and follow-up there on.
- o) Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- p) Discussion, with external auditors before the audit commences, of nature and scope of audit as well as has post-audit discussion to ascertain any area of concern.
- q) Reviewing the Company's financial and risk management Policies.
- r) To look into the reasons for substantial defaults in the payment to the creditors.
- s) To consider and review any other matter as may be directed by the Board.

SVAM SOFTWARE LIMITED

b) INVESTORS /SHAREHOLDERS GRIEVANCE COMMITTEE

The Company has formed the Shareholders Grievances/ Share Transfer Committee, constituted by the Board, to approve inter- alias transfer/ transmission of shares, issue of duplicate share certificates, approving the split and consolidation requests and other matter including Shareholder's complaints and grievances. The Committee also reviews the periodicity and effectiveness of the Share transfer process, statutory certifications.

The composition of the Shareholders Grievances / Share Transfer Committee is as under:

Mr. Harshwardhan Koshal	Chairman (Independent & Non-Executive)
Mr. Rajeev Garg	Member (Non-Independent & Executive)
Mr. Neeraj Khetarpal	Member (Independent & Non-Executive)

The Committee meets at least twice a month to approve transfer requests received from the investor during the previous week to ensure prompt delivery of securities to the shareholders.

The Minutes of the Committee Meeting are placed at the Board meeting from time to time. The Board has authorized the Share transfer Committee and the Company Secretary severally to approve the transfer of shares. During the year, all the Complaints of the Shareholders were resolved to the satisfaction of the shareholders.

IV. COMPLIANCE OFFICER OF THE COMPANY

Mr. Rajeev Garg, Managing Director is the Compliance Officer for complying with the requirements of the Listing Agreement with the Stock Exchanges.

V. GENERAL BODY MEETING: -

a) GENERAL MEETINGS

DETAILS OF LAST THREE ANNUAL GENERAL MEETINGS

AGM	Financial Year	Date	Time	Location
21st AGM	2012-13	28.09.2013	10.30 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092
20th AGM	2011-12	29.09.2012	10.30 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092
19th AGM	2010-11	29.09.2011	09:30 AM	S-524, Vikas Marg, Shakarpur, Delhi-110092

b) POSTAL BALLOT

No resolutions were passed by postal ballot during the year ended 31st March, 2014

VI. CODE OF CONDUCT

The Company is committed to conduct business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with risks involved.

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

VII. DISCLOSURES

Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in Annexure to the Notes to Accounts. These are not in conflict with the interest of the Company in view of the following:

- All details relating to financial and commercial transactions wherein Directors may have a potential interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

SVAM SOFTWARE LIMITED

- b) These are at prices which are reasonable, having regard to the prevailing market prices at the relevant time.

The Company has complied with all the requirements of the Listing Agreements with the Stock Exchanges. There has not been any non-compliance and penalty; structure has been imposed on the company during the last three years by SEBI or Stock Exchanges and fully complied with all the mandatory requirements of Clause 49.

VIII. MEANS OF COMMUNICATION

Quarterly Results are published in prominent daily newspaper Dainik Mahalaxmi (Hindi) and The Money Makers (English) in Delhi editions. Management Discussions and Analysis Forms part of the Annual Report in a separate section. The Company has not made any formal presentation to the Institutional Investors during the year.

IX. GENERAL SHAREHOLDER INFORMATION

Financial Year : 1st April 2013 to 31st March 2014
22nd Annual General Meeting : On Tuesday 30th September, 2014 at 10:00 AM at S-524, Vikas Marg, Shakarpur, Delhi-110092

Financial Calendar

Financial Year : 1st April 2013 to 31st March 2014
 1st Quarterly Results : 10/08/2013
 2nd Quarterly Results : 14/11/2013
 3rd Quarterly Results : 14/02/2014
 4th Quarterly Results : 30/05/2014
 Date of Book Closure : 24th September, 2014 to 30th September, 2014
 : (both days inclusive)
 Dividend Date : Not Applicable

Listing on Stock Exchange

The company is listed in following exchanges:

1) Bombay Stock Exchange

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 022

The Equity shares of the company are actively traded at BSE with Scrip code- (523722) in the 'B' Group.

STOCK MARKET DATA (YEAR 2013-2014)

Month	High	Low
April, 2013	2.05	1.80
May, 2013	2.15	1.99
June, 2013	1.95	1.86
July, 2013	1.77	1.39
August, 2013	1.35	1.21
September, 2013	1.19	1.00
October, 2013	1.05	0.85
November, 2013	0.92	0.61
December, 2013	0.61	0.45
January, 2014	0.66	0.40
February, 2014	0.81	0.64
March, 2014	0.61	0.54

SVAM SOFTWARE LIMITED

X. REGISTRAR AND SHARE TRANSFER AGENT

M/s. SKYLINE FINANCIAL SERVICES LIMITED

Unit: Svam Software Ltd
 D-153A, Okhla Industrial Area,
 Phase-I, New Delhi-110020
 Telephone No: 011-26812682
 E-mail Address: viren@skylinerta.com

XI. SHARE TRANSFER SYSTEM

M/s. Skyline Financial Services (P) Ltd. acts as Registrar and Transfer Agent for the company. M/s Skyline Financial Services has a dedicated management team comprising professional qualified managers who are possessing vast experience in handling the share transfer work. The organization has a proven track record and is committed to maintain quality to service of the highest standards and also handling capacity with a commendable flexibility to quickly upgrade the capacity at shorter notice.

Share transfers are registered within maximum of 15 days from the date of lodgement of the documents which are complete in all respects. In case the shares are transferred through Demat mode, the procedure is adopted as stated in Depositories Act, 1996.

The company obtains a half yearly certificate of compliance from the Company Secretary in Practice for compliance of the share transfer formalities, as required under Clause 47 of the Listing Agreement and file copy of the certificate with stock exchanges is obtained.

XII. SHAREHOLDING PATTERN AS ON 31st MARCH, 2014.

a. *Distribution of Shareholding as on March 31, 2014.*

No. of Shares	No. of Shareholders	% to total	No. of Shares held	% to total
0-500	28519	89.41	4839284	28.65
501 -1000	1993	6.25	1634609	9.68
1001-2000	716	2.24	1105003	6.54
2001-3000	236	0.74	603708	3.57
3001-4000	88	0.28	312732	1.85
4001- 5000	97	0.30	468716	2.78
5001-10000	139	0.44	1063660	6.30
10001 & above	110	0.34	6861288	40.63

SVAM SOFTWARE LIMITED
b. Category of shareholders as on March 31, 2014

Category	No. of Shares	Percentage of holdings
A. Promoters Holding		
i) Promoters		
a. Indian-individual	24,42,600	14.46%
b. Foreign	Nil	Nil
ii) Persons acting in concert		
a. Directors	Nil	Nil
b. Director's Relatives	Nil	Nil
Sub Total (A)	24,42,600	14.46%
B. Public Holding		
i) Institutional Investor		
a) Mutual Fund	4000	0.02%
b) Financial institutions/Banks	3100	0.02%
c) Central Govt./State Govt.(s)	Nil	Nil
d) Venture capital fund/Ins. Cos,	Nil	Nil
e) FII Etc	Nil	Nil
Sub Total (B)(i)	7100	0.04%
ii) Non-Institutions Investors		
a) Bodies Corporate	1345124	7.96%
b) Individuals		
i) shareholding < ₹ 1.00 Lac	9052549	53.60%
ii) shareholding > ₹ 1.00 Lac	3144614	18.62%
c) NRI	614200	3.64%
i) Clearing House	-	-
ii) Corporate Body- OCB	6600	0.04%
iii) Intermediary/Other Depository A/c	0.00	0.00%
iv) Hindu Undivided Family v)Clearing Member	2743151898	1.62%0.01%
Sub Total (B)(ii)	14439300	85.50%
Sub Total (B)	14446400	85.54%
Grand Total (A+B)	16889000	100%
Shares held by custodian and against which Depository Receipt is issued	Nil	NIL

DEMATRIALISATION OF SHARES

The Company's shares are tradable compulsorily in electronic form. The Company has established through its Registrar and Share Transfer Agents, connectivity with National Securities Depository Ltd (NSDL) and Central Depository Services (I) Ltd (CDSL). As on 31st March, 2014 the 74% equity shares have been dematerialized.

Investors may address any correspondence to:

Mr. Rajeev Garg (Compliance Officer)

Svam Software Ltd

S-524, Vikas Marg,

Shakarpur, Delhi - 110092

Ph: 011 - 43206710

E-mail : svamsoftwareltd@gmail.com

Website: www.svamsoftwareltd.com

SVAM SOFTWARE LIMITED

CERTIFICATE IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT

In terms of clause 49 of the Listing Agreement, it is certified as under that:

- (a) The financial statements and the cash flow statement for the year have been reviewed and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transaction entered into by the Company during the years which are fraudulent, illegal or violative of the Company.
- (c) We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We had indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control during the year (if any);
 - (ii) Significant changes in accounting policies during the year (if any) and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and On Behalf of the Board of Directors

Sd/-

Rajeev Garg
(Managing Director)

DIN: 02216829

Sd/-

Sudhir Kumar Agarwal
(Director)

DIN: 00024935

Place : Delhi

Dated : 14/08/2014

CERTIFICATION BY MANAGING DIRECTOR

To the best of knowledge and belief, we certify that:

- 1) We have reviewed financial statement and the cash flow statement for the period ended 31.03.2014 and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of our knowledge and belief, no transaction entered into by the company during the period, which is fraudulent, illegal or violative of the company's code of conduct.
- 3) Further, we accept responsibility to establish and maintain internal controls for financial reporting and Accordingly, we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit committee, wherever applicable:
 - a) Deficiencies in the design or operation of the internal controls, if any of which we are aware and the steps have been taken or propose to take rectify these deficiencies.
 - b) Significant changes in the internal control over the financial reporting during the period;
 - c) Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements;
 - d) Instances of significant fraud of which we came to know and involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

For and On behalf of the Board of Directors

Sd/-

Rajeev Garg
(Managing Director)

Din 02216829

Place : New Delhi

Dated : 14/08/2014

SVAM SOFTWARE LIMITED

DECLARATION BY MANAGING DIRECTOR

I, Rajeev Garg, Managing Director of Svam Software Limited hereby declare that all the board members and senior managerial personnel have affirmed for the year ended 31st March, 2014 compliance with the code of conduct of the company laid down by them.

For and On behalf of the Board of Directors

Sd/-

Rajeev Garg
(Managing Director)
Din 02216829

Place : New Delhi

Dated : 14/08/2014

MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS SCENARIO

The Business segment in which your Company operate is software development and software trade. The said business is very unpredictable. Despite the recent slowdown in the software sector, this remains a fast growing area of the Indian economy. The Company is also endeavouring to expend the area of its business of software as well as of infrastructure.

Today IT touches every aspect of business, connecting customers, suppliers, and partners around the globe. Your Company is mainly into software Trade and software development. Your Company is focusing on software trade as prime area for future sustainability and growth.

PERFORMANCE

The turnover of the company during the year 2013-14 is ₹ 815.74 lacs as compared to ₹ 1484.62 lacs during the immediately preceding financial year.

MANAGEMENT OF RISK

Management of risk to the business is continuous challenge for any organization growing in size and enhancing its purpose. The traditional risk factors like client risks, industry segment risks and economic risk are well understood and the means to handle them are also fairly established.

INTERNAL CONTROLS & SYSTEMS

The company ensures existence of adequate internal control through policy and procedures to be followed by the executives at various levels in the company. The operating managers ensure compliance within their areas. The Company has internal Audit system to carry out extensive checking and test and report non-compliance/weakness, if any through internal Audit Reports on the respective areas. These reports along with reports on compliance made thereafter are reviewed by the Audit Committee of the Board.

HUMAN RESOURCE

Management relation with the employees remains cordial. The Company's Human Resources philosophy is to establish and build a strong performance and competency drive culture with greater senses of accountability and responsibility. The industrial relations scenario remained peaceful and harmonious.

For and On behalf of the Board of Directors

Sd/-

Rajeev Garg
(Managing Director)
Din 02216829

Place : New Delhi

Dated : 14/08/2014

INDEPENDENT AUDITORS' REPORT

To
The Members of
SVAM SOFTWARE LIMITED

We have audited the accompanying financial statements of SVAM SOFTWARE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31st, 2014 and 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 flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - b) In the case of the Profit and Loss Account, of the profit/ loss for the year ended on March 31, 2014; and
 - c) In the case of the Cash Flow Statement, of the cash flows for the year ended on March 31, 2014.
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
 2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and 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, 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, 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;

SVAM SOFTWARE LIMITED

- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For M/S. SNMG & COMPANY
Chartered Accountants
(Firm Reg. No. 004921N)

Sd/-
NEERAJ GUPTA
(PARTNER)
M.NO. 087004

Place : New Delhi
Date : 30/05/2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in Paragraph 1 under the heading of "Report on other legal and Regulatory Requirements" of Our Report of even date

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of SVAM SOFTWARE LIMITED on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year but does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.
(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

SVAM SOFTWARE LIMITED

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Companies Act, 1956 does not exceed five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arise.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. 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.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of

SVAM SOFTWARE LIMITED

the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **M/S. SNMG & COMPANY**
Chartered Accountants
(Firm Reg. No. 004921N)

Sd/-

NEERAJ GUPTA
(PARTNER)
M.NO. 087004

Place : New Delhi
Date : 30/05/2014



SVAM SOFTWARE LIMITED

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

TO
THE MEMBERS OF
M/S. SVAM SOFTWARE LIMITED

We have examined the compliance of conditions of Corporate Governance by M/S. SVAM SOFTWARE LIMITED, for the year ended on 31st 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 review of 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 statement of the Company.

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

We further 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 **M/S. SNMG & COMPANY**
Chartered Accountants
(Firm Reg. No. 004921N)

Sd/-
NEERAJ GUPTA
(PARTNER)
M.NO. 087004

Place : New Delhi
Date : 14/08/2014

SVAM SOFTWARE LIMITED
BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in ₹)

Particulars	Note	31st March, 2014	31st March, 2013
A EQUITY AND LIABILITIES			
(i) Shareholder's Funds			
(a) Share Capital	1	168,890,000	168,890,000
(b) Reserves and Surplus	2	26,685,157	26,574,465
(ii) 0% Convertible Bond Application Money		-	27,003,250
(iii) Non Current Liabilities			
Long Term Borrowing	3	2,465,248	-
(iv) Current Liabilities			
(a) Trade Payables	4	53,382,002	99,847,795
(b) Short-Term Provisions	5	40,532	117,226
(c) Other Current Liabilities	6	245,412	29,282,875
		<u>251,708,351</u>	<u>351,715,611</u>
B ASSETS			
(i) Non-Current Assets			
(a) Fixed Assets			
i) Tangible assests	7	3,660,861	82,231
(b) Non-Current Investments	8	3,007,310	7,310
(c) Deffered Tax Assets (net)		922,921	990,791
(ii) Current Assets			
(a) Inventories	9	7,697,313	9,567,503
(b) Trade Receivables	10	51,776,314	77,576,975
(c) Cash and Cash Equivalentts	11	662,917	2,542,755
(d) Short Term Loan & Advances	12	182,736,489	259,609,760
(e) Other Current Assets	13	1,244,226	1,338,286
		<u>251,708,351</u>	<u>351,715,611</u>

Significant Accounting Policies and Other Notes Forming Part of the Financial Statements 19

Notes referred to herein form an integral part of the Financial Statement

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board
SVAM Software Limited

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Sd/-
RAJEEV GARG
(Managing Director)
DIN No. 02216829

Sd/-
SUDHIR KUMAR AGARWAL
(Director)
DIN No. 00024935

Place : New Delhi
Dated : 30/05/2014

SVAM SOFTWARE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

Particulars	Note	31st March, 2014	31st March, 2013
I. Revenue from Operations:			
Sales of Products & Services	14	81,574,343	148,461,906
II Other Income	15	4,345,174	2,572,211
III Total Revenue (I+II)		85,919,517	151,034,117
IV Expenses:			
Purchase of Stock-in-Trade		78,681,044	146,568,194
Changes in Inventories of Stock-in-Trade	16	1,870,190	(504,069)
Employee Benefits Expense	17	1,667,056	2,088,536
Depreciation and Amortisation Expenses	7	784,289	50,469
Administrative & Other Expenses	18	2,697,844	2,215,787
Total Expenses		85,700,423	150,418,917
V Profit Before Exceptional and Extraordinary items and Tax (III - IV)		219,094	615,200
VI Exceptional Items		-	-
VII Profit Before Extraordinary items and Tax (V-VI)		219,094	615,200
VIII Extrarordinary Items		-	-
IX Profit Before Tax (VII - VIII)		219,094	615,200
X Tax Expenses:			
(1) Current Tax		40,532	117,226
(2) Deferred Tax		67,870	341,463
XI Profit / (Loss) for the period from Continuing Operations (VII-VIII)		110,692	156,511
XII Profit / (Loss) for the Period transferred to Reserve & Surplus		110,692	156,511
XIII Earning per Equity Share:			
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01

Significant Accounting Policies and Other
Notes Forming Part of the Financial Statements 19

Notes referred to herein form an integral part of the Financial Statement

 For **M/s SNMG & CO.**
 Chartered Accountants
 F.R.N. 004921N

 For and on behalf of the Board
SVAM Software Limited

 Sd/-
(NEERAJ GUPTA)
 Partner
 Membership No. 087004

 Sd/-
RAJEEV GARG
 (Managing Director)
 DIN No. 02216829

 Sd/-
SUDHIR KUMAR AGARWAL
 (Director)
 DIN No. 00024935

 Place : New Delhi
 Dated : 30/05/2014

SVAM SOFTWARE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2014

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before taxation, and extraordinary items	219,094	615,200
Adjustment for:		
Depreciation	784,289	50,469
Operating Profit Before Working Capital Changes	1,003,383	665,669
Adjustment for:		
(Increases)/Decreases in Inventories	1,870,190	(504,069)
Increases/(Decreases) in Trade Payables & Others Liabilities	(75,503,256)	8,309,522
(Increases)/Decreases in Trade Receivables	25,800,661	56,883,283
(Increases)/Decreases in Other Current Assets	94,060	(86,659)
(Increases)/Decreases in Loan & Advances	76,873,271	(55,308,554)
Cash Generated from Operations	30,138,309	9,959,192
Direct Taxes paid	(117,226)	(132,341)
Net Cash From Operating Activities (A)	30,021,083	9,826,851
B CASH FLOW FROM INVESTING ACTIVITIES:		
Investment in Subsidiary Company	(3,000,000)	-
Purchase of Fixed Assets	(4,362,920)	-
Net Cash used in Investing Activities (B)	(7,362,920)	-
C CASH FLOW FROM FINANCING ACTIVITIES:		
0% Convertible Bond Application Money Received / (Paid)	(27,003,250)	(10,719,250)
Loan Taken	2,465,248	-
Net Cash used in Financing Activities (C)	(24,538,002)	(10,719,250)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	(1,879,838)	(892,399)
Cash & Cash Equivalents as at beginning of the year	2,542,755	3,435,154
Cash & Cash Equivalents as at Closing of the year	662,917	2,542,755

Notes referred to herein form an integral part of the Financial Statement

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board
SVAM Software Limited

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Sd/-
RAJEEV GARG
(Managing Director)
DIN No. 02216829

Sd/-
SUDHIR KUMAR AGARWAL
(Director)
DIN No. 00024935

Place : New Delhi
Dated : 30/05/2014

SVAM SOFTWARE LIMITED
Notes to Financial Statements for the Year Ended 31st March, 2014

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
1 SHARE CAPITAL		
(a) Authorised Capital		
3,00,00,000 Equity Shares of ₹ 10/- Each	300,000,000	300,000,000
	300,000,000	300,000,000
(b) Issued, Subscribed & Paid Up		
1,68,89,000 Equity Shares of ₹ 10/- Each Fully Paid Up	168,890,000	168,890,000
	168,890,000	168,890,000
(c) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY		
Name of the Shareholder	As at 31st March 2014	As at 31st March 2013
	No. of	No. of
	Shares Held	Shares Held
	% of	% of
	Holding	Holding
MANISHA AGARWAL	1,200,000	1,200,000
	7.11	7.11
OM PRAKASH AGARWAL	1,242,600	1,242,600
	7.36	7.36

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
2 RESERVE & SURPLUS		
Capital Reserve		
Opening Balance	233,000	233,000
Closing Balance	TOTAL (a) 233,000	233,000
Security Premium A/C		
Op. Balance	37,315,000	37,315,000
Closing Balance	TOTAL (b) 37,315,000	37,315,000
Surplus/(Deficit)		
Opening Balance	(10,973,535)	(11,130,046)
Profit for the year	110,692	156,511
Closing Balance	TOTAL (c) (10,862,843)	(10,973,535)
	TOTAL (a+b+c) 26,685,157	26,574,465
3 LONG-TERM BORROWING		
Car Loan from Bank	2,465,248	-
TOTAL	2,465,248	-

SVAM SOFTWARE LIMITED

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
4 TRADE PAYABLES		
Sundry Creditors:		
Due to Micro and Small Enterprises	-	-
Due to other than Micro and Small Enterprises	53,382,002	99,847,795
TOTAL	53,382,002	99,847,795
5 SHORT-TERM PROVISIONS		
For Income Tax	40,532	117,226
TOTAL	40,532	117,226
6 OTHER CURRENT LIABILITIES		
Statutory Dues (VAT PAYABLE)	20,826	11,279
Audit Fee Payable	44,944	-
Other liabilities	179,642	29,271,596
TOTAL	245,412	29,282,875

7 FIXED ASSETS

Particulars	Dep. Rate	Gross Block					Accumulated Depreciation					Net Block	
		Balance as at 1 April, 2013	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March, 2013	Balance as at 1 April, 2013	Balance as at 31 March, 2014
Tangible Assets													
Motor Car	0.2588	0	4362920	0	0	4362920	0	753040	0	0	753040	0	3609880
Office Equipments	0.0475	1062505	0	0	0	1062505	980275	31249	0	0	1011524	82230	50981
TOTAL		1062505	4362920	0	0	5425425	980275	784289	0	0	1764564	82230	3660861

8 NON-CURRENT INVESTMENTS
Investment in Equity Instruments
Other than Trade - Quoted

 27 Equity Shares of ₹ 10/- each fully paid up Reliance Power Limited 7,310 7,310
Other than Trade - Unquoted
Investment in Subsidiary Company

 100000 Equity Shares of Deby Exim Limited 1,000,000
 of ₹ 10/- each fully paid up

 100000 Equity Shares of Apron Estates Limited 1,000,000
 of ₹ 10/- each fully paid up

 100000 Equity Shares of Phoebe Infotech Limited 1,000,000
 of ₹ 10/- each fully paid up

TOTAL **3,007,310** **7,310**

Aggregate amount of quoted investments.

1,899 7,310

Market Value of Reliance Power Ltd is ₹ 70.35 as on 31.03.2014

SVAM SOFTWARE LIMITED

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
9 INVENTORIES		
(Cost or Market Price Whichever is lower)		
Stock-in-Trade	7,697,313	9,567,503
TOTAL	7,697,313	9,567,503
10 TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Over Six Months	-	3,447,933
Others	51,776,314	74,129,042
TOTAL	51,776,314	77,576,975
11 CASH & CASH EQUIVALENTS		
Cash in Hand	167,832	521,702
Balances with Scheduled Banks		
(i) In Current Accounts	330,828	1,856,796
(ii) In Fixed Deposit Accounts	121,872	121,872
(iii) In Securities	42,385	42,385
TOTAL	662,917	2,542,755
12 SHORT-TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
OTHERS		
Advances Recoverable in Cash or in Kind or Value to be Received	182,465,936	259,609,760
MAT Credit	270,553	270,553
TOTAL	182,736,489	259,609,760
13 OTHER CURRENT ASSETS		
Tax Deducted at Source	1,244,226	1,067,733
TOTAL	1,244,226	1,338,286
14 SALES OF PRODUCTS & SERVICES		
Sales of products	81,574,343	148,461,906
TOTAL	81,574,343	148,461,906

SVAM SOFTWARE LIMITED

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
15 OTHER INCOME		
Interest received.& other income	4,345,174	2,572,211
TOTAL	4,345,174	2,572,211
16 CHANGES IN INVENTORIES OF STOCK IN TRADE		
Opening Balance of Stock-in-Trade	9,567,503	9,063,434
Less: Closing Balance of Stock-in-Trade	7,697,313	9,567,503
(Increase)/Decrease in Stock-in-Trade	1,870,190	(504,069)
17 EMPLOYEES BENEFITS EXPENSES		
Salarie to Staff	1,275,000	2,081,433
Employers Contribution to Providend Fund	7,704	5,136
Employers Contribution to ESI	3,372	1,967
Employee Welfare Expenses	380,980	
TOTAL	1,667,056	2,088,536
18 ADMINISTRATION & OTHER EXPENSES		
Remuneration to Auditors:		
As Statutory Audit Fee	28,090	33,708
As Tax Audit Fee	16,854	11,236
Legal & Professional Expenses	11,500	23,250
Advertisement Expenses	37,524	39,434
Travelling & Conveyance Expenses	339,884	98,584
Car Running & Maintainance Expenses	205,600	92,541
Postage, Courier & Telephone	18,285	253,300
Printing & Stationary	180,475	541,120
Rent, Rates & Insurance	839,112	831,600
Electricity Expenses	95,740	85,740
Bank Charges	4,233	11,121
Interest on B.M.W car Loan	172,198	-
Interest on Late Payment of VAT	655	-
AGM/EGM & Shares transfer Expenses	472,860	65,669
BSE FEES	167,864	126,484
Filling Fees	-	2,000
Misc. Expenses	106,970	-
TOTAL	2,697,844	2,215,787

NOTE-19

A. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

i) Basis of Accounting:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 and wherever applicable as per the provisions of the Companies Act, 2013.

ii) Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made based on the current working that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of financial statements and the reported amount of revenues and expenses for the reporting period. Difference between the actual and the estimates, if any, are accounted for in the period in which such differences are known/materialized.

iii) Fixed Assets:

Fixed assets are stated at its purchase price including direct expenses, finance cost till it is put to use net of recoverable taxes. If the fixed assets are revalued then they are stated at revalued amount. Accumulated depreciation, impairment loss, if any, is reduced from the fixed assets and shown under the net asset value on the reporting date. The cost including additions, improvements, renewals, revalued amount and accumulated depreciation of assets which are sold and/or discarded and/or impaired, are removed from the fixed assets and any profit or loss resulting there from is included in the Statement of Profit & Loss and the residual value of the revalued amount is withdrawn from such reserves created for the purpose.

iv) Depreciation and Amortization:

Depreciation is provided on assets according to Written down Value method at the rates prescribed in the Companies Act, 1956. Depreciation of the assets added / disposed off / impaired during the year is provided on pro-rata basis.

v) Impairment of Assets:

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. In case of impaired revalued assets, the impaired loss on the residual value is withdrawn from such reserves created for the purpose. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

vi) Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- b) Year-end balance of assets and liabilities in foreign currencies are translated at the year-end rates and difference between year-end balance and such restated balance are dealt in under Exchange rate difference in the profit and loss statement.
- c) The difference arising out of the actual settlement on realization / payment are dealt with in the Statement of Profit & Loss under Exchange Rate Difference arising on such transactions.

vii) Related Party Disclosure:

In accordance with the requirements of Accounting Standards (AS) – 18 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and descriptions of relationships, as identified and certified by the management, are:

Key Management Personnel

1. Key Managerial Person

- Mr. Rajeev Garg
- Mr. Harshwardhan M. Koshal
- Mr. Sudhir Kumar Agarwal
- Mr. Neeraj Khetarpal
- Mrs. Manisha Agarwal

SVAM SOFTWARE LIMITED

2. Subsidiary

- Apron Estates Limited
- Deby Exim Limited
- Phoebe Infotech Limited

As informed by the management there was no related party transactions made during the year.

viii) Investments:

Investments wherever readily realizable and intended to be held not more than one year from the date of such investments are made, are qualified as current investments. Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

ix) Inventories:

Items of inventories such as raw materials and Stock-in-Trade, Finished Goods are measured at lower of cost or net realizable value after providing for obsolescence if any. Work-in-progress is valued at estimated cost and stocks & spare parts, dyes & chemicals, packing materials etc. are valued at cost. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them in their present condition. Cost of raw materials, stock in process, stock in trade and finished goods are determined on average cost basis.

x) Revenue Recognition:

Revenue is recognized only when it can be definitely measured and it is reasonable to expect final collection. Revenue from operations includes sale of goods after adjustment of discounts (net) and return of goods. Export benefit entitlement to the Company under Drawback, DEPB, DFIA is recognized in the year of export on accrual basis wherever it is ascertainable with reasonable accuracy. Dividend income is recognized on actual receipt basis. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

xi) Employee Benefits:

a) Short-term Employee Benefits

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

b) Post-employment Benefits

Defined Contribution Plans

Contributions towards provident funds are recognized as expense. Provident fund contributions in respect of certain employees are made to Trust administered by the Company, the interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall if any, is made good by the Company. The remaining provident fund contributions are made to government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

xii) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when the qualifying asset is ready for intended use.

xiii) Deferred Taxation:

Deferred Taxation is provided using the liability method in respect of taxation effect arising from material timing difference between the accounting and tax treatment of Income & Expenditure based on tax rates prevailing at the time of Balance Sheet date. Deferred Taxation so provided is reviewed at each Balance Sheet date for necessary adjustments.

xiv) Earning per Share:

Basic earning per share is calculated by dividing the net Profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

SVAM SOFTWARE LIMITED

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by weighted average number of equity shares outstanding during the year after adjusting for the effects of dilutive options.

xv) Events occurring after Balance Sheet Date:

Events occurring after the balance sheet date have been considered in the preparation of financial statements.

xvi) Contingent Liabilities:

Unprovided liabilities of contingent nature are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

xvii) Research & Development Expenditure:

- Capital Expenditure is included in Fixed Assets & Capital Work-in-Progress and depreciation is provided at the respective applicable rates.
- Revenue Expenditure is charged in the year in which they are incurred.

xviii) Cash Flow Statement:

The Company adopts the Indirect Method in preparation of Cash Flow Statement. For the purpose of Cash Flow Statement Cash & Cash equivalents consists of Cash on Hand, Cash at Bank.

B: NOTES TO ACCOUNTS:

- Estimated amount of Contract Remaining to be Executed on Capital Account and Not provided for, NIL(PY. NIL)

2. Contingent Liabilities:

	As on 31.03.14	As on 31.03.13
- Guarantees given by the company	NIL	NIL
- On a/c of Rent Pending Litigation in Court	NIL	6,94,800/-

- The Company is engaged in the business of trading & development of Software packages.
- Quantitative information required to be given under paragraph 3, 4C and 4D pursuant to part II, Schedule VI of the companies Act 1956

a) Sales and Purchase

Particulars	Qty	Amount (₹)	Qty	Amount (₹)
		As at 31.03.2014		As at 31.03.2013
(i) Sales				
Hardware Packages & Software Package (F.G)	1810	81574343	1378	148461906
(ii) Purchases				
Hardware Packages & Software Package (F.G)	1806	78681044	1379	146568194

*Sales and Purchases include development of software, the quantitative details whereof are not possible.

b) Opening and Closing Stock

Particulars	Qty	Amount (₹)	Qty	Amount (₹)
		As at 31.03.2014		As at 31.03.2013
(iii) Opening Stock				
Finished Goods Hardware Package & Software Package	1184	9567503	1183	9063433
(iv) Closing Stock				
Finished Goods Hardware Package & Software Package	1180	7697313	1184	9567503

SVAM SOFTWARE LIMITED

5. Deferred Tax Assets for the year ended 31.03.2014 Comprises of:

Particulars	As on 01.04.2013	During the year	As on 31.03.2014
On account of Difference of book Depreciation & Tax Depreciation	792382	(46463)	745919
On account of Brought Forward Losses and allowances	198409	(21407)	177002
Total	990791	(67870)	922921

6. CIF Value of Imports NIL(P.Y. NIL)
7. Earning and Expenditure in Foreign Exchange
- a) Earnings \$39,950(P.Y. NIL)
- b) Expenditure NIL(P.Y. NIL)

8. **Segment Reporting**

The Companies core activity is to develop and trade in computer software. This is the only business segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

9. **Earning Per Share:**

Particulars	Current Year	Previous Year
Net Profit/Loss after tax	110692	156511
Number of Equity Shares held	16889000	16889000
Basic and Diluted Earning per share	0.01	0.01

10. **Remuneration to Auditors:** As required under item 4B of schedule VI of Companies Act, following amounts have been paid to auditors:

Particulars	2013-2014	2012-2013
a) As Audit Fee	28,090/-	25,000/-
As Tax Audit Fees	16,854/-	19,944/-
b) As Advisor, or in any other capacity	Nil	Nil

11. In the opinion of the Board, the value of current assets, Loans & advances if realized in the ordinary course of Business shall not be less than the amount at which those are stated in the Balance Sheet.
12. No Provision has been made for Leave encashment, gratuity and other retirement benefits, which are accounted for on payment basis only.
13. Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any will be made during the period in which the same are fully reconciled.
15. All Known Liabilities have been accounted for in the books of account.
16. Previous year's figures have been regrouped/ rearranged wherever necessary.
17. The additional Information pursuant to revised Schedule VI to the Companies Act, 1956 are either Nil or Not Applicable.

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Place : New Delhi
Dated : 30/05/2014

For and on behalf of the Board
SVAM Software Limited

Sd/-
(Managing Director)

Sd/-
(Director)

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
SVAM SOFTWARE LIMITED

Report on the consolidated financial statement

We have audited the accompanying financial statements of SVAM SOFTWARE LIMITED (the company) its subsidiaries and jointly controlled entities (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2014, and the consolidated statement of profit and loss and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the financial position, consolidated financial performance and consolidated cash flows of the company in accordance with the accounting standards notified under the companies Act, 1956 (the Act)(which continue to be applicable in respect of section 133 of the companies Act,2013 in terms of general Circular 15/2013 dated 13th September, 2013 of the Ministry of corporate Affairs. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- a. in the case of the consolidated balance sheet, of the state of affairs of the Group as at march 31, 2014;
- b. in the case of the consolidated statement of profit and loss account, of the profit/ loss for the year ended on that date; and
- c. in the case of the consolidated cash flow statement, of the cash flows of the Group for the year ended on that date.

For **M/S. SNMG & COMPANY**
Chartered Accountants
(Firm Reg. No. 004921N)

Sd/-
CA. NEERAJ GUPTA
(PARTNER)
M.No. 087004

Place : New Delhi
Date : 30/05/2014

SVAM SOFTWARE LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in ₹)

Particulars	Note	31st March, 2014	31st March, 2013
A EQUITY AND LIABILITIES			
(i) Shareholder's Funds			
(a) Share Capital	1	168,890,000	168,890,000
(b) Reserves and Surplus	2	26,685,157	26,574,465
(ii) 0% Convertible Bond Application Money		-	27,003,250
(iii) Non Current Liabilities			
Long Term Borrowing	3	2,465,248	-
(iv) Current Liabilities			
(a) Trade Payables	4	53,382,002	99,847,795
(b) Short-Term Provisions	5	40,532	117,226
(c) Other Current Liabilities	6	245,412	29,282,875
		<u>251,708,351</u>	<u>351,715,611</u>
B ASSETS			
(i) Non-Current Assets			
(a) Fixed Assets			
i) Tangible assests	7	3,660,861	82,231
(b) Non-Current Investments	8	7,310	7,310
(c) Deffered Tax Assets (net)		922,921	990,791
(d) Non-Current Assets	9	138,000	-
(ii) Current Assets			
(a) Inventories	10	7,697,313	9,567,503
(b) Trade Receivables	11	51,776,314	77,576,975
(c) Cash and Cash Equivalentents	12	3,524,917	2,542,755
(d) Short Term Loan & Advances	13	182,736,489	259,609,760
(e) Other Current Assets	14	1,244,226	1,338,286
		<u>251,708,351</u>	<u>351,715,611</u>

Significant Accounting Policies and Other Notes Forming Part of the Financial Statements 20

Notes referred to herein form an integral part of the Financial Statement

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board
SVAM Software Limited

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Sd/-
RAJEEV GARG
(Managing Director)
DIN No. 02216829

Sd/-
SUDHIR KUMAR AGARWAL
(Director)
DIN No. 00024935

Place : New Delhi
Dated : 30/05/2014

SVAM SOFTWARE LIMITED

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

(Amount in ₹)

Particulars	Note	31st March, 2014	31st March, 2013
I. Revenue from Operations:			
Sales of Products & Services	15	81,574,343	148,461,906
II Other Income	16	4,345,174	2,572,211
III Total Revenue (I+II)		<u>85,919,517</u>	<u>151,034,117</u>
IV Expenses:			
Purchase of Stock- in-Trade		78,681,044	146,568,194
Changes in Inventories of Stock-in-Trade	17	1,870,190	(504,069)
Employee Benefits Expense	18	1,667,056	2,088,536
Depreciation and Amortisation Expenses	7	784,289	50,469
Administrative & Other Expenses	19	2,697,844	2,215,787
Total Expenses		<u>85,700,423</u>	<u>150,418,917</u>
V Profit Before Exceptional and Extraordinary items and Tax (III-IV)		219,094	615,200
VI Exceptional Items		-	-
VII Profit Before Extraordinary items and Tax (V-VI)		219,094	615,200
VIII Extrarordinary Items		-	-
IX Profit Before Tax (VII-VIII)		219,094	615,200
X Tax Expenses:			
(1) Current Tax		40,532	117,226
(2) Deferred Tax		67,870	341,463
XI Profit / (Loss) for the period from Continuing Operations (VII-VIII)		110,692	156,511
XII Profit / (Loss) for the Period transferred to Reserve & Surplus		<u>110,692</u>	<u>156,511</u>
XIII Earning per Equity Share:			
(1) Basic		0.01	0.01
(2) Diluted		0.01	0.01

Significant Accounting Policies and Other Notes Forming Part of the Financial Statements 20

Notes referred to herein form an integral part of the Financial Statement

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board
SVAM Software Limited

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Sd/-
RAJEEV GARG
(Managing Director)
DIN No. 02216829

Sd/-
SUDHIR KUMAR AGARWAL
(Director)
DIN No. 00024935

Place : New Delhi
Dated : 30/05/2014

SVAM SOFTWARE LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2014

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before taxation, and extraordinary items	219,094	615,200
Adjustment for:		
Depreciation	784,289	50,469
Operating Profit Before Working Capital Changes	1,003,383	665,669
Adjustment for:		
(Increases)/Decreases in Inventories	1,870,190	(504,069)
Increases/(Decreases) in Trade Payables & Others Liabilities	(75,503,256)	8,309,522
(Increases)/Decreases in Trade Receivables	25,800,661	56,883,283
(Increases)/Decreases in Other Current Assets	94,060	(86,659)
(Increases)/Decreases in Loan & Advances	76,873,271	(55,308,554)
Cash Generated from Operations	30,138,309	9,959,192
Direct Taxes paid	(117,226)	(132,341)
Net Cash From Operating Activities(A)	30,021,083	9,826,851
B CASH FLOW FROM INVESTING ACTIVITIES:		
Preliminary Expenses Paid	(138,000)	-
Purchase of Fixed Assets	(4,362,920)	-
Net Cash used in Investing Activities (B)	(4,500,920)	-
C CASH FLOW FROM FINANCING ACTIVITIES:		
0% Convertible Bond Application Money Received / (Paid)	(27,003,250)	(10,719,250)
Loan Taken	2,465,248	-
Net Cash used in Financing Activities (C)	(24,538,002)	(10,719,250)
Net Increase/(Decrease) in cash and cash equivalents(A+B+C)	982,162	(892,399)
Cash & Cash Equivalents as at beginning of the year	2,542,755	3,435,154
Cash & Cash Equivalents as at Closing of the year	3,524,917	2,542,755

Notes referred to herein form an integral part of the Financial Statement

 For **M/s SNMG & CO.**
 Chartered Accountants
 F.R.N. 004921N

 For and on behalf of the Board
SVAM Software Limited

 Sd/-
(NEERAJ GUPTA)
 Partner
 Membership No. 087004

 Sd/-
RAJEEV GARG
 (Managing Director)
 DIN No. 02216829

 Sd/-
SUDHIR KUMAR AGARWAL
 (Director)
 DIN No. 00024935

 Place : New Delhi
 Dated : 30/05/2014

SVAM SOFTWARE LIMITED
Notes Forming Part of Consolidated Balance Sheet and Statement of Profit & Loss

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
1 SHARE CAPITAL		
(a) Authorised Capital		
3,00,00,000 Equity Shares of ₹ 10/- Each	300,000,000	300,000,000
	300,000,000	300,000,000
(b) Issued, Subscribed & Paid Up		
1,68,89,000 Equity Shares of ₹ 10/- Each Fully Paid Up	168,890,000	168,890,000
	168,890,000	168,890,000
(c) DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY		
Name of the Shareholder	As at 31st March 2014	As at 31st March 2013
	No. of	No. of
	Shares Held	Shares Held
	% of	% of
	Holding	Holding
MANISHA AGARWAL	1,200,000	1,200,000
	7.11	7.11
OM PRAKASH AGARWAL	1,242,600	1,242,600
	7.36	7.36

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
2 RESERVE & SURPLUS		
Capital Reserve		
Opening Balance	233,000	233,000
Closing Balance	233,000	233,000
Security Premium A/C		
Op. Balance	37,315,000	37,315,000
Closing Balance	37,315,000	37,315,000
Surplus/(Deficit)		
Opening Balance	(10,973,535)	(11,130,046)
Profit for the year	110,692	156,511
Closing Balance	(10,862,843)	(10,973,535)
TOTAL (a+b+c)	26,685,157	26,574,465
3 LONG-TERM BORROWING		
Car Loan from Bank	2,465,248	-
TOTAL	2,465,248	-

Particulars	31st March, 2014	31st March, 2013
--------------------	-------------------------	-------------------------

4 TRADE PAYABLES
Sundry Creditors

Due to Micro and Small Enterprises	-	-
Due to other than Micro and Small Enterprises	53,382,002	99,847,795
TOTAL	53,382,002	99,847,795

5 SHORT-TERM PROVISIONS

For Income Tax	40,532	117,226
For Income Tax	-	-
TOTAL	40,532	117,226

6 OTHER CURRENT LIABILITIES

Statutory Dues (VAT PAYABLE)	20,826	11,279
Audit Fee Payable	44,944	-
Other liabilities	179,642	29,271,596
TOTAL	245,412	29,282,875

7 FIXED ASSETS

Particulars	Dep. Rate	Gross Block					Accumulated Depreciation					Net Block		
		Balance as at 1 April, 2013	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31 March, 2014	Balance as at 1 April, 2013	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March, 2013	Balance as at 1 April, 2013	Balance as at 31 March, 2014	
Tangible Assets														
Motor Car	0.2589	0	4362920	0	0	4362920	0	753040	0	0	753040	0	3609880	
Office Equipments	0.0475	1062505	0	0	0	1062505	980275	31249	0	0	1011524	82230	50981	
TOTAL		1062505	4362920	0	0	5425425	980275	784289	0	0	1764564	82230	3660861	

8 NON-CURRENT INVESTMENTS
Investment in Equity Instruments
Other than Trade - Quoted

27 Equity Shares of ₹ 10/- each fully paid up Reliance Power Limited	7,310	7,310
TOTAL	7,310	7,310

Aggregate amount of quoted investments.	1,899	7,310
Market Value of Reliance Power Ltd is ₹ 70.35 as on 31.03.2014		

9 NON-CURRENT ASSETS

Misc. Expenditure not Written-off	-	-
Preliminary Expenses not Written-off	138,000	-
TOTAL	138,000	-

SVAM SOFTWARE LIMITED

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
10 INVENTORIES		
(Cost or Market Price Whichever is lower)		
Stock-in-Trade	7,697,313	9,567,503
TOTAL	7,697,313	9,567,503
11 TRADE RECEIVABLES		
(Unsecured and Considered Good)		
Over Six Months	-	3,447,933
Others	51,776,314	74,129,042
TOTAL	51,776,314	77,576,975
12 CASH & CASH EQUIVALENTS		
Cash in Hand	329,832	521,702
Balances with Scheduled Banks		
(i) In Current Accounts	3,030,828	1,856,796
(ii) In Fixed Deposit Accounts	121,872	121,872
(iii) In Securities	42,385	42,385
TOTAL	3,524,917	2,542,755
13 SHORT-TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Advances Recoverable in Cash or in Kind or Value to be Received	182,465,936	259,609,760
MAT Credit	270,553	270,553
TOTAL	182,736,489	259,609,760
14 OTHER CURRENT ASSETS		
Tax Deducted at Source	1,244,226	1,067,733
TOTAL	1,244,226	1,338,286
15 SALES OF PRODUCTS & SERVICES		
Sales of products	81,574,343	148,461,906
TOTAL	81,574,343	148,461,906

SVAM SOFTWARE LIMITED

(Amount in ₹)

Particulars	31st March, 2014	31st March, 2013
16 OTHER INCOME		
Interest received.& other income	4,345,174	2,572,211
TOTAL	4,345,174	2,572,211
17 CHANGES IN INVENTORIES OF STOCK IN TRADE		
Opening Balance of Stock-in-Trade	9,567,503	9,063,434
Less: Closing Balance of Stock-in-Trade	7,697,313	9,567,503
(Increase)/Decrease in Stock-in-Trade	1,870,190	(504,069)
18 EMPLOYEES BENEFITS EXPENSES		
Salarie to Staff	1,275,000	2,081,433
Employers Contribution to Providend Fund	7,704	5,136
Employers Contribution to ESI	3,372	1,967
Employee Welfare Expenses	380,980	
TOTAL	1,667,056	2,088,536
19 ADMINISTRATION & OTHER EXPENSES		
Remuneration to Auditors:		
As Statutory Audit Fee	28,090	33,708
As Tax Audit Fee	16,854	11,236
Legal & Professional Expenses	11,500	23,250
Advertisement Expenses	37,524	39,434
Travelling & Conveyance Expenses	339,884	98,584
Car Running & Maintainance Expenses	205,600	92,541
Postage, Courier & Telephone	18,285	253,300
Printing & Stationary	180,475	541,120
Rent, Rates & Insurance	839,112	831,600
Electricity Expenses	95,740	85,740
Bank Charges	4,233	11,121
Interest on B.M.W car Loan	172,198	-
Interest on Late Payment of VAT	655	-
AGM/EGM & Shares transfer Expenses	472,860	65,669
BSE FEES	167,864	126,484
Filling Fees	-	2,000
Misc. Expenses	106,970	-
TOTAL	2,697,844	2,215,787

SVAM SOFTWARE LIMITED

NOTE-20

A. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

i) **Basis of Accounting:**

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956 and wherever applicable as per the provisions of the Companies Act, 2013.

ii) **Use of Estimates:**

The preparation of financial statements requires estimates and assumptions to be made based on the current working that affect the reported amount of assets and liabilities (including contingent liabilities) on the date of financial statements and the reported amount of revenues and expenses for the reporting period. Difference between the actual and the estimates, if any, are accounted for in the period in which such differences are known/materialized.

iii) **Fixed Assets:**

Fixed assets are stated at its purchase price including direct expenses, finance cost till it is put to use net of recoverable taxes. If the fixed assets are revalued then they are stated at revalued amount. Accumulated depreciation, impairment loss, if any, is reduced from the fixed assets and shown under the net asset value on the reporting date. The cost including additions, improvements, renewals, revalued amount and accumulated depreciation of assets which are sold and/or discarded and/or impaired, are removed from the fixed assets and any profit or loss resulting there from is included in the Statement of Profit & Loss and the residual value of the revalued amount is withdrawn from such reserves created for the purpose.

iv) **Depreciation and Amortization:**

Depreciation is provided on assets according to Written down Value method at the rates prescribed in the Companies Act, 1956. Depreciation of the assets added / disposed off / impaired during the year is provided on pro-rata basis.

v) **Impairment of Assets:**

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. In case of impaired revalued assets, the impaired loss on the residual value is withdrawn from such reserves created for the purpose. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

vi) **Foreign Currency Transactions:**

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of transaction.
- b) Year-end balance of assets and liabilities in foreign currencies are translated at the year-end rates and difference between year-end balance and such restated balance are dealt in under Exchange rate difference in the profit and loss statement.
- c) The difference arising out of the actual settlement on realization / payment are dealt with in the Statement of Profit & Loss under Exchange Rate Difference arising on such transactions.

vii) **Related Party Disclosure:**

In accordance with the requirements of Accounting Standards (AS) – 18 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and descriptions of relationships, as identified and certified by the management, are:

1. **Key Managerial Person**

- Mr. Rajeev Garg
- Mr. Harshwardhan M. Koshal
- Mr. Sudhir Kumar Agarwal
- Mr. Neeraj Khetarpal
- Mrs. Manisha Agarwal

SVAM SOFTWARE LIMITED

2. Subsidiary

- Apron Estates Limited
- Deby Exim Limited
- Phoebe Infotech Limited

As informed by the management there was no related party transactions made during the year.

viii) Investments:

Investments wherever readily realizable and intended to be held not more than one year from the date of such investments are made, are qualified as current investments. Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

ix) Inventories:

Items of inventories such as raw materials and Stock-in-Trade, Finished Goods are measured at lower of cost or net realizable value after providing for obsolescence if any. Work-in-progress is valued at estimated cost and stocks & spare parts, dyes & chemicals, packing materials etc. are valued at cost. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them in their present condition. Cost of raw materials, stock in process, stock in trade and finished goods are determined on average cost basis.

x) Revenue Recognition:

Revenue is recognized only when it can be definitely measured and it is reasonable to expect final collection. Revenue from operations includes sale of goods after adjustment of discounts (net) and return of goods. Export benefit entitlement to the Company under Drawback, DEPB, DFIA is recognized in the year of export on accrual basis wherever it is ascertainable with reasonable accuracy. Dividend income is recognized on actual receipt basis. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

xi) Employee Benefits:

a) Short-term Employee Benefits

Short-term Employee Benefits (i.e. benefits payable within one year) are recognized in the period in which employee services are rendered.

b) Post-employment Benefits

Defined Contribution Plans

Contributions towards provident funds are recognized as expense. Provident fund contributions in respect of certain employees are made to Trust administered by the Company, the interest rate payable to the members of the Trust is not lower than the rate of interest declared annually by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and shortfall if any, is made good by the Company. The remaining provident fund contributions are made to government administered provident fund towards which the Company has no further obligations beyond its monthly contributions.

xii) Borrowing Cost:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred. Capitalization of borrowing costs ceases when the qualifying asset is ready for intended use.

xiii) Deferred Taxation:

Deferred Taxation is provided using the liability method in respect of taxation effect arising from material timing difference between the accounting and tax treatment of Income & Expenditure based on tax rates prevailing at the time of Balance Sheet date. Deferred Taxation so provided is reviewed at each Balance Sheet date for necessary adjustments.

SVAM SOFTWARE LIMITED
xiv) Earning per Share:

Basic earning per share is calculated by dividing the net Profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit attributable to equity shareholders by weighted average number of equity shares outstanding during the year after adjusting for the effects of dilutive options.

xv) Events occurring after Balance Sheet Date:

Events occurring after the balance sheet date have been considered in the preparation of financial statements.

xvi) Contingent Liabilities:

Unprovided liabilities of contingent nature are disclosed in the accounts by way of notes giving nature and quantum of such liabilities.

xvii) Research & Development Expenditure:

a) Capital Expenditure is included in Fixed Assets & Capital Work-in-Progress and depreciation is provided at the respective applicable rates.

b) Revenue Expenditure is charged in the year in which they are incurred.

xviii) Cash Flow Statement:

The Company adopts the Indirect Method in preparation of Cash Flow Statement. For the purpose of Cash Flow Statement Cash & Cash equivalents consists of Cash on Hand, Cash at Bank.

B: NOTES TO ACCOUNTS:

1. Estimated amount of Contract Remaining to be Executed on Capital Account and Not provided for, NIL(PY. NIL)

2. Contingent Liabilities:	As on 31.03.14	As on 31.03.13
- Guarantees given by the company	NIL	NIL
- On a/c of Rent Pending Litigation in Court	NIL	6,94,800/-

3. The Company is engaged in the business of trading & development of Software packages.

4. Quantitative information required to be given under paragraph 3, 4C and 4D pursuant to part II, Schedule VI of the companies Act 1956

a) Sales and Purchase

Particulars	Qty	Amount (₹)	Qty	Amount (₹)
		As at 31.03.2014		As at 31.03.2013
(i) Sales				
Hardware Packages & Software Package (F.G)	1810	81574343	1378	148461906
(ii) Purchases				
Hardware Packages & Software Package (F.G)	1806	78681044	1379	146568194

*Sales and Purchases include development of software, the quantitative details whereof are not possible.

b) Opening and Closing Stock

Particulars	Qty	Amount (₹)	Qty	Amount (₹)
		As at 31.03.2014		As at 31.03.2013
(iii) Opening Stock				
Finished Goods Hardware Package & Software Package	1184	9567503	1183	9063433
(iv) Closing Stock				
Finished Goods Hardware Package & Software Package	1180	7697313	1184	9567503

5. Deferred Tax Assets for the year ended 31.03.2014 Comprises of:

Particulars	As on 01.04.2013	During the year	As on 31.03.2014
On account of Difference of book Depreciation & Tax Depreciation	792382	(46463)	745919
On account of Brought Forward Losses and allowances	198409	(21407)	177002
Total	990791	(67870)	922921

6. CIF Value of Imports NIL(P.Y. NIL)
7. Earning and Expenditure in Foreign Exchange \$39,950(P.Y. NIL)
- a) Earnings NIL(P.Y. NIL)
- b) Expenditure NIL(P.Y. NIL)

8. Segment Reporting

The Companies core activity is to develop and trade in computer software. This is the only business segment as per Accounting Standard 17 issued by the Institute of Chartered Accountants of India.

9. Earning Per Share:

Particulars	Current Year	Previous Year
Net Profit/Loss after tax	110692	156511
Number of Equity Shares held	16889000	16889000
Basic and Diluted Earning per share	0.01	0.01

10. Remuneration to Auditors: As required under item 4B of schedule VI of Companies Act, following amounts have been paid to auditors:

Particulars	2013-2014	2012-2013
a) As Audit Fee	28,090/-	25,000/-
As Tax Audit Fees	16,854/-	19,944/-
b) As Advisor, or in any other capacity	Nil	Nil

11. In the opinion of the Board, the value of current assets, Loans & advances if realized in the ordinary course of Business shall not be less than the amount at which those are stated in the Balance Sheet.
12. No Provision has been made for Leave encashment, gratuity and other retirement benefits, which are accounted for on payment basis only.
13. Balance confirmations, Sundry Debtors, Sundry Creditors, Deposits and the parties to whom the advances are given are subject to reconciliation and such are as per books of accounts only. Adjustment thereto having an impact of revenue nature, if any will be made during the period in which the same are fully reconciled.
15. All Known Liabilities have been accounted for in the books of account.
16. Previous year's figures have been regrouped/ rearranged wherever necessary.
17. The additional Information pursuant to revised Schedule VI to the Companies Act, 1956 are either Nil or Not Applicable.

For **M/s SNMG & CO.**
Chartered Accountants
F.R.N. 004921N

For and on behalf of the Board
SVAM Software Limited

Sd/-
(NEERAJ GUPTA)
Partner
Membership No. 087004

Sd/-
RAJEEV GARG
(Managing Director)
DIN No. 02216829

Sd/-
SUDHIR KUMAR AGARWAL
(Director)
DIN No. 00024935

Place : New Delhi
Dated : 30.05.2014



SVAM SOFTWARE LIMITED

Registered Office: S-524, Vikas Marg, Shakarpur, Delhi -110 092

Tel: 011-43016535 **Fax:** 011-22482084

Email: svamsoftwareltd@gmail.com, **Website:** www.svamsoftwareltd.com

CIN: L72200DL1992PLC047327

PROXY FORM

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

22nd Annual General Meeting on Tuesday, the 30th September, 2014

Name of the members(s)	:
Registered address	:
E-mail Id	:
Folio No/DP ID-Client ID No.	:

I/We, being the member (s) ofshares of the above named company, hereby appoint

1. Name: E-mail Id:

Address: Signature:, or falling him/her

.....

2. Name: E-mail Id:

Address: Signature:, or falling him/her

.....

3. Name: E-mail Id:

Address: Signature:, or falling him/her

.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on Tuesday, the 30th September, 2014 at 10:00 A.M. at the registered office of the Company at S-524, Vikas Marg, Shakarpur, Delhi -110 092 and at any adjournment thereof in respect of such resolutions as are indicated below:

**I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution Number	Resolution	Against	For
	Ordinary Business		
1	To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2014 and the Auditors and Directors Report thereon		
2	To appoint M/S. DEEPAK I P AGARWAL & CO., CHARTERED ACCOUNTANTS in place of M/s SNMG & CO. CHARTERED ACCOUNTANTS as Statutory Auditors of the Company Special Business		
3	Appointment of Mr. Harshwardhan Koshal as an Independent Director		
4	Appointment of Mr. Neeraj Khetrpal as an Independent director.		
5	Appoinmtent of Mrs. Manisha Agarwal as an Director		

Signed this day of2014

Affix Revenue Stamp

.....
Signature of shareholder(s)

.....
Signature of Proxy holder(s)

Notes:

1. This form of the 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. ** It is optional to indicate your preference. If you leave the for, against column blank against any or all resolutions, your proxy will be titled to vote in the manner as he/she may deem appropriate.
3. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the 22nd Annual General Meeting.



SVAM SOFTWARE LIMITED

Registered Office: S-524, Vikas Marg, Shakarpur, Delhi -110 092

Tel: 011-43016535 Fax: 011-22482084

Email: svamsoftwareltd@gmail.com, Website: www.svamsoftwareltd.com

CIN: L72200DL1992PLC047327

BALLOT FORM

Name(s) of Shareholder(s)/ Beneficial Owner Including joint-holders, if any	:	
Registered Address of the Sole / First named Shareholder	:	
Registered Folio No. / Client ID No.	:	
No. of Shares held	:	

I / we hereby exercise my / our vote in respect of the Resolution / s to be passed through postal ballot for the business stated in the Notice of the Company by sending my / our assent / dissent to the said Resolution by placing Tick(✓) mark at the appropriate box below:

S. No.	Resolution Type	Particulars	I/We assent to the Resolution/s	I/We dissent to the Resolution/s
1.	Ordinary Resolution	To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2014 and the Auditors and Directors Report thereon		
2.	Ordinary Resolution	To appoint M/S. DEEPAK I P AGARWAL & CO., CHARTERED ACCOUNTANTS in place of M/s SNMG & CO. CHARTERED ACCOUNTANTS as Statutory Auditors of the Company		
3.	Ordinary Resolution	Appointment of Mr. Harshwardhan Koshal as an Independent Director		
4.	Ordinary Resolution	Appointment of Mr. Neeraj Khetrpal as an Independent director.		
5.	Ordinary Resolution	Appoinmtent of Mrs. Manisha Agarwal as an Director		

Place :

Date :

Signature of the Shareholder / Beneficial Owner