



SWAN ENERGY LIMITED

105TH ANNUAL REPORT

For the year ended 31.03.2013

From the Desk of Managing Director



Dear Shareholders,

It gives me great pleasure to present to you the Annual Report of Swan Energy Limited for the financial year 2012-13.

In these turbulent times, I am happy to say that your Company has made steady progress in each of its three business verticals; Textiles, Real estate and Clean energy.

Our state-of-the-art textile processing unit is now operating at high capacity utilisation and led a smart growth in our revenues for the year. The textile processing unit contributed largely to our total income of Rs. 287.36 crores in FY13, as compared to Rs. 149.18 crores in the previous year. Net profit for the current period stood at Rs. 20.53 crores.

We have also significantly deepened our presence in the Real estate sector. Our residential property project in Mumbai is now complete and the commercial property project is nearing completion. In addition to the above, we already have commercial properties in Bangalore and Hyderabad. We are also developing residential projects in Bangalore, Mangalore and Chennai. I am also glad to advise that SWAN currently has a land bank of 260 acres with a saleable area of 9.4 million sq.ft.

Our commitment to cleaner and sustainable development has achieved steady and concrete progress. Our innovative and 'first of its kind' LNG Floating Storage and Re-gasification project in India is making excellent progress. Located in Gujarat, the project has been recommended by the Technical Committee of the Ministry of Environment and forest for environment clearance. Equipment vessel suppliers have been short listed and negotiations are on for finalisation. It is important to note that the FSRU project has in place off-take arrangements with Gujarat State Petroleum Corporation (GSPC) and Bharat Petroleum Corporation Ltd. (BPCL) for utilisation of capacity on a long term commitment basis.

India's need and demand for Energy is enormous and growing rapidly. In this crucial context, the requirement of Natural Gas is estimated to grow at 16.3% (5 year C.A.G.R) compared to supply which is estimated to grow at 6.8%. Clearly, this presents an excellent opportunity for LNG importers and import infrastructure. Your company is well geared up to take advantage of this opportunity.

SWAN is well poised to be a part of emerging opportunities in the natural gas and real estate sectors. We are now well set on our growth path and FY14 should see further strengthening of this trend. We expect real estate to make a significant contribution to our revenue in FY14 onwards. We also expect to start executing the FSRU project this year.

Our professional team with impeccable experience and commitment would help us deliver value to all our stakeholders.

Yours sincerely

Nikhil V. Merchant
Managing Director



SWAN ENERGY LIMITED

BOARD OF DIRECTORS

CHAIRMAN

NAVINBHAI C. DAVE

DIRECTORS

RAJKUMAR SUKHDEV SINHJI

PITAMBER S. TECKCHANDANI

SHOBHAN I. DIWANJI

NAGARDAS H. PANCHAL

RAJAT KUMAR DAS GUPTA

PADMANABHAN SUGAVANAM, *Whole Time Director*

PARESH V. MERCHANT, *Executive Director*

NIKHIL V. MERCHANT, *Managing Director*

CHIEF FINANCIAL OFFICER

CHETAN K. SELARKA

COMPANY SECRETARY

ARUN S. AGARWAL

AUDITORS

V. R. RENUKA & CO.

REGISTERED OFFICE

6, Feltham House, 2nd Floor,
10, J.N. Heredia Marg,
Ballard Estate, Mumbai – 400 001.

105th ANNUAL GENERAL MEETING

**On Thursday, the 19th September, 2013
at 11.30 AM**

At Walchand Hirachand Hall, Indian Merchant
Chamber Building, 4th Floor, IMC Marg,
Churchgate, Mumbai – 400 020

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“A request”

Shareholders are requested to bring with them the attendance slip and their copy of the Balance Sheet.



NOTICE

Notice is hereby given that the 105th (One Hundred and Fifth) Annual General Meeting of the Company will be held on **Thursday, 19th September, 2013 at 11.30 A.M.** at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai - 400 020 to transact the following business:

ORDINARY BUSINESS :

Adoption of Audited Annual Accounts and Reports of the Auditors and Directors

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2013, the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.

Declaration of Dividend

2. To declare a dividend for the financial year ended 31st March, 2013 on the Equity Shares.

Re-appointment of Directors Retiring by Rotation

3. To appoint a Director in place of Mr. Rajkumar Sukhdevsinhji, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Navinbhai C. Dave, who retires by rotation and being eligible, offers himself for re-appointment.

Re-appointment of Statutory Auditors

5. To appoint M/s. V. R. Renuka & Company, Chartered Accountants, Mumbai as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration for the year ending 31st March, 2014.

SPECIAL BUSINESS:

Raising of Capital

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of all the Resolutions passed earlier in this regard and pursuant to the provisions of section 81(1A) and other applicable provisions of the Companies Act, 1956, (including any statutory modifications or re-enactments thereof for the time being in force) and subject to:

- a) the provisions of the memorandum and Articles of Association of the Company;
- b) the requirements of the Listing Agreement(s) entered into by the Company with the Stock Exchanges on which the Company's Shares are presently listed;
- c) the provisions of the Foreign Exchange Management Act, 1999 (FEMA), as amended, and all applicable regulations framed and notifications issued thereunder;
- d) the Securities and Exchange Board Of India (Issue of Capital And Disclosure Requirements) Regulations, 2009, as amended as applicable; including the regulations for Qualified Institutions Placement prescribed in Chapter VIII thereof;
- e) all other applicable rules, regulations, circulars, notifications, guidelines issued by Ministry of Finance, the reserve bank of India (RBI), the securities and Exchange board of India (SEBI) and all other governmental or regulatory bodies in India;
- f) obtaining and complying with all necessary approvals, consents, permissions and / or sanctions, as applicable for Foreign Direct Investment of the Government of India (GOI), the Foreign Investment Promotion Board (FIPB), RBI, SEBI, relevant Stock Exchanges, whether in India or overseas, all other appropriate regulatory and governmental authorities, whether in India or overseas, any institutions, lenders and any other third parties and subject to such conditions and modifications as may be prescribed by any of them whilst granting such approvals, consents, permissions and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include any committee(s) constituted or to be constituted for the purpose of any offering(s) to be made by the company in pursuance of this Resolution);



consent of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, in one or more tranches:

- (i) in the course of one or more domestic offering(s), and / or
- (ii) in the course of one or more international offering(s), in one or more foreign markets,

such number of Equity shares, with or without green shoe option, in the course of domestic and/or international offerings and/or Qualified Institutions Placements ("QIP"), secured or unsecured debentures, bonds or any other securities whether convertible into equity share or not, including, but not limited to, Foreign Currency Convertible Bonds ("FCCBs"), Optionally Convertible Debentures ("OCD"), Bonds with share warrants attached, Global Depositary Receipts ("GDRs"), American Depositary Receipts ("ADRs"), or any other equity related instrument of the Company or a combination of the foregoing including but not limited to a combination of equity shares with bonds and/or any other securities whether convertible into equity shares or not (hereinafter referred to as "Securities") whether rupee denominated or denominated in Foreign Currency, to any eligible person, including to Domestic / Foreign Investors / Institutional Investors/ Foreign Institutional Investors, non- resident Indians, Indian public, Individuals, Companies/ Corporate Bodies (Whether incorporated in India or Abroad), Mutual Funds, Banks, Insurance Companies, Pension Funds, Venture Capital Funds, Financial Institutions, Trusts, Qualified Institutional Buyers within the meaning of Chapter VIII of the SEBI ICDR Regulations, Stabilizing agents or other persons or entities, whether shareholders of the Company or not through a public issue and/or on a private placement basis and/or qualified institutions placement within the meaning of Chapter VIII of the SEBI ICDR Regulations and/or other kind of public issue and/or private placement or through a combination of the foregoing as may be permitted under applicable law from time to time, for an aggregate amount not exceeding ₹ 1200 Crores (Rupees One Thousand Two Hundred Crores only), whether to be listed on any stock exchange in India or any international stock exchanges outside India, through an offer document and/or prospectus and/or offer letter, and/or Placement Document and/or offering circular, and/or on public and/or private placement basis, at such price or prices and on such terms and conditions including security, rate of interests etc, as may be decided by and deemed appropriate by the board as per applicable law, including the discretion to determine the categories of Investors to whom the offer, issue and allotment shall be made, considering, the prevailing market conditions and other relevant factors wherever necessary in consultation with its advisors, as the board in its absolute discretion may deem fit and appropriate.

RESOLVED FURTHER THAT the Board is entitled to appoint, enter into and execute all such agreements with any Advisor(s), Lead Manager(s), Underwriter(s), Guarantor(s), Depository(ies), Trustee(s), Custodian(s), Legal Counsel(s) and all such other relevant agencies as may be involved or concerned with such offerings of securities and to remunerate all such agencies including by payment of commissions, brokerage, fee or the like.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board be and is hereby authorized to do all such acts, deeds, matters and the things, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the board be and is hereby authorized to form a committee or delegate all or any of its power to any Director(s) or committee of Directors/ Company Secretary/Other person authorized by the board to give effect to the aforesaid resolutions.

RESOLVED FURTHER THAT without prejudice to the generality of the foregoing, issue of the securities may be done upon all or any terms or combination of terms in accordance with international practices relating to the payment of interest, additional interest, premium on redemption, prepayment or any other debt service payments and all such terms as are provided customarily in an issue of securities of this nature."

**By Order of the Board of Directors
For Swan Energy Limited**

Arun S. Agarwal
Company Secretary

Mumbai, August 14, 2013

**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy, in order to be effective, should be deposited with the Company not less than Forty-eight hours before the commencement of Annual General Meeting. Proxy shall not vote except on a poll.
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, setting out all the material facts relating to item No. 6 of the Notice is annexed.
3. Pursuant to provisions of Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 7th September, 2013 to Wednesday, 11th September, 2013 (both days inclusive).
4. The dividend on equity shares, if approved at the meeting, will be paid to those members whose names are on the Company's Register of Members on Friday, 6th September, 2013. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the end of business hours on Friday, 6th September, 2013 as per the details furnished by the Depositories for this purpose.
5. Members holding shares in physical form are requested to intimate Registrar and Transfer Agents of the Company viz., Purva Sharegistry (India) Pvt. Ltd., Unit: Swan Energy Limited, 9, Shiv Shakti Ind Estate, J.R. Boricha Marg, Lower Parel, Mumbai – 400 011, changes, if any, in their bank details, registered address, etc. along with their pin code. Members holding shares in electronic form are requested to update such details with their respective Depository Participants.
6. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, Members are requested to note that dividend not encashed or claimed within seven years from the date of transfer to the Company's unpaid Account will be transferred to the Investor Education and Protection Fund (IEPF).
7. Re-appointment / Appointment of Directors:

The information required to be provided under the Listing Agreement in respect of Directors being appointed/ re-appointed is given herein below:

Name of the Director	Mr. Navinbhai C. Dave	Mr. Rajkumar Sukhdevsinhji
Brief Resume, experience and nature of expertise in functional area	Eminent industrialist and public personality, social oriented philanthropist and Educationist	Graduate in Economics. Ex-Chairman & MD, BPCL and Ex-MD, Essar Oil Ltd, having 50 years of rich experience in all functional areas related to the Oil and Gas Sector
Directorship held in other Public Companies	Nil	Asahi Songwon Colors Limited
Committee position held in other Public Companies	Nil	Nil
No. of Shares held in Swan Energy Limited	Nil	Nil

**By Order of the Board of Directors
For Swan Energy Limited**

Mumbai, August 14, 2013

Arun S. Agarwal
Company Secretary



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:-

Item No. 6:

At an Annual General Meeting (AGM) of the Company held on 18th September, 2012, the Members had accorded their approval for raising capital through a Qualified Institutions Placement (QIP) / Global depository Receipts (GDRs) / American Depository Receipts (ADRs) / Foreign Currency Convertible Bonds (FCCBs) / other securities upto an amount not exceeding ₹ 1200 crores (Rupees Twelve Hundred crores only) in the course of one or more domestic and / or international offering(s). The proceeds of the offerings were to be utilized to capitalize the Company adequately besides meeting the working requirements of the Company.

According to provisions of Chapter VIII of the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009, the Special Resolution passed by the Members for approving the proposal is valid for a period of twelve months from the date of passing the Special Resolution and hence, the validity of the Special Resolution passed will expire on 17/09/2013.

The proposal to raise capital could not be implemented due to unfavorable and uncertain market conditions. However the intention of the Company to raise capital still holds good and therefore, it is proposed to approach the potential investors to as and when there is an improvement in the situation. For this purpose, an enabling Resolution is being proposed to give necessary authority to the Board of Directors to decide and finalise the timing and the terms of the issue, subject to compliance with all applicable laws, rules, regulations, guidelines and approvals.

The detailed terms and conditions for the offer and the pricing of the securities shall be in compliance with applicable laws, guidelines and regulations and, further, the securities that may be issued to QIP shall be in accordance with SEBI guidelines which presently provide for a price not less than the average of the weekly high and low of the closing price of the Securities quoted on the Stock Exchanges during the two weeks preceding the "Relevant Date", which means the date of the meeting in which the Board of Directors decides to open the proposed issue.

The said Special Resolution, if passed, shall also have effect of allowing the Board, on behalf of the Company, to offer, issue and allot the Securities otherwise than on pro-rata basis to the existing Shareholders.

None of the Directors of the Company may be deemed to be concerned or interested in the said Resolution except to the extent to which they hold securities and / or may subscribe to the Securities, if any, as the case may be.

The Board of Directors believe that such offering(s) are in the interest of the Company and, therefore, recommends the Resolution for approval of the Members.

**By Order of the Board of Directors
For Swan Energy Limited**

Arun S. Agarwal
Company Secretary

Mumbai, August 14, 2013



DIRECTORS' REPORT

Your Directors have the pleasure to present herewith their 105th Annual Report with Audited Statement of Accounts for the year ended on March 31, 2013. The operating results are as under:

Financial Results	For the year ended on March 31, 2013 (₹ in lacs)	For the year ended on March 31, 2012 (₹ in lacs)
Profit before interest & depreciation	5301.91	5100.72
Less: Interest	1758.38	903.66
Depreciation	427.48	419.44
Profit before Tax	3116.05	3777.62
Less: Provision for Taxation	1062.74	1127.57
Net Profit for the year	2053.31	2650.05
Add: Amount of Profit & Loss Account brought forward	11071.79	8752.97
Amount available for Appropriation	13125.10	11403.02
Less: Appropriations:		
Provision for Proposed Dividend (including tax)	552.05	331.23
Balance of Profit & Loss Account transferred to Balance sheet	12573.05	11071.79

Review of Operations

The construction of 'Tower D' at the Kurla commercial project 'Peninsula Techno-park' has been completed. The tower shall be handed over to the Buyer shortly and it shall be booked as a Sale in the financial year 2013-14.

In spite of recession and sluggishness in the Textile sector, your Company could turn around the Process House of the Company at Ahmedabad, which has posted profit of ₹ 262.85 lacs during the current financial year.

During the year, the Company has also booked sale of few flats at 'Ashok Garden', Sewri, which has enabled Company to attain profitability with EBIDT of ₹ 5301.91 lacs for the current year as compared to ₹ 5100.72 lacs in the previous year. Net profit after tax for the current year is ₹ 2053.31 lacs as compared to ₹ 2650.05 lacs in the previous year.

The Company is at advanced stage in its Floating Storage & Regasification Unit (FSRU) project at Jafrabad, Gujarat. The Company has received major permissions from the relevant authorities. Negotiations are in progress with a reputed multi-national company for a joint venture. The project is likely to be operational by November 2016.

During the year, the Company, through its subsidiary company 'Cardinal Energy and Infrastructure Private Limited', has acquired a commercial property in Bengaluru which is leased out to an MNC IT Company. The subsidiary has also acquired a semi-finished commercial property at Hyderabad and land at Bengaluru.

Beside above, the Company, through its another Subsidiary Company 'Pegasus Ventures Private Limited', has also acquired Properties in the South. The Company intends to start construction on these during the year.

Dividend

As an investor friendly measure, your Directors are pleased to recommend for approval of the members, payment of a dividend at the rate of ₹ 0.50 per Equity Share (25%) on 9,50,00,000 Equity Shares of ₹ 2/- each for the year ended 31st March, 2013. The amount of dividend and the tax thereon will be ₹ 4,75,00,000/- and ₹ 77,05,687.50 (tax rate being @ 16.2225%) respectively.

Fixed Deposits

The Company has not accepted any fixed deposits from public during the year under review.

Finance

Your Company has been regular in meeting its obligation towards payment of Principal/Interest to Banks and other institutions.



Directors

At the ensuing Annual General Meeting, Mr. Rajkumar Sukhdevsinhji and Mr. Navinbhai C. Dave, retire by rotation and being eligible, have offered themselves for re-appointment.

Resolutions for the approval of the Members for the aforesaid appointments are included in the notice calling the ensuing Annual General Meeting. As required under clause 49 of the Listing Agreement, the brief resumes of the Directors are furnished in the Notice of the Annual General Meeting.

Auditors

The Members are requested to appoint Auditors for the current year and authorize the Board of Directors to fix their remuneration. The retiring Auditors M/s. V. R. Renuka & Co., Chartered Accountants, being eligible, offers themselves for re-appointment.

Auditors' Report

Report of the auditors read with the notes on accounts is self-explanatory and need no elaboration.

Cost Auditors

In terms of requirement of The Companies (Cost Accounting Records) Rules, 2011, your Company is maintaining all the prescribed cost records. Further, the company has appointed Mr. V. H. Shah, Cost Auditor, as Cost Accountant of the Company under these Rules. The prescribed Compliance Report for the financial year ended 31st March, 2013 duly certified by Mr. V. H. Shah, Cost Accountant of the company, along with the prescribed annexure thereon, will be filed with the Central Government within the prescribed time.

Particulars of Employees

The particulars required under Section 217(2A) of the Companies Act, 1956, are furnished in the Annexure to the Report.

Corporate Governance

A report on the 'Management Discussions and Analysis' and the 'Corporate Governance', along with a certificate from the Auditors of the Company regarding the compliance of the conditions of the Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is annexed to this report.

Further, as required under the said Clause 49, your Company has adopted a 'Code of Conduct and Ethics' for its Directors and Senior Executives.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, on the basis of information placed before them, the Directors confirm that:

- i. In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. Appropriate accounting policies have been selected and applied consistently, and the judgments and estimates that have been made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2013 and of the profit of the Company for the said year;
- iii. Proper and sufficient care has been taken for the maintenance of the adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The particulars relating to energy conservation, technology absorption, foreign exchange earning and outgo, as required to be disclosed under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure to the Report.

Subsidiary Company

During the year, the Company has invested ₹ 10,01,00,000/-, (1,00,10,000 Equity shares of ₹ 10/- each) in its subsidiary company 'Pegasus Ventures Private Limited', thereby making it its 100% Subsidiary Company.

A statement pursuant to Section 212 of the Companies Act, 1956, relating to subsidiary companies, is attached to the Accounts. In terms of General Exemption, under Section 212 (8) of the Companies Act, 1956, granted by Ministry of Corporate Affairs vide its circular no. 02/2011 dated 8th February, 2011, and in compliance with conditions enlisted therein, the Audited Statement of Accounts, Auditors Report thereon and the Reports of the Board of Directors of the Company's subsidiaries for the financial year ended 31st March, 2013 have not been annexed. The Annual Accounts and related documents of the Subsidiary Companies shall be kept open for inspection at the Registered office of the Company.

Further, pursuant to Accounting Standard [AS-21] issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company in this Annual Report include the financial information of its subsidiaries.

Industrial Relations

The relationship with all the concerned continued to remain cordial throughout the year under review.

Appreciation

The Directors place on record their appreciation for support and timely assistance from Financial Institutions, Banks, Government Authorities and above all, its Shareholders, who have extended their valuable support to the Company.

The Directors also wish to appreciate sincere and dedicated efforts and services by all the employees/staff.

For and on behalf of the Board of Directors

Mumbai, August 14, 2013

Navinbhai C. Dave
Chairman

**ANNEXURE TO THE DIRECTORS' REPORT****I) Statement of Particulars of Employees, Pursuant to Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975:***Paid for the full year:*

Name	Age	Designation	Gross Remuneration(₹)	Qualification	Total Experience	Date of commencement	Previous employment
Mr. Nikhil V. Merchant	53	Managing Director	65,00,000/-	B.S.(Tex. Eng Eng.) USA, DMTC MEP (IIM).	29 years	25-03-1992	Indian Organic Chemicals Limited
Mr. Paresh V. Merchant	50	Executive Director	65,00,000/-	B.Com., MEP (IIM).	26 years	01-12-1992	---

II) Information Pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988:**A) CONSERVATION OF ENERGY****a) Energy Conservation Measures taken at Process House, Ahmedabad:**

It has been the Company's endeavour to ensure that it is engaged in continuous process of energy conservation through improved operational and maintenance practices. Accordingly, and in line with the company's commitment to conserve natural resources, the Process House at Ahmedabad continued with its endeavour to make more efficient use of energy by continuous up-gradation and installation of latest technology, machineries and energy saving equipments.

b) Additional Investments and Proposals, if any, being Implemented for Reduction of Conservation of Energy:

The Company is continuously striving and making all possible efforts to reduce energy consumption in all its energy intensive equipments.

c) Impact of the Measure (a) & (b) above for Reduction of Energy Consumption and Consequent Impact on Cost of Production of Goods

The above measures initiated have resulted in energy saving and reduced consumption of electricity and fuel oils. Total energy consumption & energy consumption per unit of production are as per Form 'A' below:

FORM A - PARTICULARS WITH RESPECT TO ENERGY CONSERVATION

Particulars		Units	2012-2013	2011-2012
A.	Power and Fuel Consumption			
	1. Electricity			
	(a) Purchased			
	i) Connected Load	KWH	750	750
	ii) Purchase of Units	Units	57,60,300	35,50,580
	iii) Total Amount	₹	3,29,32,272	2,08,77,776
	iv) Rate per unit (Average)	₹	5.72	5.88
	(b) Own generation			
	i) Through diesel Generator		NIL	NIL
	ii) Through steam turbine/generator		NIL	NIL
	2. Coal/Furnace oil/Others		NIL	NIL
B.	Consumption per unit of Production			
	1. Processed Fabrics	Mtrs	2,11,84,966	99,60,051
	Electricity/Meter Fabric processed	Unit	0.27	0.36

**B) TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT (R&D)**

1. Specific areas in which R&D carried out by the Company:

Quality Improvement in Products; Development of new Products and Designs; Cost control measures; Energy Conservation etc.

2. Benefits derived as a result of above R&D:

Sustained Quality at economized cost.

3. Future Plan of Action:

Continuous focus on innovations in processing Textile products & development towards Quality enhancement & reduction in operational cost.

4. Expenditure on R&D:

NIL.

5. Technology absorption, adaptation and innovation:

For consistent production through State of the Art Machinery and Equipments, our manufacturing facility is equipped with well trained Personnel and high-tech quality control equipments.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

(₹ In lacs)

	2012-2013	2011-2012
Earnings - Export	3.86	21.91
Outgo - Import of Capital Goods	21.63	221.98
- Raw Material - Dyes & Chemicals	5.48	-
- Consultancy fees	-	16.41

For and on behalf of the Board of Directors

Mumbai, August 14, 2013

Navinbhai C. Dave
Chairman



Management Discussion & Analysis

Swan Energy Ltd (SEL) has diversified its footprint from a textile company to an emerging core sector company with interests in clean energy and real estate sectors. With its ambitious FSRU project and various real estate development projects under progress, it is well poised to tap opportunities in these sectors.

The Company has conceptualized and is developing India's first Floating Storage & Regasification Unit (FSRU) project in Gujarat. During FY13, the Ministry of Environment and Forests recommended the project and the final environment clearance is expected soon. The tie-up for the FSRU vessel supply is in advanced stage of discussion. The Company already has a signed term sheet with Gujarat State Petroleum Corporation (GSPC) and Bharat Petroleum Corporation Limited (BPCL) for utilizing the FSRU capacity on long term committed basis.

SEL has successfully re-developed mill land into landmark residential and commercial properties in Mumbai. Now it has ventured into South India property market at an opportune time. The Company has 0.3mn sq.ft. IT commercial property at Bangalore (leased) and 0.5mn sq.ft. IT commercial property at Hyderabad (semi-finished). In addition, SEL, through its Subsidiaries, has a substantial land bank in South and is exploring development of various residential/commercial projects on the same.

SEL is also operating a state-of-art textile-processing unit in Ahmedabad with capacity of 1 lac meters per day.

During FY2014, a number of residential projects are expected to go on-stream. We are also confident to making steady progress with our LNG project.

1. Industry Overview

Natural Gas Market Overview

Natural gas demand-supply gap continues to widen

India's natural gas market is characterized by a significant demand-supply deficit due to low domestic production and inadequate distribution infrastructure. Domestic gas production, after receiving a significant impetus from commencement of production from indigeneous resources has been on a declining trend. This has led to a steady decline in gas production in the country over the last two years, which stood 111 MMSCMD in FY13 down from 143 MMSCMD in FY11. As against the supply of 111 MMSCMD, demand stood at around 293 MMSCMD in FY13.

Of 111 MMSCMD, LNG import accounted for 45%, at around 50 MMSCMD. The balance 55% production of natural gas in the country is from nominated fields operated by the National Oil Companies including ONGC and OIL, Panna Mukta Tapti and NELP Blocks like KG D6 and other smaller gas fields.

With demand estimated to remain high across sectors

India's demand for natural gas is huge, because it can easily substitute liquid fuels such as naphtha, fuel oil, and diesel. The power sector is the largest consumer of natural gas followed by fertilizer sector. In FY13, out of the total gas supplied, the Power sector consumed 44% of the total; Fertilizer 25% and remaining 31% was consumed by City Gas Distribution (CGD), Refineries, Petro-chemicals etc.

India had 20,359 MW of gas-based electricity generating capacity, or 9% of the total, as of the end of June 2013 as against world average of around 24%. Going ahead, the share is anticipated to grow to about 25% by 2025 driven by various factors. For a given amount of heat energy, burning natural gas produces about half as much carbon dioxide as burning coal. The cost of power from domestic natural gas is more competitive than imported coal. Moreover, a natural gas based power plant has a shorter gestation period and lower fixed costs as compared to conventional power plant.

Significant portion of fertilizer production in the country uses naphtha as the feedstock, a far more expensive fuel relative to natural gas. Higher gas availability for the sector will not only improve financial performance of manufacturers, but will also lead to a reduction in subsidy burden for the government. The switching of fertilizer plants using liquid fuels to natural gas and adding new projects will increase gas demand.

From 2012-13 to 2021-22, Petroleum and Natural Gas Regulatory Board (PNGRB) has planned to rollout City Gas Distribution (CGD) projects in 121 cities and 150 geographical areas. As CGD coverage is extended and new cities are covered, it is estimated that the demand for gas by CGD sector will rise. The demand growth from refineries, petrochemicals and industrial segments is also expected to remain favorable. India's refining capacity is set to increase from 215 MMTA in FY12 to about 310.86 MMTA by the end of 12th Plan (by end of 2016-17). Most refineries are currently using fuel oil, which when replaced with natural gas could result in improvement in gross refining margins.

**Supporting imported LNG demand**

The high level of domestic demand-supply deficit has prompted consumption of R-LNG, which is costlier than domestic gas but still economical in comparison to liquid fuels. According to the 12th Five Year Plan, by 2016-17, the overall demand for natural gas is expected to grow to 473 MMSCMD from 293 MMSCMD currently, whereas supply would increase to 232 MMSCMD in 2016-17. This deficit would be a positive trigger for R-LNG demand. By 2016-17, imported LNG is expected to account for 55% of the total gas supply in the country.

The 12th Plan has envisaged an important role for LNG in the country's gas sector. LNG imports are projected to rise to 258 MMSCMD. A number of LNG regasification terminals are planned in India to tap the opportunity. The ability to complete the projects in a timely manner without material cost and time overrun and to tie up with the LNG suppliers as well as R-LNG customers would be key risks for the regasification segment, where the competition is expected to increase significantly over the longer term.

With regards to LNG availability, global LNG supplies are expected to increase from 236 MMT in 2012 to around 300 MMT by 2015-16 and 410 MMT by 2019-20. This increase would benefit the existing and planned regasification terminals in India.

There are three LNG import terminals operating in India: Shell's Hazira terminal, which is being expanded to 5 MMTPA capacity from 3.6 MMTPA; a 10 MMTPA terminal at Dahej, owned and operated by Petronet India and the 5 MMTPA capacity Dabhol terminal, partly owned and operated by GAIL, India's largest state-owned natural gas processing and distribution Company. The expansion under progress are: Petronet LNG's Kochi terminal (5 MMTPA), GSPC-Adani's Mundra terminal (6.5 MMTPA) and IOC's Ennore terminal (2.5 MMTPA). As new terminals the re-gasification capacity is expected to rise from 20 MMTPA in 2012-13 to 50 MMTPA by 2019-20.

Real Estate Market Overview

Real Estate sector witnessed a slowdown in FY13 as investors and buyers kept away from a market that is bearing the brunt of delays in approvals, rising construction costs and high interest rates. The sector that once grew at 7.8% in 2009-10 witnessed a deceleration during 2012-13 to 6.5%. New investments in the real estate sector across India slumped by about 55% in the March quarter to ₹ 42,000 crore from ₹ 92,600 crore in the corresponding period last year, according to Associated Chambers of Commerce and Industry of India (Assocham).

However, the potential for development and growth in the real estate sector is tremendous, on the back of rapid urbanization, positive demographics and rising income levels. The total contribution of the real estate sector to the national GDP has been estimated to be about 6.3% in 2013. It is expected to generate over 17 million employment opportunities across the country by 2025, thereby making a significant contribution to the GDP. Some of the recent policy initiatives, which are expected to serve as a trigger to boost the investment in the sector, include:

- Foreign citizens of Indian origin have been granted permission by the Reserve Bank of India (RBI) to purchase property in India for residential or commercial purposes
- FDI up to 100% is allowed under the automatic route in townships, built-up infrastructure and construction development projects subject to certain conditions
- The government has allowed 51% FDI in multi-brand retail subject to conditions

South India Real Estate

Southern India has been building and strengthening its real estate development. Driven by the IT workforce, real estate markets in Bangalore, Chennai, Hyderabad and Kochi have witnessed rapid growth. Developers are shaping the skyline of South India, developing massive townships, housing projects and commercial space.

Bangalore is estimated to be the most affordable residential market with more than 77% of its under-construction units falling below the ticket size of ₹ 50 lakh, followed by Chennai at 75%. Hyderabad has 51% of its total under construction units below the ₹ 50 lakh ticket size.

The total residential households in Bangalore has grown at a CAGR of 6% over the last four years ended FY12, with an average of 94,000 new households added every year. With an estimated Bangalore residential market size of 92 mn sq ft and value of ₹ 27,600 crore in FY13, the sector forms around 5 - 6% to Karnataka's Gross State Domestic Product (GSDP). The city's residential market has proven to be quite resilient to unfavorable economic conditions.

2. Business Overview

Your Company is an emerging core sector Company with interests in clean energy and housing. We also have a textile processing business.

**a) Energy Project**

During the year, SEL formed a Special Purpose Vehicle (SPV), Swan LNG Ltd (SLL), to house its upcoming FSRU project, which is coming up at Jafrabad, Gujarat with a capacity of 4.5mn metric tonne p.a. (MMTPA), expandable up to 10 MMTPA.

SEL is in the final leg of environment clearance for the project. During FY13, the Technical Committee of the Ministry of Environment and Forests (MoEF), Government of India carried out a site visit and has recommended the Ministry to grant Coastal Regulatory Zone (CRZ) clearance.

The project consultants, BMT Consultants, have carried out an in house feasibility report and have also carried out a detailed location analysis report. Based on this, technical specifications of FSRU are frozen. As for the supply of FSRU, detailed discussions are in advanced stage with all potential FSRU suppliers and expected to be finalized soon. BMT has also been retained as advisors for carrying out various detailed studies for final port design and engineering.

A term sheet is already in place with Gujarat State Petroleum Corporation (GSPC) and Bharat Petroleum Corporation Limited (BPCL) for utilizing the FSRU capacity on long term committed basis.

This is one-of-its-kind project in India, which is based on the unique business model of 'tolling terminal'. Traditionally, LNG import has been through onshore import terminals, also called receiving terminals. However, these onshore terminals are costlier, take longer time to construct and are relatively unsafe in densely populated areas. On the other hand, FSRU concept can be built at competitive costs. Moreover, the gestation period is lower as the site activities do not need to start from early days as most the FSRU gets prefabricated in a separate shipyard. Hence various approvals and FSRU fabrication can go in parallel. In addition, there is no environmental impact on the shoreline and security and safety being maintained since the FSRU is remotely located.

FSRU project overview:

Project	Planned Capacity – 4.5 MMTPA, expandable to 10 MMTPA
Description	Revenue Model - Tolling Terminal Project Cost - ₹ 3,465 crore Debt: Equity - 70:20; Equity Stake - SEL 51%
Project Status	Off-take Tie-ups – Term sheet with GSPC, BPCL Location – Site identified, marine studies done Vessel tie-up – In talks, equipment vessel supplier shortlisted Approval – Recommended for environmental process, clearance expected soon

b) Real Estate Projects

SEL ventured into property development in 2005-06 and now has presence across Mumbai, Bangalore, Hyderabad and Goa. It started with Mumbai, where it has completed a landmark residential project and another commercial project in a prime location is nearing completion. These 2 projects have total saleable area of 2mn sq. ft.

During the year, it formed a subsidiary, Pegasus Ventures Pvt. Ltd, which is developing residential projects in Bangalore, Mangalore and Chennai.

SEL, through its other subsidiary, Cardinal Energy & Infrastructure Pvt. Ltd, has acquired commercial property in Bangalore with leasing agreement in place and semi finished property in Hyderabad. It is also developing a commercial property in Bangalore.

Real Estate Projects Overview:**i) Peninsula Technopark - Mumbai**

SEL monetized its mills land by developing projects in Mumbai. Its residential project is complete and revenues have been fully booked. The commercial complex at Kurla is nearing completion. It comprises of 4 buildings, and the work on fourth (last) building is expected to be completed by Dec 2013. SEL has already sold 100% of its commercial property. The Company would book revenues from the balance area in FY14.

The commercial complex comprises an IT park consisting of 4 buildings with a total saleable area of 0.88 Mn sq ft. It includes a fully equipped gymnasium, landscaped gardens, a clubhouse with restaurant and coffee shops and other amenities like ATM and convenience stores.

**ii) Whitefield – Bangalore**

During FY12, SEL, through its subsidiary, Cardinal Energy & Infrastructure Pvt. Ltd, had acquired a 0.3mn sq. ft. IT Park building in Whitefield, EOIZ Industrial area in Bangalore. This is a ready building with a long term leasing agreement with reputed MNC. The lease income of ₹ 1.33 crore per month has commenced with effect from January 2013.

Under Development Projects:**i) IT Park – Hyderabad**

SEL, through its subsidiary, Cardinal Energy & Infrastructure Pvt. Ltd, also acquired a 0.48mn sq. ft. IT Park building in Guchibowli, Hyderabad in FY12. This is a semi-finished property, which the Company plans to finish and lease out in FY14. Expected Lease income from this project is ₹ 2.16 crore per month.

ii) BTM Layout - Bangalore

SEL, through its subsidiary, Cardinal Energy & Infrastructure Pvt. Ltd, has acquired land in Bangalore (in FY12) and is developing commercial project on it. The total leasable area of the project would be 0.08mn sq. ft.

iii) HMT Layout – Bangalore

SEL, through its subsidiary, Pegasus Ventures Pvt. Ltd, has acquired a part of the HMT property at Bangalore. The Company plans to develop a residential project with total saleable area of 0.47mn sq. ft.. The project is expected to commence in FY14.

iv) Bondel - Mangalore

SEL, through its subsidiary, Pegasus Ventures Pvt. Ltd, is developing an integrated residential project at Bondel, Mangalore. The project would be developed in 2 phases. In the first phase, luxury villas would come up with total saleable area of 1.48 mn sq. ft.. The first phase is expected to commence by Dec 2013. In the second phase, low-rise lakeside condos are planned with total saleable area of 1.44 mn sq. ft..

v) Kovilambakkam – Chennai

SEL, through its subsidiary, Pegasus Ventures Pvt. Ltd, has acquired land at Chennai, on which the Company intends to develop residential project. The total saleable area of the project would be around 0.60mn sq. ft.

vi) Goa Project

SEL is planning to develop a residential cum hospitality project in its 104 acre plot in Goa. The possible development of almost 3.5 mn sq. ft. is under evaluation with different models. The property is located in North Goa and is very near to the proposed new Airport.

c) Textile Business

SEL is operating a state-of-the-art textile process house in Ahmedabad, Gujarat. The plant has been built up in 4 acre plot with an installed production capacity of 1 lac meters per day. The plant enjoys benefits under the Technology Upgradation Fund Scheme (TUFS). This facility has been operational since mid 2011.

The concept of process house has been designed and developed keeping in mind the stringent quality parameters required coupled with the environmental issues of conserving water, power, etc., and reducing affluent. The Company imported machineries for the plant from Germany, Belgium, Italy and Austria.

SEL booked revenues of ₹ 206.32 crore from this unit in FY13.

3. Financial Highlights

Total income, during the financial year ended 31st March, 2013 is ₹ 287.36 crore as against ₹ 149.18 crores in FY12. However, the Net Profit after tax during the year FY13 is ₹ 20.53 crore as against ₹ 26.50 crores in FY12.

4. Opportunities

To sustain a high growth of 7-8% and foster sustainable development, gas based power generation would continue to be a key focus area. The natural gas market has been rapidly evolving with demand across



sectors. The market is likely to remain deficient in near future with falling production and increasing demand, necessitating LNG imports. LNG imports will be the only possible solution in the near interim translating into growth opportunities for LNG importers. By 2016-17, India is expected to be dependent on imports for around 55% of its supply.

SEL's FSRU project is one-of-its-kind with benefits of lower cost, shorter gestation period and no environmental hazards. It is located in Gujarat, which is closer to Middle Eastern gas sources i.e. Iran, Qatar, Saudi Arabia and Abu Dhabi, which would ensure steady supply. The state also has well developed pipeline network to transport gas within state with pipeline network of 1,000kms, which is 22% of the country's pipeline network. The gas grid in Gujarat is well connected with northern and southern demand centers. Thus, gas imported as LNG on west coast can easily be supplied to any of the gas consumers connected to gas pipeline in almost all parts of India.

5. Risks and Concerns

Some of the key risks and concerns have been identified and appropriate steps will be taken to mitigate the adverse impact of the same.

Energy Business:

Timely implementation - Delay in implementation and execution of the FSRU could negatively impact the performance resulting in time and cost overrun.

Increasing LNG capacity – Oversupply may dent LNG terminals' profits as huge LNG supply has been planned in the next 4-5 years as Adani, GSPC, IOC, BPL and PLNG have announced plans.

Real Estate Business:

Interest rate hikes – The economy is facing tight liquidity conditions as the RBI has announced slew of tightening measures to contain rupee depreciation. The lending rate hikes would affect residential demand.

Margin pressure - Depressed demand, together with increased construction costs - both material and labour – may compress margins.

6. Internal Control Systems and their Adequacy

Your Company has adequate and appropriate internal control systems. On the Finance and Administrative side, the internal checks and balances are augmented by a formal system of internal and management audit. The Audit Committee of the Board reviews and will continue to review the adequacy and effectiveness of the internal control systems and suggest improvements for strengthening them.

7. Human Resources and Industrial Relations

Human capital continued to be recognized as the most valued asset. Your Company is adequately managed with experienced professionals to take care of all operations and allied activities. The Company has recruited skilled managerial and operational team to manage new projects. As on 31st March 2013, there were 140 employees including 3 whole time Directors.

Industrial relations continue to be harmonious and cordial.

8. Forward Looking Statements

This report contains forward looking statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures and financial results, based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements.

For and on behalf of the Board of Directors

Mumbai, August 14, 2013

Nikhil V. Merchant
Managing Director



REPORT ON CORPORATE GOVERNANCE

1 A BRIEF STATEMENT ON THE COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is the system by which Companies are directed and controlled by the management in the best interest of the Shareholders and others, thereby ensuring greater transparency, better and timely financial reporting, generating long term economic value for its Shareholders.

The Company has incorporated the sound Corporate Governance practices by laying emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders.

2 BOARD OF DIRECTORS:

As on 31st March, 2013, the Company's Board comprises nine members, consisting of Five Non-Executive/ Independent Directors. The composition of the Board meets with the requirements of the Clause 49 of the Listing Agreement.

Your Company held Five Board meetings during the year on 14th May 2012, 9th August, 2012, 17th August 2012, 6th November 2012 and 12th February 2013.

The required details of the Board of Directors as on 31st March, 2013 are as under:-

Name of the Director	Category	No. of meetings held	No. of meetings attended	Whether attended last AGM	Number of outside directorships held (*)	Membership in Committees (**)	Chairmanship in Committees (**)
Navinbhai C. Dave	Non-Executive Chairman	5	5	Yes	--	1	--
Nikhil V. Merchant	Managing Director	5	5	Yes	1	--	--
Paresh V. Merchant	Executive Director	5	5	Yes	2	1	--
Padmanabhan Sugavanam	Whole time Director	5	5	Yes	1	--	--
Rajkumar Sukhdevsinhji	Non- Executive/ Independent	5	5	Yes	1	--	--
Pitamber S.Teckchandani	Non-Executive/ Independent	5	4	Yes	--	2	--
Nagardas H. Panchal	Non- Executive/ Independent	5	3	No	1	3	3
Shobhan I. Diwanji	Non- Executive/ Independent	5	4	Yes	--	2	--
Rajat kumar Das Gupta	Non- Executive/ Independent	5	3	Yes	1	--	--

*(Excluding alternate Directorship and Directorship in private limited companies, foreign companies and section 25 companies)

** Committees considered are Audit Committee, Shareholders' Grievance Committee and Remuneration Committee.

3 BOARD - LEVEL COMMITTEES:

The Company has three Board level Committees, namely;

- Audit Committee.
- Shareholders'/Investors' Grievances Committee.
- Remuneration Committee.

a) Audit Committee:

The Audit Committee of the Company consists of three (3) independent and non-executive Directors, namely, Mr. Nagardas H. Panchal, (Chairman & Independent Director), Mr. Pitamber S. Teckchandani and Mr. Shobhan I. Diwanji. The terms of reference of the Committee are as per Clause 49 of the Listing Agreement and Section 292-A of the Companies Act, 1956.



The Committee met five times during the year under review on 14th May 2012, 9th August, 2012, 17th August 2012, 6th November 2012 and 12th February 2013.

The Audit Committee held discussions with the Statutory Auditors on the "Limited Review" of the quarterly, half-yearly & final accounts and matters relating to compliance of accounting standards, their observations arising from the annual audit of the Company's Accounts and other related matters.

b) Shareholders'/Investors' Grievances Committee:

The Shareholders'/Investors' Grievances Committee, comprising Mr. Nagardas H. Panchal (Chairman & Independent Director), Mr. Paresh V. Merchant, and Mr. Navinbhai C. Dave, has been constituted for redressing shareholders and investors' complaints. Mr. Arun S. Agarwal, Company Secretary has been designated as Compliance Officer. The Committee met Four times during the year 2012-13 on 14th May 2012, 9th August, 2012, 6th November 2012 and 12th February 2013

During the year, Company has received 16 complaints from the shareholders, which were duly resolved/replied.

Pursuant to Clause 47(f) of the Listing Agreement, the Company has designated the following exclusive E-mail ID for the convenience of investors. **invgrv@swan.co.in**

Pursuant to Clause 54 of the Listing Agreement, Company's website **www.swan.co.in** is updated with the Quarterly information conveyed to the Stock Exchange and other relevant information.

c) Remuneration Committee:

The Remuneration Committee comprises of three (3) independent and non-executive Directors, namely, Mr. Nagardas H. Panchal (Chairman & Independent Director), Mr. Shobhan I. Diwanji, and Mr. Pitamber S. Teckchandani. The terms of reference of Remuneration Committee, inter-alia, consists of recommendation for appointment/ re-appointment of Managing Director, Executive/whole time Director/s and senior executives and review of terms of appointment. The Committee has not met during the year.

4 GENERAL BODY MEETING

Date, Time and venue for the last three Annual General Meetings are given below:

Financial Year ended	Date	Time	Venue
March 31, 2010	24.09.2010	3.30 P.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.
March 31, 2011	24.09.2011	11.30 A.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.
March 31, 2012	18.09.2012	11.30 A.M.	Walchand Hirachand Hall, IMC Building, Churchgate, Mumbai – 400 020.

5 DISCLOSURE BY MANAGEMENT TO THE BOARD

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board, and the interested Directors do not participate in the discussion nor do they vote on such matters.

6 CEO/CFO CERTIFICATION

As required under Clause 49 V of the Listing Agreement with the Stock Exchange, the Managing Director and the Chief Financial Officer of the Company has certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and matters related to internal controls etc. in the prescribed format for the year ended 31st March, 2013.

7 MEANS OF COMMUNICATION

The quarterly results are published in the newspapers. It is also available on the website of the company under the name '**www.swan.co.in**'. Official news releases are sent to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

**8 SHAREHOLDER INFORMATION****a) Annual General Meeting**

Date	:	September 19, 2013
Time	:	11.30 A.M.
Venue	:	Walchand Hirachand Hall, 4th Floor, IMC Building, Churchgate, Mumbai – 400 020.

b) Financial Calendar

Financial reporting for

Quarter ending Sept 30, 2013	:	Upto November 14, 2013
Quarter ending Dec 31, 2013	:	Upto February 14, 2014
Quarter ending March 31, 2014	:	Upto May 30, 2014
Annual General Meeting for the year Ended March 31, 2014	:	Upto end of September, 2014

c) Dates of Book closure : September 7, 2013 to September 11, 2013 (both days inclusive)**d) Dividend payment date** : On or after September 19, 2013**e) Listing on Stock Exchange at** : Bombay Stock Exchange Limited
National Stock Exchange of India Limited
The Calcutta Stock Exchange Asso. Ltd.**f) Demat ISIN Number** : INE665A01020**g) Stock Market Data** : BSE Scrip Code: 503310

Month	Volume (No. of Shares)	Price (₹)*	
		High	Low
April, 2012	67,97,364	138.80	115.50
May, 2012	67,69,324	147.70	132.00
June, 2012	41,44,293	143.70	123.50
July, 2012	31,64,646	145.00	133.20
August, 2012	26,54,704	139.50	127.55
September, 2012	28,07,634	144.40	128.00
October, 2012	67,53,692	141.00	125.10
November, 2012	38,85,236	139.80	131.00
December, 2012	23,00,719	137.45	130.00
January, 2013	31,68,130	137.00	122.70
February, 2013	31,19,648	138.00	113.20
March, 2013	19,33,354	125.00	115.00

• Source: Website of Bombay Stock Exchange Limited (www.bseindia.com)



* NSE Scrip Code: SWANENERGY

Month	Volume (No. of Shares)	Price (₹)*	
		High	Low
May, 2012	6,81,700	149.60	137.05
June, 2012	30,83,484	143.95	121.70
July, 2012	26,01,755	144.45	133.10
August, 2012	26,44,640	139.70	126.00
September, 2012	26,69,968	143.80	128.20
October, 2012	30,82,783	141.75	125.10
November, 2012	34,36,593	140.00	129.65
December, 2012	23,51,935	137.65	130.10
January, 2013	31,36,678	137.00	122.75
February, 2013	30,07,761	138.00	114.95
March, 2013	17,63,719	128.40	111.40

• Source: Website of National Stock Exchange of India Limited (www.nseindia.com)

* Listed on May 29, 2012

9 Registrar and Share Transfer Agent

Purva Sharegistry (India) Private Limited, Gala No. 9, J.R. Boricha Marg, Shivshakti Industrial Estate, Lower Parel, Mumbai – 400 011. Tel.: 23016761/23018261. Fax: 2301 2517. Email: busicomp@vsnl.com

10 Share Transfer Systems

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The power to approve transfer of securities has been delegated by the Board of Directors to the Shareholders'/ Investor Grievance and Share Transfer Committee.

11 Distribution of Shareholding (as on 31.03.2013)

Category	Number of Shareholders	% of Shareholders	No. of Shares held	% of shareholding
1-5,000	6,696	96.65	17,14,534	1.80
5,001-10,000	104	1.50	3,78,334	0.40
10,001-20,000	50	0.72	3,75,223	0.39
20,001-30,000	20	0.29	2,48,405	0.26
30,001-40,000	8	0.12	1,42,655	0.15
40,001-50,000	7	0.10	1,47,550	0.16
50,001– 1,00,000	16	0.23	5,49,830	0.58
1,00,001 and above	27	0.39	9,14,43,469	96.26
Total	6,928	100.00	9,50,00,000	100.00

**12 Categories of Shareholders (as on 31.03.2013)**

Category	Number of Shares held	% of Shareholdings
Resident Individuals	35,34,572	3.72
L.I.C.	28,06,545	2.95
Financial Institutions	130	0.00
Corporate Promoter	7,12,06,750	74.96
Bodies Corporate	62,74,207	6.60
Clearing members	4,04,159	0.43
Directors	2,000	0.00
Directors Relatives	41,250	0.04
Private Sector Banks	20,970	0.02
Nationalised Banks	49,500	0.05
FII	94,50,400	9.95
N.R.I. (Non Repat.)	7,190	0.01
N.R.I. (Repat.)	9,38,684	0.99
Trust	1,050	0.00
Hindu Undivided Family	2,62,593	0.28
Total	9,50,00,000	100.00

13 Dematerialization of Shares and liquidity

The Company's shares are traded compulsorily in dematerialized form at Bombay Stock Exchange and National Stock Exchange. 98.96% of the Equity shares of your Company have been dematerialized upto 31st March 2013.

14 Address of the correspondence

Swan Energy Limited : 6, Feltham House, 2nd Floor, 10, J. N. Heredia Marg, Ballard Estate, Mumbai 400 001.
Phone: 022-40587350. Fax: +91-22-40587360. Email: swan@swan.co.in

For and on behalf of Board of Directors

Mumbai, August 14, 2013

Nikhil V. Merchant
Managing Director



CEO/CFO CERTIFICATION

To,

The Board of Directors,
Swan Energy Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial officer of the Company, to the best of our knowledge and belief certify that;

- (a) We have reviewed the Financial Statements for the Financial Year ended 31st March, 2013 and based on our knowledge and belief state that :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - (ii) these statements together presents a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We hereby declare that all the members of the Board of Directors and the Senior Management employees have confirmed compliance with the Code of Conduct as adopted by the Company.
- (d) We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting 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.
- (e) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee :
 - (i) significant changes, if any, in the internal control over the Financial Reporting during the year;
 - (ii) significant changes, if any, in the accounting policies made during the year and that the same has 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 significant role in the Company's internal control system over Financial Reporting.

For and on behalf of Board of Directors

Mumbai, August 14, 2013

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer



Auditors Certificate on Corporate Governance

To the members of Swan Energy Limited,

We have examined the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement entered into by the Company with the Stock Exchange of India for the financial year ended on March 31, 2013.

The objective of our examinations is to give our opinion on whether the Company has complied with the conditions of Corporate Governance as stipulated in the provisions of Clause 49 of the Listing Agreement entered into by the Company with the Stock Exchanges of India.

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

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for examination and the information and explanations given to us by the Company.

Based on such examination, in our opinion, the Company has complied with Clause 49 of the Listing Agreement of the Stock Exchanges.

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

For V. R. Renuka & Co.

Firm Registration. No. 108826W
Chartered Accountants

V. R. Renuka

Proprietor
M. No. 032263

Mumbai, August 14, 2013



Independent Auditors' Report

To the Members of
SWAN ENERGY LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **Swan Energy Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the 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 principles generally accepted in India including 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("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;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For V. R. Renuka & Co.

Chartered Accountants

Firm Registration No. 108826W

V R Renuka

Proprietor

M. No. 032263

Mumbai, May 30, 2013



Annexure to the Independent Auditors' Report

Referred to in Paragraph 1 of the Auditors' Report under the head of 'Report on Other Legal and Regulatory Requirements' of our report of even date.

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) In respect of its fixed assets:
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
 - b. According to the information and explanation given to us, the Company has formulated the regular program of verification by which all the assets of the Company are verified in a phase manner, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets and no material discrepancies were noticed.
 - c. In our opinion and according to the information and explanations given to us, no fixed asset has been disposed off by the Company during the year and hence does not affect the going concern status of the Company.
- 2) In respect of its inventories:
 - a. As explained to us the management has conducted physical verification of stock at reasonable intervals during the year. In respect of land as stock in trade, we are informed that verification has been conducted as to the area and title of the land.
 - b. In our opinion and according to the information and explanation given to us, the procedure of physical verification of stock followed by the management is reasonable and adequate in relation to the size of the Company and nature of its business.
 - c. On the basis of examination of inventory records, in our opinion, the Company has maintained proper records of inventory, the discrepancies noticed on verification between the physical stock and book records were not material and the same has been properly dealt with in the books of accounts.
- 3) In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - 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 granted loans to related parties. In respect of the said loans, the maximum amount outstanding at any time during the year and year-end balance is ₹ 38,310.6 Lacs.
 - b. In our opinion and according to the information and explanation given to us, the rate of interest wherever charged and other terms and conditions of the loans given by the company, are not prima facie prejudicial to the interest of the company. Repayment is regular.
 - c. 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. Consequently, the requirement of sub clauses (iii) (f) & (g) of paragraph 4 of the Order are not applicable to the company.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory/material, fixed assets and for the sale of goods/flats/offices and services. Further on the basis of our examination of books and records of the Company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- 5) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials and sale of goods, materials and services aggregating during the period to ₹ 5,00,000 or more in respect of each party, in pursuance of contracts or arrangements entered in the register maintained Under Section 301 of the Companies Act, 1956.
- 6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public to which the directives issued by the Reserve Bank of India and provisions of Section 58A and Section 58AA of the Companies Act 1956 and the rules made there under are applicable.
- 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) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records Rules, 2011 prescribed by the Central Government U/s 209 (1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed Cost Records have been maintained. We have, however, not made a detailed examination of the Cost Records with a view to determine whether they are accurate or complete.
- 9) In respect of Statutory dues:
 - a. According to the information and explanation provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor



Education and Protection Fund, Income Tax, Value Added Tax, Wealth tax, Excise duty, Cess and other material statutory dues applicable to it.

- b. According to the information and explanations given to us, there are no dues of Sales Tax, Service tax, Custom Duty, Wealth Tax, Excise duty or cess outstanding on account of any dispute, other than disputed Income tax demand as under:

Sr. No	Name of Statute	Nature of dues	Amount (₹ in Lacs)	Period to which it relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	16.50	A.Y. 2003-04	ITAT
2	Income Tax Act, 1961	Income tax	343.20	A.Y. 2006-07	ITAT
3	Income Tax Act, 1961	Income Tax	1,233.99	A.Y. 2010-11	CIT(A)
	Total		1,593.69		

- 10) As at the balance sheet date, the Company does not have any accumulated losses. The Company has not incurred cash losses during the year under report, and has also not incurred cash loss in the preceding financial year.
- 11) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks and financial institutions during the year.
- 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, debenture and other securities.
- 13) According to the information and explanations given to us and in our opinion, the Company is not a chit fund or nidhi/mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the order are not applicable to the Company.
- 14) According to the information and explanations given to us, the Company has not dealt (other than in Mutual Fund Units) or traded in shares, securities, debentures or other investments during the year. For dealings in units of Mutual Funds, the Company has maintained proper records of transactions and contracts. All the investments have been held by the Company in its own name.
- 15) According to the information and explanations given to us, the Company has given the guarantees for the loans taken by its subsidiary company from banks, the terms and conditions whereof, in our opinion, are not prejudicial to the interest of the Company.
- 16) In our opinion and according to the information and explanation given to us, the Company had applied the term loans for the purpose for which the loan was obtained.
- 17) In our opinion and according to the information and explanation given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on the short term basis have been utilized for long term investment.
- 18) According to the information and explanations given to us, the Company had not made any preferential allotment of shares to parties and companies covered in the register maintained U/s. 301 of the Companies Act 1956.
- 19) According to the information and explanations given to us, the Company has not issued any secured debentures, therefore the provisions of clause (xix) of the order are not applicable to the Company.
- 20) During the year covered by our audit report, the Company has not raised any money by way of public issue, therefore the provisions of clause (xx) of the order are not applicable to the Company.
- 21) To the best of our knowledge and belief, according to the information and explanation given to us and based on the audit procedures performed, we report that no material fraud on or by the Company has been noticed or reported during the course of our audit.

For V.R.Renuka & Co.

Chartered Accountants

Firm Registration No. 108826W

V.R. Renuka

Proprietor

M. No. 032263

Mumbai, May 30, 2013

**Balance Sheet as at March 31, 2013**

(₹ in lacs)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	1,900.00	1,900.00
Reserves and Surplus	2	18,398.62	16,897.36
Non-Current Liabilities			
Long-Term Borrowings	3	4,449.20	2,772.40
Deferred Tax Liabilities (Net)	4	538.75	366.01
Other Long Term Liabilities	5	66,181.01	50,703.00
Current Liabilities			
Short-Term Borrowings	6	8,966.46	3,697.93
Trade Payables	7	3,737.58	2,351.56
Other Current Liabilities	8	6,072.79	9,116.33
Short-Term Provisions	9	4,527.08	3,416.26
TOTAL		114,771.49	91,220.85
ASSETS			
Non-Current Assets			
Fixed Assets - Tangible	10	9,988.85	10,301.30
Non-Current Investments	11	2,766.00	1,765.00
Long-Term Loans and Advances	12	45,026.96	14,918.60
Current Assets			
Current Investments	13	53.83	3,960.82
Inventories	14	40,128.78	34,933.20
Trade Receivables	15	4,294.86	3,310.50
Cash and Cash Equivalents	16	2,195.75	17,705.79
Short-Term Loans and Advances	17	9,497.80	3,709.80
Other Current Assets	18	818.66	615.84
TOTAL		114,771.49	91,220.85
Significant Accounting Policies	26		
Notes on Financial Statements	1 to 42		

As per our report of even date attached hereto

For and on behalf of the Board of Directors

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Navinbhai C. Dave
Chairman

Paresh V. Merchant
Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

Mumbai, May 30, 2013

**Statement of Profit and Loss Account for the Year Ended March 31, 2013**

(₹ in lacs)

Particulars	Note No.	Year Ended March 31, 2013	Year Ended March 31, 2012
Income:			
Revenue from Operations	19	27,574.05	13,864.85
Other Income	20	1,162.19	1,053.50
Total Revenue		28,736.24	14,918.35
Expenses:			
Cost of Materials Consumed	21	23,615.07	33,376.13
(Increase)/Decrease in Finished Goods and Work-in-Progress	22	(3,081.21)	(27,290.01)
Employee Benefit Expenses	23	557.77	434.08
Finance Costs	24	1,758.38	903.66
Depreciation and Amortization Expense	10	427.48	419.44
Other Expenses	25	2,342.70	3,297.43
Total Expenses		25,620.19	11,140.73
Profit before Tax		3,116.05	3,777.62
Tax Expense:			
(1) Current tax		890.00	945.03
(2) Deferred Tax		172.74	182.54
Profit for the Year		2,053.31	2,650.05
Earnings Per Equity Share			
Basic and diluted (in ₹)		2.16	2.79
Significant Accounting Policies	26		
Notes on Financial Statements	1 to 42		

As per our report of even date attached hereto

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Mumbai, May 30, 2013

For and on behalf of the Board of Directors

Navinbhai C. Dave
Chairman

Paresh V. Merchant
Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

**Cash Flow Statement for the Year Ended March 31, 2013**

(₹ in lacs)

	Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
A	Cash Flow from Operating Activities		
	Profit before tax	3,116.05	3,777.62
	Adjustments for :		
	Depreciation	427.48	419.44
	Considered Separately:		
	Dividend Income	-	(173.64)
	Interest Income	(480.16)	(332.51)
	Finance Cost	1,758.38	903.66
	Operating Profit before Working Capital Changes	4,821.75	4,594.57
	Adjustments for :		
	Trade & Other Receivables	(31,836.87)	(989.44)
	Inventories	(5,195.58)	(27,756.55)
	Trade Payables and Other Liabilities	15,562.31	34,151.13
	Cash generated from operations	(16,648.39)	9,999.71
	Direct Taxes (Paid)/Received	(5,246.67)	(2,110.41)
	Net Cash from Operating Activities (A)	(21,895.06)	7,889.30
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(115.03)	(516.18)
	Sale of Investments	3,906.99	9,505.32
	Purchase of Investment in Subsidiary	(1,001.00)	(1,500.00)
	Dividend Income	-	173.64
	Interest Income	480.16	332.51
	Net Cash from Investing Activities (B)	3,271.12	7,995.29
C	Cash Flow from Financing Activities		
	Long Term & Short Term Funds Borrowed/(Repaid)	5,424.33	(6,264.67)
	Finance Cost	(1,758.38)	(903.66)
	Dividend Paid	(475.00)	(285.00)
	Tax on Dividend	(77.05)	(46.23)
	Net Cash from Financing Activities (C)	3,113.90	(7,499.56)
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(15,510.04)	8,385.03
	Opening Balance of Cash & Cash Equivalents	17,705.79	9,320.76
	Closing Balance of Cash & Cash Equivalents	2,195.75	17,705.79

As per our report of even date attached hereto

For and on behalf of the Board of Directors

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

Navinbhai C. Dave
Chairman

Nikhil V. Merchant
Managing Director

V.R. Renuka
Proprietor
M. No. 032263

Paresh V. Merchant
Executive Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

Mumbai, May 30, 2013

**Notes to the Financial Statement for year ended March 31, 2013****1 Share Capital****(a) Authorised Share Capital:**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
15,000 (2011-2012 : 15,000) 11% Cumulative Redeemable Preference Shares of ₹ 100/- each	15.00	15.00
10,000 (2011-2012 : 10,000) 11% Cumulative Preference Shares of ₹ 100/- each	10.00	10.00
50,00,00,000 (2011-2012 : 50,00,00,000) Equity Shares of ₹ 2/- each	10,000.00	10,000.00
Total	10,025.00	10,025.00

(b) Issued, subscribed and paid up:

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
9,50,00,000 (2011-2012 : 9,50,00,000) Equity Shares of ₹ 2/- each fully paid up.	1,900.00	1,900.00
Total	1,900.00	1,900.00

(c) A reconciliation of the number of shares outstanding is set out below:

Particulars	2012-2013		2011-2012	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Outstanding At the beginning of the year	95,000,000	1,900.00	95,000,000	1,900.00
Outstanding At the end of the year	95,000,000	1,900.00	95,000,000	1,900.00

(d) Details of shareholders, holding more than 5% shares in the company:

Name of the Shareholder	2012-2013		2011-2012	
	No. of Shares	% holding	No. of Shares	% holding
Dave Impex Private Limited	23,015,200	24.23	23,015,200	24.23
Swan Engitech Works Private Limited	19,201,429	20.21	19,201,429	20.21
Swan Realtors Private Limited	20,794,500	21.89	20,794,500	21.89

2 Reserves and Surplus

Particulars	2012-2013 ₹ in Lacs		2011-2012 ₹ in Lacs	
Capital Reserves		5,810.64		5,810.64
Capital Redemption Reserve		14.25		14.25
Securities Premium Reserve		0.43		0.43
Other Reserves				
Workmen's Welfare Reserve		0.25		0.25
Surplus i.e. balance in Statement of Profit & Loss				
At the beginning of the year	11,071.79		8,752.97	
Add: Profit during the year	2,053.31		2,650.05	
Less: Appropriation				
Proposed dividend on equity shares	(475.00)		(285.00)	
Tax on proposed equity dividend	(77.05)		(46.23)	
At the end of the year		12,573.05		11,071.79
Total		18,398.62		16,897.36

**3 Long Term Borrowings**

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a)	Term loans		
	From Banks (Secured)	4,449.20	2,768.82
(b)	Other loans and advances		
	Vehicle Loan	-	3.58
Total		4,449.20	2,772.40

Term loan from banks include:

- ICICI Bank loan: ₹ 3,147.39 lacs (2011-2012: NIL). Secured by unsold property at Mumbai, charge on scheduled receivables, extension of charge on the escrow account of property, exclusive charge on DSR account.
- Union Bank of India and Oriental Bank of Commerce : ₹ 1,301.81 lacs (2011-2012: ₹ 2,768.82 lacs). Secured by mortgage of property at Ahmedabad for Textile project.
- Vehicle loan: Secured by hypothecation of Vehicle.

4 Deferred Tax Liabilities (Net)

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Deferred Tax Liability			
	Related to Fixed Assets	538.75	366.01
Total		538.75	366.01

5 Other Long Term Liabilities

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a)	Trade payables	-	-
(b)	Others		
	Project Advances	66,173.33	50,600.88
	Rental Deposits	7.68	2.76
	Society Deposit from Customer	-	99.08
	Security Deposit	-	0.28
Total		66,181.01	50,703.00

6 Short-term borrowings

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Working Capital Loans			
	From Banks (Secured)	3,232.22	1,972.73
Loans repayable on demand			
	From other parties (Unsecured)	5,734.24	1,725.20
Total		8,966.46	3,697.93

Working Capital Loan from banks include:

- Union Bank of India and Oriental Bank of Commerce ₹ 2,681.61 lacs (2011-2012: ₹ 1,972.73 lacs), which is secured against 1st pari passu charge on hypothecation of Inventories and Book debts of the textiles division.
- Yes Bank ₹ 550.61 lacs (2011-2012: NIL), which is secured against subservient charge on the entire current assets of the textile division. Pledge of 8,45,000 shares of Swan Energy Limited held by promoters/group companies.

**7 Trade Payables**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Micro, Small & Medium Enterprises	-	-
Others	3,737.58	2,351.56
Total	3,737.58	2,351.56

Identification of Micro, Small and Medium Enterprises is not possible due to information not furnished by the suppliers.

8 Other current liabilities

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Current maturities of long-term debt		
Term loan from Banks/Financial institutions	4,850.00	6,304.15
Vehicle loan	3.58	70.43
(b) Interest accrued but not due on borrowings	17.36	24.67
(c) Other payables		
Outstanding Expenses	82.29	63.94
Duties & Taxes	76.66	1,300.33
Retention Money	799.64	1,248.23
Unpaid Dividend	2.38	2.38
Creditors for Capital Expenditure	69.93	102.20
Creditors for Revenue Expenditure	170.95	-
Total	6,072.79	9,116.33

Current maturities of long-term debt includes:

- i) ICICI Bank loan: ₹ NIL (2011-2012: ₹ 3,304.15 lacs). Secured by mortgage of properties financed, i.e. receivables, land at Kurla and construction thereon.
- ii) Union Bank of India and Oriental Bank of Commerce : ₹ 1,450 lacs (2011-2012: ₹ 1,000 lacs) Secured by mortgage of property at Ahmedabad for Textile project.
- iii) SICOM: ₹ 2,000 Lacs (2011-2012: ₹ 2,000 lacs). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- iv) TATA Capital : ₹ 1,400 Lacs (2011-2012: ₹ NIL). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- v) Vehicle loan: Secured by hypothecation of Vehicle.

9 Short-term provisions

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Proposed Dividend on Equity Shares	475.00	285.00
Tax Payable on Proposed Dividend	77.05	46.23
Provision for taxation	3,975.03	3,085.03
Total	4,527.08	3,416.26

**10 Fixed Assets - Tangible**

(₹ in Lacs)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2012	Additions for the year	Deductions for the year	As at 31/03/2013	As at 01/04/2012	For the year	Adjustments for the year	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
Land	3,202.19	-	-	3,202.19	-	-	-	-	3,202.19	3,202.19
Buildings	1,160.19	37.44	-	1,197.63	45.59	39.71	-	85.30	1,112.33	1,114.60
Plant & Machinery	5,538.86	49.42	-	5,588.28	398.61	293.37	-	691.98	4,896.30	5,140.25
Computers	50.13	10.62	-	60.75	9.11	8.89	-	18.00	42.75	41.02
Furniture, fixtures & Equipments	474.42	4.73	-	479.15	68.64	27.97	-	96.61	382.54	405.78
Motor Vehicles	594.58	12.82	-	607.40	197.12	57.54	-	254.66	352.74	397.46
Total	11,020.37	115.03	-	11,135.40	719.07	427.48	-	1,146.55	9,988.85	10,301.30
Previous year	10,504.19	516.18	-	11,020.37	299.63	419.44	-	719.07	10,301.30	10,204.56

11 Non-current Investments

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Investment in Equity Instruments		
Subsidiary Company - Unquoted		
1,50,10,000 (2011-2012: 1,50,10,000) Equity Shares of ₹ 10/- each in Cardinal Energy & Infrastructure Pvt. Ltd. - 100% holding (2011-2012: 100% holding)	1,501.00	1,501.00
1,00,10,000 (2011-2012: NIL) Equity Shares of ₹ 10/- each in Pegasus Ventures Pvt. Ltd. - 100% holding (2011-2012: NIL)	1,001.00	-
Other Company - Unquoted		
26,40,000 Equity Shares of ₹ 10/- each in Shaan Leisures Limited	264.00	264.00
Total	2,766.00	1,765.00

12 Long-term Loans and Advances

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Capital Advances	5,457.84	284.79
(b) Security Deposits	136.47	161.98
(c) Loans and advances to related parties		
Cardinal Energy & Infrastructure Pvt. Ltd - Subsidiary	23,743.60	13,680.32
Pegasus Ventures Private Limited - Subsidiary	12,245.01	-
(d) Other loans and advances (Unsecured, considered good)	3,444.04	791.51
Total	45,026.96	14,918.60

13 Current Investments

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Investments in Mutual Funds		
P8096 ICICI Prudential Liquid Plan - Direct - Growth (11,412 Units)	19.80	-
1571 ICICI Prudential Money Market Fund Cash Option Growth (19,94,516 Units)	-	2,958.21
BPBIG ICICI Prudential Blended Plan B Institutional Growth Option-II (43,39,939 Units)	-	502.27
1587 ICICI Prudential Banking & PSU Debt Premium Plus Growth (42,25,543 Units)	-	500.34
(b) Fixed Deposit with bank	34.03	-
Total	53.83	3,960.82

Total Market Value of Mutual Funds**19.80****3,960.82**

**14 Inventories** (As verified, valued and certified by the management)

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Construction Work-in-progress	35,526.47	32,746.27
Textiles		
(a) Raw materials	2,765.39	657.01
(b) Work-in-progress	983.04	938.71
(c) Finished goods	774.51	517.83
(d) Stores and spares	79.37	73.38
Total	40,128.78	34,933.20

15 Trade Receivables

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Unsecured, Considered Good		
Debts due for more than 6 months	651.78	851.98
Less: Provision for Doubtful Debts	-	-
Other Debts	3,643.08	2,458.52
Total	4,294.86	3,310.50

16 Cash and Cash equivalents

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Balances with Banks		
In Current Accounts	1,345.84	15,714.98
In Deposit Accounts (less than 3 months maturity)	819.67	1,974.49
(b) Cash on Hand	27.86	13.94
(c) Others		
Earmarked balance for Unpaid dividend	2.38	2.38
Total	2,195.75	17,705.79

17 Short-term Loans and Advances

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Other Loans & Advances		
Advance paid to suppliers	20.62	76.00
Advance Income Tax	8,871.46	3,624.79
Loans to staff	18.33	6.44
Prepaid Insurance	11.37	2.57
Cenvat Credit	16.83	-
Other Advances	559.19	-
Total	9,497.80	3,709.80

18 Other Current Assets

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest Receivable others	-	0.43
Interest accrued on Fixed Deposits	31.33	24.75
TUF Subsidy Receivable	784.13	590.66
Insurance Claim Receivable	3.20	-
Total	818.66	615.84

**19 Revenue from Operations**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Sale of Products;		
Textile Goods	20,631.89	7,084.34
Construction Activities	6,942.16	6,780.51
Total	27,574.05	13,864.85

20 Other Income

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest Income	480.16	332.51
Dividend Income on mutual fund units	-	173.64
Net gain on sale of mutual fund units	486.66	184.84
Net gain on foreign exchange transaction/translation	4.52	-
TUF Subsidy	157.01	296.40
Other non-operating income	33.84	66.11
Total	1,162.19	1,053.50

21 Cost of Materials Consumed

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Material used in Construction Activities	5,551.59	25,824.73
Textile		
Raw Material Consumed	15,351.13	6,235.56
Stores & Spares	289.15	168.41
Dyes, Chemicals and others	2,423.20	1,147.43
Total for Textiles	18,063.48	7,551.40
Total	23,615.07	33,376.13

22 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Finished Goods		
Opening Stock	517.83	92.86
Closing Stock	774.51	517.83
Changes in Inventory of Finished Goods	(256.68)	(424.97)
Work in Progress		
Opening Stock	33,684.98	6,819.94
Closing Stock	36,509.51	33,684.98
Changes in Inventory of Work in Progress	(2,824.53)	(26,865.04)
Total	(3,081.21)	(27,290.01)

23 Employee Benefit Expenses

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Salaries Wages and bonus	533.52	415.71
Company's Contribution to Provident fund	0.26	0.35
Company's Contribution to ESIC	4.54	2.86
Leave Travel Allowance	11.92	10.21
Staff Welfare Expenses	7.53	4.95
Total	557.77	434.08

**24 Finance Costs**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest expenses	1,604.99	903.38
Other borrowing cost	153.39	0.28
Total	1,758.38	903.66

25 Other Expenses

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Towards Construction Activities		
Architect Fees	63.43	313.99
Rates & Taxes	139.81	1,009.26
Security Charges	70.61	177.71
Power & Fuel	88.56	131.96
Other Development Expenses	65.99	431.15
	428.40	2,064.07
Advertisement Expenses	2.72	6.14
Audit Fees	2.25	1.20
Brokerage & Commission	145.57	56.06
Business Development Expenses	66.01	60.20
Communication Cost	15.18	17.95
Donation	92.92	10.05
Freight Charges	249.44	96.57
Insurance	10.50	12.70
Legal & Professional Fees	150.46	166.73
Listing fees	3.12	1.10
Membership & Subscription	4.14	58.23
Power & Fuel	369.30	190.58
Printing & Stationery	13.99	13.36
Rates & Taxes	33.08	10.44
Rent	6.69	2.94
Repair & Maintenance - Building	5.94	0.18
Repair & Maintenance - Machinery	16.14	5.89
Repair & Maintenance - Others	27.63	7.38
Security Charges	12.91	10.46
Vehicle Expenses	30.59	26.56
Miscellaneous Expenses	655.72	478.64
	1914.30	1233.36
Total	2,342.70	3,297.43



26 SIGNIFICANT ACCOUNTING POLICIES

A Basis of Preparation of Financial Statements

The financial statements have been prepared to comply with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The financial statements are presented in the general format specified in Revised Schedule VI to the Companies Act, 1956.

B Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

C Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and all attributable cost of bringing the asset to its working condition for its intended use. Financing and other cost relating to acquisition of fixed assets are also included to the extent they relate to the period till such time as the assets are ready for commercial operation.

D Depreciation and Amortisation

Depreciation is provided on Straight Line Method as per the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956

E Investments

Investments are classified into Non-Current and Current Investments.

- a) Non-Current Investments are carried at cost. Provision for diminution, if any, in the value of each Non-Current Investments is made to recognise a decline, other than of a temporary nature.
- b) Current investments are carried individually at lower of cost and fair value and the resultant decline, if any is charged to revenue.

F Inventories

Inventory representing project work-in-progress is valued at cost, which includes expenditure incurred for development, other related cost and cost of land. Other inventories in the nature of unsold properties and textile goods are valued at Cost.

G Revenue Recognition

- a) Sales are net of cancellation of sale and amount payable to the developer and taxes, if any.
- b) The Company is engaged in the Business of textiles and development of property. Revenue from sale of properties under construction is recognised on the basis of actual bookings done (provided the significant risks and rewards have been transferred to the buyer and there is reasonable certainty of realisation of the monies). Revenue from textiles is recognised when it is earned and no significant uncertainty exists as to its realization or collection.
- c) All expenses incurred, including interest and selling & distribution expenses, on project is shown under Work-in-progress and amount received from Customer towards booking of the area is shown in Project Advances in respect of properties under construction.
- d) Interest income is recognised on time basis determined by the amount outstanding and the rate applicable.
- e) Dividend income is recognised when the right to receive the payment is established.

H Foreign Currency Transactions

Transactions in Foreign Exchange are accounted at the exchange rate prevailing on the date the transaction has taken place.

I Taxation

Tax expenses are the aggregate of current tax and deferred tax charged or credited in the statement of Profit and Loss for the year.

a) Current Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

**b) Deferred Tax**

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is virtual certainty that the assets can be realised in future.

J Borrowing Costs

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

K Impairment of Assets

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

L Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

M Government Grants

Government grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of depreciable assets by way of a reduced depreciation charge while grants related to expenses are treated as other income in the income statement.

N Segment Reporting

The company identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial management in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

O Construction Activities

- a) Construction cost incurred in respect of Project under construction at Kurla is considered as W.I.P and shown as Current Assets under Inventories.
- b) Unsold flats at Sewri is considered as Ready flats and is shown as Current Assets under Inventories.
- c) The amount received (net) towards sale of Kurla is considered as Project Advances and shown under Other Long term Liabilities.

P Cash & Cash Equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

27 Earning Per Share

	Particulars	2012-2013	2011-2012
i)	Net profit after tax as per Statements of Profit & Loss attributable to Equity Shareholders (₹ In Lacs)	2,053.31	2,650.05
ii)	Weighted average number of shares used as denomination for calculating Basic and Diluted earning per share	95,000,000	95,000,000
iii)	Face value of shares (₹ Per Share)	2.00	2.00
iv)	Basic/Diluted earning per share (in ₹)	2.16	2.79

**28 Contingent Liabilities**

	Particulars	2012-2013	2011-2012
i)	Income Tax (₹ In Lacs)	1,593.69	359.70
ii)	Corporate guarantee (₹ In Lacs)	19,500.00	17,000.00

29 Payment to Auditors (Excluding Service Tax)

i)	Statutory Audit Fees (₹ In Lacs)	1.50	0.80
ii)	Tax Audit Fees (₹ In Lacs)	0.50	0.40
iii)	Other Capacity (₹ In Lacs)	0.25	-

30 Raw Material Consumed

i)	Greige Material		
	Quantity (Meter in Lacs)	210.31	84.10
	Value (₹ In Lacs)	15,351.13	6,235.56
ii)	Stores & Consumables - Value (₹ In Lacs)	289.15	168.41
iii)	Dyes, Chemicals and others - Value (₹ In Lacs)	2,423.20	1,147.43

31 Sales of Products

i)	Sales - Own		
	Quantity (Meter in Lacs)	211.18	73.24
	Value (₹ In Lacs)	20,134.05	6,716.20
ii)	Job Work		
	Quantity (Meter in Lacs)	27.95	22.07
	Value (₹ In Lacs)	497.84	368.14

32 Purchase/Manufacture of Products

i)	Greige Material		
	Quantity (Meter in Lacs)	227.91	88.77
	Value (₹ In Lacs)	17,459.51	6,628.71
ii)	Stores & Consumables - Value (₹ In Lacs)	291.19	169.13
iii)	Dyes, Chemicals and others - Value (₹ In Lacs) - Indigeneous	2,421.66	1,219.53
iv)	Dyes, Chemicals and others - Value (₹ In Lacs) - Import	5.48	-

33 Stock in Trade and Construction WIP

A	Textiles:		
i)	Greige Material		
	Quantity (Meter in Lacs)	25.33	7.73
	Value (₹ In Lacs)	2,765.39	657.01
ii)	Work In Progress		
	Quantity (Meter in Lacs)	8.19	10.32
	Value (₹ In Lacs)	983.04	938.71
iii)	Finished Goods		
	Quantity (Meter in Lacs)	5.96	5.28
	Value (₹ In Lacs)	774.51	517.83
iv)	Stores & Consumables - Value (₹ In Lacs)	2.76	0.72
v)	Dyes, Chemicals and others - Value (₹ In Lacs)	76.61	72.66
B	Real Estate		
	Construction WIP		
	Value (₹ In Lacs)	35,526.47	32,746.27

**34 Value of Imports on CIF Basis**

	Particulars	2012-2013	2011-2012
i)	Capital Goods (₹ In Lacs)	21.63	221.98
ii)	Raw Material - Dyes & Chemicals (₹ In Lacs)	5.48	-

35 Expenditure in Foreign Currency

Professional Charges (₹ In Lacs)	-	16.41
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36 Earning in Foreign Currency

FOB value of exports		
Quantity (Meter in Lacs)	0.04	0.23
Value (₹ In Lacs)	3.86	21.91

37 Related Party Disclosures, as required by AS-18 are given below:**A List of Related Parties**

	Name of the Parties	Relationship
i)	Cardinal Energy and Infrastructure Private Limited	Subsidiary
ii)	Pegasus Ventures Private Limited	
iii)	Mr. Nikhil Merchant	Key Management Personnel
iv)	Mr. Paresh Merchant	
v)	Mr. Padmanabhan Sugavanam	
vi)	Ami Tech (India) Private Limited	Enterprise over which Key Management Personnel is able to exercise significant influence
vii)	Feltham Trading Private Limited	

B Transaction during the year with related parties

		2012-2013	2011-2012
i)	Cardinal Energy and Infrastructure Private Limited		
	Purchase of shares (₹ In Lacs)	-	1,500.00
	Advance given (₹ In Lacs)	11,737.78	30,624.32
	Advance received back (₹ In Lacs)	1,674.50	16,944.00
	Receivable (₹ In Lacs)	23,743.60	13,680.32
ii)	Pegasus Ventures Private Limited		
	Purchase of shares (₹ In Lacs)	1,001.00	-
	Advance given (₹ In Lacs)	13,245.01	-
	Advance received back (₹ In Lacs)	1,000.00	-
	Receivable (₹ In Lacs)	12,245.01	-
iii)	Mr. Nikhil Merchant		
	Remuneration Paid (₹ In Lacs)	65.00	65.00
iv)	Mr. Paresh Merchant		
	Remuneration Paid (₹ In Lacs)	65.00	65.00
	Rent Paid (₹ In Lacs)	1.02	1.02
v)	Mr. Padmanabhan Sugavanam		
	Remuneration Paid (₹ In Lacs)	24.00	24.00
vi)	Ami Tech (India) Private Limited		
	Loans given (₹ In Lacs)	2,433.82	2,605.27
	Loans received back (₹ In Lacs)	2,051.96	2,295.27
	Interest Received (₹ In Lacs)	214.44	63.23
	Receivable (₹ In Lacs)	1,349.53	753.23
vii)	Feltham Trading Private Limited		
	Rent Paid (₹ In Lacs)	1.44	1.44

**38 Segment Reporting**

The company has identified business segment as primary segments. The reportable business segments are textile and Property development/others

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Segment Revenue		
Textiles	20,631.89	7,084.34
Property development/*Others	8,104.35	7,834.01
Total	28,736.24	14,918.35
Segment Results		
Textiles	262.85	(980.74)
Property development/*Others	1,790.47	3,630.79
Total	2,053.32	2,650.05

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Segment Assets		
Textiles	16,716.14	12,174.20
Property development/*Others	98,055.35	79,046.65
Total	114,771.49	91,220.85
Segment Liabilities		
Textiles	9,743.01	7,538.03
Property development/*Others	84,177.82	64,885.46
Total	93,920.83	72,423.49

Note:

- i) * Others include expenses/ investments made on the projects related to Energy/FSRU.
- ii) All development and Trading activity have been undertaken in India only, hence Geographical segment reporting is not required.

- 39** Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standards are followed with respect to such results.
- 40** At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the fixed assets. No impairment loss is determined.
- 41** The Company had entered into Development Agreement with Peninsula Land Limited (Formerly Piramal Holdings Ltd) to develop and sale properties at Mumbai and as per the said agreement, they are entitled to 22% of the gross receipt. The transactions and effect thereof are already given in these accounts.
- 42** Previous Year's figures are regrouped/rearranged wherever necessary.

As per our report of even date attached hereto

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Mumbai, May 30, 2013

For and on behalf of the Board of Directors

Navinbhai C. Dave
Chairman

Paresh V. Merchant
Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013



Independent Auditors' Report on Consolidated Financial Statements

To The Board of Directors of

Swan Energy Limited

We have audited the accompanying consolidated financial statement of **Swan Energy Limited** (the "Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2013, the consolidated statement of Profit & Loss and the consolidated Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated Cash flow of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statement based on our audit. We conducted our audit in accordance with the Standard 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 consolidated 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 procedure selected depends 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 Company's preparation and presentation of the consolidated financial statement that gives true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated 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 explanation given to us, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In case of the Consolidated Balance Sheet, of the state of affairs as at March 31, 2013;
- (b) In case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In case of the Consolidated Cash Flow Statement, of the Cash Flows for the year ended on that date.

For V.R.Renuka & Co.

Chartered Accountants

Firm Registration No. 108826W

V.R. Renuka

Proprietor

M. No. 032263

Mumbai, May 30, 2013

**Consolidated Balance Sheet as at March 31, 2013**

(₹ in lacs)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	1,900.00	1,900.00
Reserves and Surplus	2	18,193.00	16,892.43
Non-Current Liabilities			
Long-Term Borrowings	3	18,143.14	19,772.40
Deferred Tax Liabilities (Net)	4	538.75	366.01
Other Long Term Liabilities	5	67,656.17	50,784.86
Current Liabilities			
Short-Term Borrowings	6	19,198.08	3,697.93
Trade Payables	7	4,612.17	2,351.56
Other Current Liabilities	8	8,206.78	9,119.35
Short-Term Provisions	9	4,529.10	3,416.26
TOTAL		142,977.19	108,300.80
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible	10	29,760.57	10,301.30
Capital work in progress	10	41,746.78	28,193.30
Non-Current Investments	11	798.14	264.00
Long-Term Loans and Advances	12	9,038.35	4,293.91
Other Non-Current Assets	13	28.28	32.69
Current Assets			
Current Investments	14	53.83	3,960.82
Inventories	15	40,128.78	34,933.20
Trade Receivables	16	4,634.34	3,310.50
Cash and Cash Equivalents	17	2,491.33	18,680.11
Short-Term Loans and Advances	18	13,457.91	3,715.13
Other Current Assets	19	838.88	615.84
TOTAL		142,977.19	108,300.80
Significant Accounting Policies	27		
Notes on Financial Statements	1 to 44		

As per our report of even date attached hereto

For and on behalf of the Board of Directors

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

Navinbhai C. Dave
Chairman

Nikhil V. Merchant
Managing Director

V.R. Renuka
Proprietor
M. No. 032263

Paresh V. Merchant
Executive Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

Mumbai, May 30, 2013



Consolidated Statement of Profit and Loss Account for the Year Ended March 31, 2013

(₹ in lacs)

Particulars	Note No.	Year Ended March 31, 2013	Year Ended March 31, 2012
Income:			
Revenue from Operations	20	27,876.19	13,864.85
Other Income	21	1,187.60	1,053.50
Total Revenue		29,063.79	14,918.35
Expenses:			
Cost of Materials Consumed	22	23,615.07	33,376.13
(Increase)/Decrease in Finished Goods and Work-in-Progress	23	(3,081.21)	(27,290.01)
Employee Benefit Expenses	24	572.29	434.08
Finance Costs	25	2,030.52	903.66
Depreciation and Amortization Expense	10	587.80	419.44
Other Expenses	26	2,423.78	3,301.84
Total Expenses		26,148.25	11,145.14
Profit before Tax		2,915.54	3,773.21
Tax Expense:			
(1) Current tax		890.00	945.03
(2) Deferred Tax		172.92	182.54
Profit for the Year		1,852.62	2,645.64
Earnings Per Equity Share			
Basic and diluted (in ₹)		1.95	2.78
Significant Accounting Policies	27		
Notes on Financial Statements	1 to 44		

As per our report of even date attached hereto

For and on behalf of the Board of Directors

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Navinbhai C. Dave
Chairman

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Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

Mumbai, May 30, 2013

**Consolidated Cash Flow Statement for the Year Ended March 31, 2013**

(₹ in lacs)

	Particulars	Year Ended March 31, 2013	Year Ended March 31, 2012
A	Cash Flow from Operating Activities		
	Profit before tax	2,915.54	3,773.21
	Adjustments for :		
	Depreciation	587.80	419.44
	Considered Separately:		
	Dividend Income	-	(173.64)
	Preliminary Expenses	12.60	3.64
	Interest Income	(505.57)	(332.51)
	Finance Cost	2,030.52	903.66
	Operating Profit before Working Capital Changes	5,040.89	4,593.80
	Adjustments for :		
	Trade & Other Receivables	(10,787.44)	9,629.92
	Inventories	(5,195.57)	(27,756.55)
	Trade Payables and Other Liabilities	19,963.01	34,235.89
	Cash generated from operations	9,020.89	20,703.06
	Direct Taxes (Paid)/Received	(5,246.67)	(2,110.41)
	Net Cash from Operating Activities (A)	3,774.22	18,592.65
B	Cash Flow from Investing Activities		
	Purchase of Fixed Assets	(33,600.55)	(28,709.48)
	Sale of Investments	3,906.99	9,505.32
	Purchase of Investment	(534.14)	
	Payment of Preliminary Expenses	(8.20)	(36.12)
	Dividend Income	-	173.64
	Interest Income	505.57	332.51
	Net Cash from Investing Activities (B)	(29,730.33)	(18,734.13)
C	Cash Flow from Financing Activities		
	Long Term & Short Term Funds Borrowed/(Repaid)	12,349.90	10,735.32
	Finance Cost	(2,030.52)	(903.66)
	Dividend Paid	(475.00)	(285.00)
	Tax on Dividend	(77.05)	(46.23)
	Net Cash from Financing Activities (C)	9,767.33	9,500.43
	Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(16,188.78)	9,358.95
	Opening Balance of Cash & Cash Equivalents	18,680.11	9,321.16
	Closing Balance of Cash & Cash Equivalents	2,491.33	18,680.11

As per our report of even date attached hereto

For and on behalf of the Board of Directors

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Navinbhai C. Dave
Chairman

Paresh V. Merchant
Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

Mumbai, May 30, 2013

**Notes to the Consolidated Financial Statement for year ended March 31, 2013****1 Share Capital****(a) Authorised Share Capital:**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
15,000 (2011-2012 : 15,000) 11% Cumulative Redeemable Preference Shares of ₹ 100/- each	15.00	15.00
10,000 (2011-2012 : 10,000) 11% Cumulative Preference Shares of ₹ 100/- each	10.00	10.00
50,00,00,000 (2011-2012 : 50,00,00,000) Equity Shares of ₹ 2/- each	10,000.00	10,000.00
Total	10,025.00	10,025.00

(b) Issued, subscribed and paid up:

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
9,50,00,000 (2011-2012 : 9,50,00,000) Equity Shares of ₹ 2/- each fully paid up.	1,900.00	1,900.00
Total	1,900.00	1,900.00

(c) A reconciliation of the number of shares outstanding is set out below:

Particulars	2012-2013		2011-2012	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
Outstanding At the beginning of the year	95,000,000	1,900.00	95,000,000	1,900.00
Outstanding At the end of the year	95,000,000	1,900.00	95,000,000	1,900.00

(d) Details of shareholders, holding more than 5% shares in the company:

Name of the Shareholder	2012-2013		2011-2012	
	No. of Shares	% holding	No. of Shares	% holding
Dave Impex Private Limited	23,015,200	24.23	23,015,200	24.23
Swan Engitech Works Private Limited	19,201,429	20.21	19,201,429	20.21
Swan Realtors Private Limited	20,794,500	21.89	20,794,500	21.89

2 Reserves and Surplus

Particulars	2012-2013 ₹ in Lacs		2011-2012 ₹ in Lacs	
Capital Reserves		5,810.64		5,810.64
Capital Redemption Reserve		14.25		14.25
Securities Premium Reserve		0.43		0.43
Other Reserves				
Workmen's Welfare Reserve		0.25		0.25
Surplus i.e. balance in Statement of Profit & Loss				
At the beginning of the year	11,066.86		8,752.45	
Add: Profit during the year	1,852.62		2,645.64	
Less: Appropriation				
Proposed dividend on equity shares	(475.00)		(285.00)	
Tax on proposed equity dividend	(77.05)		(46.23)	
At the end of the year		12,367.43		11,066.86
Total		18,193.00		16,892.43

**3. Long Term Borrowings**

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a)	Term loans		
	From Banks (Secured)	12,143.14	19,768.82
	From Other parties (Secured)	6,000.00	-
(b)	Other loans and advances		
	Vehicle Loan	-	3.58
Total		18,143.14	19,772.40

Term loan from banks in Swan Energy Limited include:

- i) ICICI Bank loan: ₹ 3,147.38 lacs (2011-2012: NIL). Secured by unsold properties at Mumbai, charge on scheduled receivables, extension of charge on the escrow account of property, exclusive charge on DSR account.
- ii) Union Bank of India and Oriental Bank of Commerce : ₹ 1,301.81 lacs (2011-2012: ₹ 2,768.82 lacs). Secured by mortgage of property at Ahmedabad for Textile project.
- iii) Vehicle loan: Secured by hypothecation of Vehicle.

Term loan from banks in Cardinal Energy and Infrastructure Private Limited include:

- iv) ICICI Bank Loan: ₹ 800 lacs (2011-2012: NIL) are secured by way of equitable mortgage by means of deposit of title of the Property, Exclusive charge on the scheduled receivables of the projects, Second charge by way of hypothecation on scheduled receivables of Other property.
- v) Standard Chartered Bank loan: ₹ 6,893.95 Lacs (2011-2012: ₹ 7,000 Lacs) is secured by the property at Bengaluru
- vi) Indian Overseas Bank: ₹ NIL Lacs (2011-2012: ₹ 10,000 Lacs) is secured by the property at Hyderabad.

Term loan from Other Parties in Pegasus Ventures Private Limited include:

- vii) Arum Investments Private Limited Loan of ₹ 6,000 Lacs (2011-2012: NIL) is secured by pledge of unencumbered dematerialized equity shares of Swan Energy Limited

4 Deferred Tax Liabilities (Net)

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Deferred Tax Liability			
	Related to Fixed Assets	538.75	366.01
Total		538.75	366.01

5 Other Long Term Liabilities

Particulars		2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a)	Trade payables	-	-
(b)	Others		
	Project Advances	66,173.33	50,600.88
	Rental Deposits	7.68	2.76
	Society Deposit from Customer	-	99.08
	Security Deposit	1,475.16	82.14
Total		67,656.17	50,784.86

**6 Short-term Borrowings**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Working Capital Loans		
From Banks (Secured)	13,263.19	1,972.73
Loans repayable on demand		
From other parties (Unsecured)	5,934.89	1,725.20
Total	19,198.08	3,697.93

Working Capital Loan from banks in Swan Energy Limited include:

- Union Bank of India and Oriental Bank of Commerce ₹ 2,681.61 lacs (2011-2012: ₹ 1,972.73 lacs), which is secured against 1st pari passu charge on hypothecation of Inventories and Book debts of the textiles division.
- Yes Bank ₹ 550.61 lacs (2011-2012: NIL), which is secured against subservient charge on the entire current assets of the textile division. Pledge of 8,45,000 shares of Swan Energy Limited held by promoters/group companies.

Working Capital Loan from banks in Cardinal Energy and Infrastructure Private Limited include:

- Indian Overseas Bank: ₹ 10,030.97 Lacs (2011-2012: NIL) is secured by the property at Hyderabad.

7 Trade Payables

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Micro, Small & Medium Enterprises	-	-
Others	4,612.17	2,351.56
Total	4,612.17	2,351.56

Identification of Micro, Small and Medium Enterprises is not possible due to information not furnished by the suppliers.

8 Other Current Liabilities

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Current maturities of long-term debt		
Term loan from Banks/Financial institutions	5,240.05	6,304.15
Vehicle loan	3.58	70.43
(b) Interest accrued but not due on borrowings	57.70	24.67
(c) Other payables		
Short term deposit	1,594.00	-
Outstanding Expenses	82.86	64.11
Duties & Taxes	166.95	1,303.18
Retention Money	799.64	1,248.23
Unpaid Dividend	2.38	2.38
Creditors for Capital Expenditure	86.76	102.20
Creditors for Revenue Expenditure	172.86	-
Total	8,206.78	9,119.35

Current maturities of long-term debt in Swan Energy Limited include:

- ICICI Bank loan: ₹ NIL (2011-2012: ₹ 3,304.15 lacs). Secured by mortgage of properties financed, i.e. receivables, land at Kurla and construction thereon.
- Union Bank of India and Oriental Bank of Commerce : ₹ 1,450 lacs (2011-2012: ₹ 1,000 lacs) Secured by mortgage of property at Ahmedabad for Textile project.



- iii) SICOM: ₹ 2,000 Lacs (2011-2012: ₹ 2,000 lacs). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- iv) Tata Capital: ₹ 1,400 Lacs (2011-2012: ₹ NIL). Secured by pledge of Equity Shares of Swan Energy Limited held by the promoters/group company(s).
- v) Vehicle loan: Secured by hypothecation of Vehicle.

Current maturities of long-term debt in Cardinal Energy and Infrastructure Private Limited include:

- vi) Standard Chartered Bank loan: ₹ 390.05 Lacs (2011-2012: NIL) is secured by the property at Bengaluru.

9 Short-term Provisions

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Proposed Dividend on Equity Shares	475.00	285.00
Tax Payable on Proposed Dividend	77.05	46.23
Provision for taxation	3,975.20	3,085.03
Other Provisions	1.85	-
Total	4,529.10	3,416.26

10 Fixed Assets - Tangible

(₹ in Lacs)

Description of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01/04/2012	Additions for the year	Deductions for the year	As at 31/03/2013	As at 01/04/2012	For the year	Adjustments for the year	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
Tangible Assets										
Land	3,202.19	-	-	3,202.19	-	-	-	-	3,202.19	3,202.19
Buildings	1,160.19	17,333.55	-	18,493.74	45.59	169.49	-	215.08	18,278.66	1,114.60
Plant & Machinery	5,538.86	1,989.95	-	7,528.81	398.61	314.03	-	712.64	6,816.17	5,140.25
Computers	50.13	12.40	-	62.53	9.11	9.00	-	18.11	44.42	41.02
Furniture, fixtures & Equipments	474.42	698.35	-	1,172.77	68.64	37.74	-	106.38	1,066.39	405.78
Motor Vehicles	594.58	12.82	-	607.40	197.12	57.54	-	254.66	352.74	397.46
Total	11,020.37	20,047.07	-	31,067.44	719.07	587.80	-	1,306.87	29,760.57	10,301.30
Previous year - Tangible Assests	10,504.19	516.18	-	11,020.37	299.63	419.44	-	719.07	10,301.30	10,204.56
Capital Work in Progress	28,193.30	26,995.38	13,441.90	41,746.78	-	-	-	-	41,746.78	28,193.30
Previous year - CWIP	-	28,193.30	-	28,193.30	-	-	-	-	28,193.30	-

11 Non-current Investments

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Investment in Equity Instruments - Unquoted		
26,40,000 Equity Shares of ₹ 10/- each in Shaan Leisures Limited	264.00	264.00
Other Company	534.14	-
Total	798.14	264.00

**12 Long-term Loans and Advances**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Capital Advances	5,457.84	3,340.42
Security Deposits	136.47	161.98
Other loans and advances (Unsecured, considered good)	3,444.04	791.51
Total	9,038.35	4,293.91

13 Other Non-current Assets

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Others		
Unamortised Expenses	28.28	32.69
Total	28.28	32.69

14 Current Investments

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Investments in Mutual Funds		
P8096 ICICI Prudential Liquid Plan - Direct - Growth (11,412 Units)	19.80	-
1571 ICICI Prudential Money Market Fund Cash Option Growth (19,94,516 Units)	-	2,958.21
BPBIG ICICI Prudential Blended Plan B Institutional Growth Option-II (43,39,939 Units)	-	502.27
1587 ICICI Prudential Banking & PSU Debt Premium Plus Growth (42,25,543 Units)	-	500.34
(b) Fixed Deposit with bank	34.03	-
Total	53.83	3,960.82

Total Market Value of Mutual Funds 19.80 3,960.82

15 Inventories (As verified, valued and certified by the management)

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Construction Work-in-progress	35,526.47	32,746.27
Textiles		
(a) Raw materials	2,765.39	657.01
(b) Work-in-progress	983.04	938.71
(c) Finished goods	774.51	517.83
(d) Stores and spares	79.37	73.38
Total	40,128.78	34,933.20

16 Trade Receivables

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Unsecured, Considered good		
Debts due for more than 6 months	651.78	851.98
Less: Provision for Doubtful Debts	-	-
Other Debts	3,982.56	2,458.52
Total	4,634.34	3,310.50

**17 Cash and Cash Equivalents**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
(a) Balances with banks		
In Current Accounts	1,437.68	16,683.12
In Deposit Accounts	1,006.38	1,974.50
(b) Cash on hand	44.89	20.11
(c) Others		
Earmarked balance for Unpaid dividend	2.38	2.38
Total	2,491.33	18,680.11

18 Short-term Loans and Advances

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Other Loans & Advances		
Advance paid to suppliers	543.68	76.00
Advance Income Tax	8,871.78	3,624.79
Loans to staff	18.33	6.44
Prepaid Insurance	11.38	2.57
Cenvat Credit	16.83	-
Security Deposits	548.64	-
Other Advances	3,447.27	5.33
Total	13,457.91	3,715.13

19 Other Current Assets

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest Receivable others	-	0.43
Interest accrued on Fixed Deposits	31.33	24.75
TUF Subsidy Receivable	784.13	590.66
Insurance Claim Receivable	3.20	-
TDS Receivable	20.22	-
Total	838.88	615.84

20 Revenue from Operations

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Sale of products;		
Textile Goods	20,631.89	7,084.34
Construction Activities	6,942.16	6,780.51
Lease Rent	302.14	-
Total	27,876.19	13,864.85

21 Other Income

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest Income	505.57	332.51
Dividend Income on mutual fund units	-	173.64
Net gain on sale of mutual fund units	486.66	184.84
Net gain on foreign exchange transaction/translation	4.52	-
TUF Subsidy	157.01	296.40
Other non-operating income	33.84	66.11
Total	1,187.60	1,053.50

**22 Cost of Materials Consumed**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Material used in Construction Activities	5,551.59	25,824.73
Textiles		
Raw Material Consumed	15,351.13	6,235.56
Stores & Spares	289.15	168.41
Dyes, Chemicals and others	2,423.20	1,147.43
Total for Textiles	18,063.48	7,551.40
Total	23,615.07	33,376.13

23 Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Finished Goods		
Opening Stock	517.83	92.86
Closing Stock	774.51	517.83
Changes in Inventory of Finished Goods	(256.68)	(424.97)
Work in Progress		
Opening Stock	33,684.98	6,819.94
Closing Stock	36,509.51	33,684.98
Changes in Inventory of Work in Progress	(2,824.53)	(26,865.04)
Total	(3,081.21)	(27,290.01)

24 Employee Benefit Expenses

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Salaries Wages and bonus	547.11	415.71
Company's Contribution to Provident fund	0.26	0.35
Company's Contribution to ESIC	4.54	2.86
Leave Travel Allowance	11.92	10.21
Staff Welfare Expenses	8.46	4.95
Total	572.29	434.08

25 Finance Costs

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Interest expense	1,877.13	903.38
Other Borrowing cost	153.39	0.28
Total	2,030.52	903.66

**26 Other Expenses**

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Towards Construction Activities		
Architect fees	63.43	313.99
Rates & Taxes	139.81	1,009.26
Security Charges	70.61	177.71
Power & Fuel	88.56	131.96
Other Development Expenses	65.99	431.15
	428.40	2,064.07
Advertisement Expenses	2.72	6.14
Audit Fees	3.11	1.33
Brokerage & Commision	145.57	56.06
Business Development Expenses	66.01	60.20
Common Area Maintanence	3.38	-
Communication cost	16.56	17.95
Donation	92.92	10.05
Freight Charges	249.44	96.57
Insurance	10.50	12.70
Legal & Professional fees	151.27	166.76
Listing fees	3.12	1.10
Membership & Subscription	4.14	58.23
Power & Fuel	371.46	190.58
Preliminary Expenses Written Off	12.60	3.64
Printing & Stationery	14.33	13.36
Rates & Taxes	33.11	10.47
Rent	41.57	2.94
Repair & Maintanence - Building	5.94	0.18
Repair & Maintanence - Machinery	16.14	5.89
Repair & Maintanence - Others	27.63	7.38
Security Charges	19.96	10.46
Vehicle Expenses	30.61	26.56
Miscellaneous Expenses	673.29	479.22
	1995.38	1237.77
Total	2,423.78	3,301.84

27 SIGNIFICANT ACCOUNTING POLICIES**A Principles of consolidation**

The consolidated financial statements related to Swan Energy Limited ('The Company') and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the company and its subsidiary companies are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra-group transactions in accordance with Accounting Standard (AS) 21 - "Consolidated Financial Statements".
- As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

**B Other Significant Accounting Policies**

These are set out under "Significant Accounting Policies" as given in the Company's standalone financial statements.

28 Earning Per Share

		2012-2013	2011-2012
i)	Net profit after tax as per Consolidated Statements of Profit & Loss attributable to Equity Shareholders (₹ In Lacs)	1,852.62	2,645.64
ii)	Weighted average number of shares used as denomination for calculating Basic and Diluted earning per share	95,000,000	95,000,000
iii)	Face value of shares (₹ Per Share)	2.00	2.00
iv)	Basic/Diluted earning per share (in ₹)	1.95	2.78

29 Contingent Liabilities

Income Tax (₹ In Lacs)	1,593.69	359.70
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30 Payment to Auditors (Excluding Service Tax)

i)	Statutory Audit Fees (₹ In Lacs)	2.10	0.88
ii)	Tax Audit Fees (₹ In Lacs)	0.65	0.45
iii)	Other Capacity	0.25	-

31 Raw Material Consumed

i)	Greige Material		
	Quantity (Meter in Lacs)	210.31	84.10
	Value (₹ In Lacs)	15,351.13	6,235.56
ii)	Stores & Consumables - Value (₹ In Lacs)	289.15	168.41
iii)	Dyes, Chemicals and others - Value (₹ In Lacs)	2,423.20	1,147.43

32 Sales of Products

i)	Sales - Own		
	Quantity (Meter in Lacs)	211.18	73.24
	Value (₹ In Lacs)	20,134.05	6,716.20
ii)	Job Work		
	Quantity (Meter in Lacs)	27.95	22.07
	Value (₹ In Lacs)	497.84	368.14

33 Purchase/Manufacture of Products

i)	Greige Material		
	Quantity (Meter in Lacs)	227.91	88.77
	Value (₹ In Lacs)	17,459.51	6,628.71
ii)	Stores & Consumables - Value (₹ In Lacs)	291.19	169.13
iii)	Dyes, Chemicals and others - Value (₹ In Lacs) - Indigeneous	2,421.66	1,219.53
iv)	Dyes, Chemicals and others - Value (₹ In Lacs) - Import	5.48	-

**34 Stock in Trade and Construction WIP**

	Particulars	2012-2013	2011-2012
A	Textiles:		
i)	Greige Material		
	Quantity (Meter in Lacs)	25.33	7.73
	Value (₹ In Lacs)	2,765.39	657.01
ii)	Work In Progress		
	Quantity (Meter in Lacs)	8.19	10.32
	Value (₹ In Lacs)	983.04	938.71
iii)	Finished Goods		
	Quantity (Meter in Lacs)	5.96	5.28
	Value (₹ In Lacs)	774.51	517.83
iv)	Stores & Consumables - Value (₹ In Lacs)	2.76	0.72
v)	Dyes, Chemicals and others - Value (₹ In Lacs)	76.61	72.66
B	Real Estate		
	Construction WIP		
	Value (₹ In Lacs)	35,526.47	32,746.27

35 Value of Imports on CIF Basis

i)	Capital Goods (₹ In Lacs)	21.63	221.98
ii)	Raw Material - Dyes & Chemicals (₹ In Lacs)	5.48	-

36 Expenditure in Foreign Currency

Professional Charges (₹ In Lacs)	-	16.41
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37 Earning in Foreign Currency

FOB value of exports		
Quantity (Meter in Lacs)	0.04	0.23
Value (₹ In Lacs)	3.86	21.91

38 Related Party Disclosures, as required by AS-18 are given below:**A List of Related Parties**

	Name of the parties	Relationship
i)	Mr. Nikhil Merchant	Key Management Personnel
ii)	Mr. Paresh Merchant	
iii)	Mr. Padmanabhan Sugavanam	
iv)	Ami Tech (India) Private Limited	Enterprise over which Key Management Personnel is able to exercise significant influence
v)	Feltham Trading Private Limited	

**B Transaction during the year with related parties**

		2012-2013	2011-2012
i)	Mr. Nikhil Merchant		
	Remuneration Paid (₹ In Lacs)	65.00	65.00
ii)	Mr. Paresh Merchant		
	Remuneration Paid (₹ In Lacs)	65.00	65.00
	Rent Paid (₹ In Lacs)	1.02	1.02
iii)	Mr. Padmanabhan Sugavanam		
	Remuneration Paid (₹ In Lacs)	24.00	24.00
iv)	Ami Tech (India) Private Limited		
	Loans given (₹ In Lacs)	2,433.82	2,605.27
	Loans received back (₹ In Lacs)	2,051.96	2,295.27
	Interest Received (₹ In Lacs)	214.44	63.23
	Receivable (₹ In Lacs)	1,349.53	753.23
v)	Feltham Trading Private Limited		
	Rent Paid (₹ In Lacs)	1.44	1.44

39 Segment Reporting

The company has identified business segment as primary segments. The reportable business segments are textile and Property development/others

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Segment Revenue		
Textiles	20,631.89	7,084.34
Property development/*Others	8,431.90	7,834.01
Total	29,063.79	14,918.35
Segment Results		
Textiles	262.85	(980.74)
Property development/*Others	1,589.77	3,626.38
Total	1,852.62	2,645.64

Particulars	2012-2013 ₹ in Lacs	2011-2012 ₹ in Lacs
Segment Assets		
Textiles	16,716.14	12,174.20
Property development/*Others	126,261.05	96,126.60
Total	142,977.19	108,300.80
Segment Liabilities		
Textiles	9,743.01	7,538.03
Property development/*Others	112,589.13	81,970.34
Total	122,332.14	89,508.37

Note:

- i) * Others include expenses/ investments made on the projects related to Energy/FSRU.
- ii) All development and Trading activity have been undertaken in India only, hence Geographical segment reporting is not required.

40 Quarterly financial results are published in accordance with the guidelines issued by SEBI. The recognition and measurement principles as laid down in the standards are followed with respect to such results.

41 At the Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the fixed assets. No impairment loss is determined.



- 42 The Company had entered into Development Agreement with Peninsula Land Limited (Formerly Piramal Holdings Ltd) to develop and sale properties at Mumbai and as per the said agreement, they are entitled to 22% of the gross receipt. The transactions and effect thereof are already given in these accounts.

43 Statement Pursuant to Section 212 (3) and 212 (5) of the Companies Act, 1956

The Subsidiary Companies considered in the consolidated financial statements are:

Name of the Subsidiaries	Country of Incorporation	Proportion of Ownership Interest
Cardinal Energy and Infrastructure Private Limited (CEIPL)	India	100%
Pegasus Ventures Private Limited (PVPL)	India	100%

During the year, the Company has invested in 1,00,10,000 number of shares of Pegasus Ventures Private Limited which incorporated on 16/04/2012, and hence the figures of the said company consolidated is from the date of incorporation.

During the year, the Company has invested in 1,000 Ordinary Shares of £ 1 each in "CEAU Limited" duly registered at "Isle of Man" and became 100 % Subsidiary of CIPL. Since the Company has not commenced any commercial activities during the year, the consolidation of accounts has not been done since there is no income/revenue of the Company.

The details of subsidiaries in terms of General Circular No. 2/2011 dated 8th February, 2011 issued by Government of India, Ministry of Corporate Affairs under Section 212(8) of the Companies Act, 1956 are as under

(₹ In Lacs)

Sr.No	Name of the Subsidiary	Cardinal Energy and Infrastructure Private Limited	Pegasus Ventures Private Limited
	Reporting Currency	INR	INR
1	Share Capital	1,501.00	1,001.00
2	Reserves and Surplus	(205.99)	0.37
3	Total Assets	47,410.07	25,468.74
4	Total Liabilities	47,410.07	25,468.74
5	Investments	534.14	-
6	Turnover and Total Income	324.30	3.25
7	Profit/(Loss) before tax	(201.06)	0.55
8	Provision for Taxation	-	0.18
9	Profit/(Loss) after Taxation	(201.06)	0.37
10	Proposed Dividend	-	-
11	Country	INDIA	INDIA

- 44 Previous Year's figures are regrouped/rearranged wherever necessary.

As per our report of even date attached hereto

For V.R.Renuka & Co.
Chartered Accountants
Firm Registration No. 108826W

V.R. Renuka
Proprietor
M. No. 032263

Mumbai, May 30, 2013

For and on behalf of the Board of Directors

Navinbhai C. Dave
Chairman

Paresh V. Merchant
Executive Director

Nikhil V. Merchant
Managing Director

Chetan K. Selarka
Chief Financial Officer

Arun S. Agarwal
Company Secretary

Mumbai, May 30, 2013

[illegible]

NOTES

[illegible]



SWAN ENERGY LIMITED

Registered Office : 6, Feltham House, 2nd Floor, 10, J.N Heredia Marg,
Ballard Estate, Mumbai – 400 001

ATTENDANCE SLIP

To be handed over at the entrance of the Meeting venue

	Member's Folio No.
	Name of the Member attending Meeting

In case of Proxy, Name of Proxy

I hereby record my presence at the 105th ANNUAL GENERAL MEETING at Walchand Hirachand Hall, 4th Floor, Indian Merchant Chamber Building, IMC Marg, Churchgate, Mumbai – 400 020 on 19th, September, 2013 at 11.30 A.M.

Member's/Proxy's Signature

Note :

1. Please sign this attendance slip and hand it over at the Attendance verification Counter at the Entrance of the Meeting Hall.
2. No Gifts/Company Products shall be given at the Meeting.
3. The Shareholding stated above is subject to change for transfers upto book closure.



SWAN ENERGY LIMITED

PROXY FORM

I/We _____

of _____

being a Member/Members of SWAN ENERGY LTD. hereby appoint _____

of _____

or failing him _____

of _____

or failing him _____

of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 105th Annual General Meeting of the Company to be held at Mumbai on Thursday, 19th September, 2013 at 11.30 A.M. and at any adjournment thereof

Signed this _____ day of _____ 2013.

Signed by the said.....

of _____

Affix
Rs. 1
Revenue
Stamp

Note : If a Member is unable to attend the Meeting, he may sign this form and send it to the Company's Registered Office so as to reach not less than 48 hours before the Meeting.