

**THE SWASTIK SAFE DEPOSIT  
&  
INVESTMENTS LIMITED**

**73<sup>RD</sup> ANNUAL REPORT  
2013-2014**



## THE BOARD OF DIRECTORS

Ms. Nandini Piramal  
 Mr. Chandrakant M. Hattangdi  
 Mr. Chandrakant M. Khetan  
 Mr. Khushru B. Jijina  
 Late Mr. V. C. Vadodaria (*upto 28<sup>th</sup> November, 2013*)  
 Mr. Sunil Adukia (*w.e.f. 30<sup>th</sup> December, 2013*)

## AUDITORS

M/s Kulkarni & Khanolkar  
 Chartered Accountants  
 13/14 Bell Building,  
 Sir Pherozeshah Mehta Road,  
 Fort, Mumbai

## BANKERS

HDFC Bank Limited

## REGISTERED OFFICE

1<sup>st</sup> Floor, Piramal Tower,  
 Ganpatrao Kadam Marg,  
 Lower Parel,  
 Mumbai – 400 013

Contents	Page No.
Management Discussion & Analysis	4
Report on Corporate Governance	5
Notice	13
Directors' Report	19
Auditors' Report	24
Balance Sheet	26
Statement of Profit & Loss	27
Cash Flow Statement	28
Notes to Financial Statements	29
Proxy & Attendance Slip	

## MANAGEMENT DISCUSSION AND ANALYSIS

The company is in the business of the financial activity. The key issues of the Management Discussion and analysis are given below:

### **Outlook:**

The continual growth in the finance sector is expected to give the necessary support to the Finance industry. The company is making all efforts to accelerate growth of its business and hope to improve its turnover.

### **Strength:**

The strength of the company is known from its reputation which the company has earned due to its quality business and presently the company's financial position is sound.

### **Risk and Concerns**

The operations of your company are subject to general business risks and competition in the industry, which can effect the growth of the company.

### **Internal Control and their Adequacy**

The company has adequate internal control systems and procedures commensurate with the size and nature of business. The Company has proper system of disposal of assets of the company. Significant financial, managerial and operating information is accurate, reliable and is provided timely. All internal policies and statutory guidelines are complied with.

### **Cautionary statement**

Statement in the management discussion and analysis describing the company's objectives and expectation may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially due to economic conditions effecting demand, supply, prices, change in government policies, tax laws and other incidental factors.

## REPORT ON CORPORATE GOVERNANCE

A report for the financial year ended 31<sup>st</sup> March 2014 on the compliance by the Company with the Corporate Governance requirements under Clause 49 of the Listing Agreement, is furnished below.

### 1. Company's Philosophy on Corporate Governance

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization.

### 2. Board of Directors

#### A. Changes during the year

The following changes took place during the year:

- Mr. V.C. Vadodaria has ceased to be Director of the Company w.e.f. 28<sup>th</sup> November, 2013.
- Mr. Sunil Adukia was appointed as a Director in the resulting casual vacancy w.e.f. 30<sup>th</sup> December, 2013.
- Ms. Nandini Piramal retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment which your Board recommends.

#### B. Composition and size of the Board

The composition of your Company's Board, which comprises Five Directors is given in the table below and is in conformity with clause 49 of the Listing Agreement with the Stock Exchanges.

Name of Director	Other Directorships <sup>1</sup>		Membership of other Board Committees <sup>2</sup>	
	as Member	as Chairman	as Member	as Chairman
Ms. Nandini Piramal - Non Executive Director	2	-	-	-
Mr. Khushru B. Jijina - Non Executive Director	2	-	-	-
Mr. Sunil Adukia - Non Executive Director	1	-	-	-
Mr. Chandrakant M. Hattangdi - Independent Director	-	-	-	-
Mr. Chandrakant M. Khetan - Independent Director	4	-	2	2

#### Note:

1. This includes directorships in public limited companies and subsidiaries of public limited companies and excludes directorships in private limited companies, overseas companies, companies under section 25 of the Companies Act, 1956 and Alternate Directorships.
2. This relates to Committees referred to in clause 49 of the Listing Agreement, viz. Audit Committee and Investors Grievance Committee. This excludes Remuneration Committee which is not considered for the purpose of computing maximum limits under clause 49.

### C. Board Meetings and Procedures

#### I. Meetings Held & Attendance

Six Board meetings were held during the year. The Company has held at least one Board meeting in every quarter and the maximum time gap between any two meetings was not more than four months thereby complying with applicable statutory requirements:

Sr. No.	Date of Board Meetings	Board Strength	No. of Directors present
1.	15 <sup>th</sup> April, 2013	5	5
2.	23 <sup>rd</sup> May, 2013	5	5
3.	02 <sup>nd</sup> August, 2013	5	5
4.	30 <sup>th</sup> October, 2013	5	5
5.	30 <sup>th</sup> December, 2013	5	4
6.	31 <sup>st</sup> January, 2014	5	5

**II. Details of Directors attendance at Board Meetings and at the last Annual General Meeting (AGM) held on 20<sup>th</sup> September, 2013 are given in the following table:**

Name of Director	Board Meetings		AGM
	Held during the year	Attended	
Ms. Nandini Piramal	6	5	√
Mr. Khushru B. Jijina	6	6	√
Mr. Sunil Adukia <sup>1</sup>	2	2	*
Mr. Chandrakant M. Khetan	6	6	√
Mr. Chandrakant M. Hattangdi	6	6	√
Mr. V.C.Vadodaria <sup>2</sup>	4	4	√

1. \*Mr. Sunil Adukia was appointed w.e.f. 30<sup>th</sup> December, 2013 i.e. after the date of AGM;
2. Mr. V.C. Vadodaria expired on 28<sup>th</sup> November, 2013. Consequently he has ceased to be Director of the Company w.e.f. that date.

**D. Shareholding of Non-Executive Directors**

The individual shareholdings of Non-Executive Directors (including shareholding as joint holders) as on March 31, 2014 are given below:

Name	No. of shares held
Mr. Khushru B. Jijina	2,200
Mr. Sunil Adukia	2,000

**E. Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting:**

Ms. Nandini Piramal is retiring by rotation at the ensuing Annual General Meeting (AGM) and is eligible for re-appointment.

It is proposed to appoint the Independent Directors, Mr. Chandrakant M. Khetan and Mr. Chandrakant M. Hattangdi for a fixed term of 5 years in line with the requirements of Section 149 of the Companies Act, 2013.

The profiles of each of these Directors are given below.

**Ms. Nandini Piramal**

Ms. Nandini Piramal, graduated in BA (Hons.) from Hertford College, Oxford University and is an MBA of the Stanford Graduate School of Business. Her outstanding academic performance in the MBA Programme was acknowledged by the Stanford Graduate School of Business.

Her other directorships in public limited companies and subsidiaries of public limited companies in India are:

Sr. No.	Name of the Company	Designation and Membership of Board Committees referred to in Clause 49 of the Listing Agreement
1.	Piramal Enterprises Limited	Nil
2.	Piramal Corporate Services Limited	Nil

**Mr. Chandrakant M. Khetan**

Mr. Chandrakant M. Khetan, is an industrialist of repute with more than four decades of experience in running industries in different sectors. His understanding of business strategy, financials, risk analysis and his acumen to add value has made him an important member of the Board. He was inducted on the Board of the Company in March, 1985.

His other directorships in public limited companies and subsidiaries of public limited companies in India are:

Sr. No.	Name of the Company	Designation and Membership of Board Committees referred to in Clause 49 of the Listing Agreement
1.	Vibhuti Investments Company Ltd.	Nil
2.	DGP Securities Ltd.	Nil
3.	Entremonde Polycoaters Ltd	Nil

4.	Ajanta Pharma Ltd.	• Audit Committee	• Chairman
		• Compensation Committee	• Chairman
		• Nomination and Remuneration Committee	• Member
		• Corporate Social Responsibility Committee	• Member

**Mr. Chandrakant M. Hattangdi**

Mr. Chandrakant M. Hattangdi, has completed his graduation from Bombay University with Chemistry and Physics as his major. He started his career with Pfizer India Limited and rose to position of Marketing Director of pharmaceuticals and agricultural business in India and Vice President – Agricultural business in Phillipines. He joined Parke Davis as Chairman and Managing Director from 1977 to 1988. He joined in 1988 Nicholas Laboratories India Limited (now Piramal Enterprises Limited) as Managing Director and continued till June 1998. He was inducted on the Board of the Company in December, 1992.

Mr. Hattangdi is not a Director in any other Company in India.

**3. Board Committees**

Your Board has constituted the following Committees under the mandatory requirements of Clause 49 of the Listing Agreement.

**A. Audit Committee**

**I. Constitution of the Committee**

The Audit Committee comprises three members as per details in the following table:

Name	Category
Mr. Chandrakant M. Hattangdi - Chairman	Non- Executive, Independent
Mr. Khushru B. Jijina	Non- Executive
Mr. Chandrakant M. Khetan	Non- Executive, Independent

All the members of the Committee have good knowledge of finance, accounts and business management. The Chairman of the Committee, Mr. Chandrakant M. Hattangdi has extensive accounting and related financial management expertise.

The composition of this Committee is in compliance with the requirements of Section 292A of the Companies Act, 1956, Section 177 of Companies Act, 2013 and Clause 49 of the Listing Agreement.

**II. Terms of Reference**

The Committee oversees the accounting and financial reporting process of the Company, the audits of the Company’s financial statements, the appointment, independence and performance of the statutory auditors, the performance of internal auditors and the Company’s risk management policies.

Apart from the matters provided in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, the Committee reviews reports of the Internal Auditors and Statutory Auditors and discusses their findings, suggestions, internal control systems, scope of audit and observations of the statutory auditors.

**III. Meetings Held & Attendance**

During the financial year 2013-14, the Committee met 4 times, on the following dates before finalization of annual accounts and adoption of quarterly financial results by the Board. All the four meetings were attended by all the members of the Committee.

23 <sup>rd</sup> May, 2013	2 <sup>nd</sup> August, 2013
30 <sup>th</sup> October, 2013	31 <sup>st</sup> January, 2014

The Statutory Auditors are invited to attend the meetings of the Committee. Chairman of the Audit Committee was present at the last AGM.

**B. Investor Grievance Committee**

Keeping in mind the current requirements under Section 178(5) of the Companies Act, 2013 and the proposed amendments to Clause 49 of the Listing Agreement which comes into effect from October 1, 2014, the name of the Committee has been changed to “Stakeholders Relationship Committee”.

**I. Constitution of the Committee**

The Committee presently comprises three members as per details in the following table:

Name	Category
Ms. Nandini Piramal	Non- Executive
Mr. Khushru B. Jijina	Non- Executive
Mr. Sunil Adukia	Non- Executive

**II. Terms of Reference**

The Committee reviews and ensures the existence of a proper system for timely resolution of grievances of the security holders of the Company including complaints related to transfer of shares and non-receipt of balance sheet, non-receipt of declared dividends etc. The terms of reference of the Committee have been aligned to the Companies Act, 2013.

**III. Meetings Held & Attendance**

During the financial year 2013-14, the Committee met once on 10<sup>th</sup> March, 2014. All the three members attended the meeting.

There was no outstanding complaint as on 31<sup>st</sup> March, 2014.

**4. Remuneration of Directors**

At the Board Meeting held on 8<sup>th</sup> May, 2012, it was unanimously decided by the directors of the Company that in view of decrease in the operational activities of the Company the payment of sitting fees for attending the meetings of the Board of Directors of the Company or any Committee thereof be discontinued from the next Board Meeting.

**5. General Body Meetings**

Details of the Annual General Meetings held during the preceding 3 years and Special Resolutions passed there at are given below:

Annual General Meeting (AGM)	Date	Time	Venue	Details of Special Resolutions passed
70 <sup>th</sup>	26 <sup>th</sup> September, 2011	11.30 a.m.	4 <sup>th</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013	None
71 <sup>st</sup>	25 <sup>th</sup> September, 2013	11.30 a.m.	Piramal Tower, 8 <sup>th</sup> Floor, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	None
72 <sup>nd</sup>	20 <sup>th</sup> September, 2013	11.30 a.m.	Piramal Tower, 8 <sup>th</sup> Floor, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013	None

- No Special Resolutions were passed at the above AGMs.

**• Postal Ballot:**

No resolution was passed through Postal Ballot during the financial year 2013-14. At present, there is no proposal to pass any resolution through postal ballot.

**6. Disclosures**

- No transaction of material nature has been entered into by the Company with its Directors or Management and their relatives, etc. that may have a potential conflict with the interests of the Company;
- The statement of Register of Contracts / related party transactions, is placed before the Board / Audit Committee regularly;
- Transactions with related parties are disclosed in Note No. 15 to the Accounts in the Annual Report;
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or the Stock Exchanges or any other statutory authority does not arise;
- Listing fees for the financial year 2014-15 have been paid to the Stock Exchanges on which the shares of the Company are listed.



**Compliance with Mandatory / Non-Mandatory Requirements**

- The Company has complied with all the applicable mandatory requirements of Clause 49 of the Listing Agreement.

**7. Means of Communication**

**A. Quarterly Results:**

The approved financial results are forth with sent to the Stock Exchanges where the shares are listed and are published in The Free Press Journal, Mumbai, and Navshakti, Mumbai, Business Standard (all editions) (English) and Mumbai Lakshadweep (Marathi) within forty-eight hours of approval thereof.

**B. Annual Report:**

The Annual Report containing inter-alia the Audited Annual Accounts, Directors' Report, Auditors' Report, Report on Corporate Governance and other important information is circulated to Members and others entitled thereto. The Management Discussion and Analysis forms part of the Annual Report.

**D. Designated Exclusive Email ID:**

The Company has designated the Email ID viz. complianceofficer.swastik@piramal.com exclusively for investor servicing.

**8. General Information for Shareholders**

**A. Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65190MH1940PLC003151.

**B. Annual General Meeting**

**Day, Date and Time** : Friday, 26<sup>th</sup> September, 2014 at 11.00 a.m.  
**Venue** : Auditorium, 3<sup>rd</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013

**C. Financial Calendar**

Financial reporting for:

Quarter ending June 30, 2014	on or before August 14, 2014
Half Year ending September, 2014	on or before November 14, 2014
Quarter ending December, 2014	on or before February 14, 2014
Year ending March 31, 2015	on or before May 14, 2014
Annual General Meeting for the year ending March 31, 2015	August / September, 2015

**D. Book Closure Period**

Saturday, September 20, 2014 to Friday, September 26, 2014 (both days inclusive).

**E. Listing on Stock Exchanges Equity Shares**

BSE Limited (BSE)  
 [Scrip Code: 501386]  
 Phiroze Jeejeebhoy Towers,  
 Dalal Street, Mumbai - 400 001

Delhi Stock Exchange of India Limited (DSE)  
 [Scrip Code: 19283]  
 3/1, DSE House, Asaf Ali Road,  
 New Delhi - 110002

**ISIN:** INE094R01019

**F. Stock Market Data**

During the last financial year, no trading of Company's shares took place on BSE / DSE. Consequently High, Low and Average Closing Price and Trading Volumes of the Company's Equity Shares are not available.

**G. Share Transfer Agents**

M/s Link Intime India Pvt. Ltd. ("Link Intime") are the Share Transfer Agents of the Company. The contact details of Link Intime are given below:

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078

Tel.: (022) 2594 6970

Fax: (022) 2594 6969

Email ID: piramal.irc@linkintime.co.in

**H. Share Transfer System (in physical segment)**

For administrative convenience and to facilitate speedy approvals, authority has been delegated to the Share Transfer Agents (STA) and also to senior executives to approve share transfers up to specified limits. Share transfers / transmissions approved by the STA and / or the authorized executives are placed at the Board Meeting from time to time.

In case of shares held in physical form all transfers are completed within 15 days from the date of receipt of complete documents. As at March 31, 2014 there were no Equity Shares pending for transfer.

The Company obtains from a Company Secretary in Practice, half-yearly certificate of compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

**I. Distribution of Shareholding by size as on March 31, 2014**

No. of Shares held	No. of shareholders	% to no. of shareholders	No. of shares	% to no. of shares
1 to 100	266	89.56	5930	2.47
101 to 200	15	5.05	2735	1.14
201 to 500	0	0	0	0
501 to 1000	0	0	0	0
1001 to 5000	12	4.04	25400	10.58
5001 to 10000	2	0.67	16500	6.88
10001 to 20000	1	0.34	10900	4.54
20001 to 30000	0	0	0	0
30001 to 40000	0	0	0	0
40001 to 50000	0	0	0	0
50001 to 100000	0	0	0	0
Above 100000	1	0.34	178535	74.39
<b>Total</b>	<b>297</b>	<b>100.00</b>	<b>240000</b>	<b>100.00</b>

**J. Statement showing shareholding pattern as on March 31, 2014**

Sr. No	Category of Shareholder	No. of Shareholders	No. of Shares	%
(A)	Shareholding of Promoter and Promoter Group	1	178535	74.39
(B)	Public Shareholding			
1	<b>Institutions</b>			
	Mutual Funds / UTI	-	-	0.00
	Financial Institutions / Banks	-	-	0.00
	Insurance Companies	-	-	0.00
	Foreign Institutional Investors	-	-	0.00

Sr. No	Category of Shareholder	No. of Shareholders	No. of Shares	%
<b>2</b>	<b>Non-Institutions</b>			
	Bodies Corporate	2	49	0.02
	Individuals			
	(i) Holding nominal share capital up to Rs. 1 lakh	293	50516	21.05
	(ii) Holding nominal share capital in excess of Rs. 1 lakh	1	10900	4.54
(c)	Others	-	-	0.00
	(i) Non Resident Indians - Repatriable	-	-	-
	(ii) Non Resident Indians – Non Repatriable	-	-	-
	(iii) Foreign Companies	-	-	-
	(iv) Overseas Bodies Corporate	-	-	-
	(v) Clearing Members	-	-	-
	(vi) Foreign Nationals	-	-	-
	(vii) Trusts	-	-	-
	<b>Total Public Shareholding</b>	<b>296</b>	<b>61465</b>	<b>25.61</b>
	<b>TOTAL</b>	<b>297</b>	<b>240000</b>	<b>100.00</b>

**K. Dematerialisation of shares**

As on March 31, 2014 all 2,40,000 equity shares (100.% of the total number of shares) were in physical form.

**L. Outstanding GDRs/ADRs/Warrants or any convertible warrants**

There are no outstanding convertible warrants / instruments.

**9. Code of Conduct**

The Board has laid down a Code of Conduct and Ethics for its Members and Senior Management Personnel of the Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the financial year 2013-14. A declaration signed by Mr. Sunil Adukia, Director to this effect is given below.

“I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation that they have complied with the Code of Conduct and Ethics for Directors and Senior Management of the Company in respect of the financial year 2013-14.”

Sd-  
Sunil Adukia  
Director

**10. Certificate on Corporate Governance**

Certificate from M/s Surendra Kanstiya Associates, Practicing Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49 forms part of this Annual Report.

**CERTIFICATION UNDER CLAUSE 49 (V) OF THE LISTING AGREEMENT**

I, Sunil Adukia, Director certify to the Board that:

- (a) I have reviewed the financial statements and the cash flow statement of for the year ended March 31, 2014 and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd-  
Sunil Adukia  
Director

Mumbai, 27<sup>th</sup> May, 2014

DIN : 00020049

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**Certificate on Corporate Governance**

The Members of  
The Swastik Safe Deposit & Investments Limited

We have examined the compliance of conditions of Corporate Governance by The Swastik Safe Deposit & Investments Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

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

For **Surendra Kanstiya Associates**  
Practicing Company Secretaries

**Surendra Kanstiya**  
Proprietor  
C. P. No. 1744  
F.C.S No. 2777

Place: Mumbai  
Date: 27<sup>th</sup> May, 2014

## NOTICE

**NOTICE** is hereby given that the 73<sup>rd</sup> Annual General Meeting of the Members of The Swastik Safe Deposit and Investments Limited will be held on Friday, the 26<sup>th</sup> day of September, 2014 at 11.00 a.m. at Auditorium, 3<sup>rd</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at and the Statement of Profit and Loss for the financial year ended on March 31, 2014 and the Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Ms. Nandini Piramal (holding Directors Identification Number '00286092'), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting for 3 (Three) consecutive years till the conclusion of the 76<sup>th</sup> Annual General Meeting of the Company in the calendar year 2017 and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, M/s Kulkarni & Khanolkar (Firm Registration No. 105407W), Chartered Accountants, Mumbai, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting, for three consecutive years until the conclusion of the 76<sup>th</sup> Annual General Meeting of the Company in the calendar year 2017, subject to ratification by the shareholders annually, at such remuneration as shall be fixed by the Board of Directors of the Company."

### SPECIAL BUSINESS

#### 5. Appointment of Mr. Chandrakant M. Hattangdi as Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Chandrakant M. Hattangdi (holding Directors Identification Number 01578932), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to March 31, 2019."

#### 6. Appointment of Mr. Chandrakant M. Khetan as Independent Director

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

**"RESOLVED THAT** pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Chandrakant M. Khetan (holding Directors Identification Number 00234118), Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company, to hold office for five consecutive years for a term up to March 31, 2019."

#### 7. Section 180 (1)(c)- Borrowing Limit

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

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board', which term shall include its Committee(s) constituted for the purpose) to borrow any sum, or sums of monies and/or to receive/avail of financial assistance or to undertake financial obligation in any form, from time to time from any one or more of the Financial Institutions, Banks, Funds and/or from any one or more other persons, firms, bodies corporate, mutual funds or entities, whether by way of loans, advances, or deposits or issue of debentures, bonds, financial arrangement or obligations or otherwise and whether unsecured or secured by mortgage, charge, including lien or interest in, hypothecation, or pledge

of the Company's assets and properties, whether immovable or movable or stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) or work in progress and all or any of the undertakings of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company may exceed the aggregate of the Company's Paid-up Share capital and its free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) **PROVIDED THAT** the total amounts so borrowed and outstanding at any point of time shall not exceed ₹ 1500 Crores (Rupees One Thousand Five Hundred Crores Only) over and above the aggregate of the then Paid-up Share capital of the Company and its free reserves, exclusive of interest and other charges and the Board be and is hereby authorized to execute/cause to execute such agreements, documents, deeds, undertakings, declarations, debenture trust deeds, indentures of mortgage, deeds of hypothecation/charge, lien, promissory notes and other deeds and instruments or writings containing such conditions and covenants and to do / cause to do all acts, deeds, matters and things in this regard as the Board may think fit **AND THAT** all amounts that may have been so borrowed by the Company so far up to the aforesaid limit be and are hereby approved, confirmed and ratified."

**8. Section 180 (1) (a)- Creation of charges**

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

**"RESOLVED THAT** pursuant to the provisions of Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board', which term shall include its Committee(s) constituted for the purpose) to create mortgages/charges including interest in or lien on all or any of the Company's movable and/or immovable properties and assets, both present and future, or on the whole or substantially the whole of the undertaking or undertakings of the Company, ranking pari-passu with or second or subservient or subordinate to the mortgages/charges already created or to be created in future by the Company, for securing any loans and/or advances and/or guarantees and/or any financial assistance or obligations obtained/undertaken or that may be obtained/undertaken by the Company, its subsidiaries/ Associate Companies or any other bodies Corporate from financial institutions, Insurance Companies, banks or credit agencies, incorporated or constituted in India or abroad, machinery suppliers and/or other persons or institutions providing finance for purchase of assets or for making investments or for working capital or for purchase of specific items of machinery and equipments under any deferred payment scheme or bills rediscounting scheme or in favour of Trustees for debentureholders/bondholders appointed or that may be appointed hereafter, as securities for debentures/bonds issued or that may be issued by the Company and/or its subsidiaries and/or other Body Corporate, with power to take over the management, business and concern thereof in certain events of default, on such terms and conditions and at such times and in such form and manner as the Board may deem fit, so that the total outstanding amount at any time so secured shall not exceed the amounts consented by the Company by the Resolution passed at this meeting pursuant to Section 180(1)(c) of the Companies Act, 2013 or upto the higher amount/s as may be so consented by the Company from time to time in future, together with interest thereon, and further interest, if any, costs, charges, expenses, remuneration and other monies payable to the lenders/trustees and all other monies payable by the Company **AND THAT** the mortgages/charges created by the Company so far be and they are hereby approved, confirmed and ratified;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to and cause to prepare, finalise, approve and execute on behalf of the Company with the lending financial institutions, banks, credit agencies, machinery suppliers, institutions and the trustees for the debentures/bondholders, the documents, deeds, agreements, declarations, undertakings and writings as may be necessary and/or expedient for giving effect to the foregoing resolutions and to vary and /or alter the terms and conditions of the security created/to be created as aforesaid in consultation with the Trustees and other Mortgagees as they may deem fit;

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to delegate all or any of the above powers to the Committee of Directors or any Officer of the Company and generally to do or cause to do all the acts, deeds matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

**NOTES:**

1. **A member entitled to attend and vote at the Annual General Meeting (“the Meeting”) is entitled to appoint a proxy to attend and to vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty- eight hours before the commencement of the Meeting.**

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

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Transfer Books of the Company will remain close from Saturday, the 20<sup>th</sup> September, 2014 to Friday, 26<sup>th</sup> September, 2014 (both days inclusive).
6. Relevant documents referred to in the Notice and Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Saturdays, Sundays and Public holidays, between 11.00 a.m. and 1.00 p.m. upto the date of the Meeting.

7. **Directors**

Ms. Nandini Piramal retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

Approval of shareholders is also being sought for the appointment of Mr. Chandrakant M. Hattangdi and Mr. Chandrakant M. Khetan as Independent Directors to hold office for 5 consecutive years for a term up to March 31, 2019.

The information to be provided for these Directors under Clause 49 of the Listing Agreement is given in the Report on Corporate Governance forming part of the Annual Report.

8. Members are requested to note that in case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgment of request for these transactions, is now mandatory.
9. **Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 73<sup>rd</sup> Annual General Meeting (AGM) by electronic means. The business may be transacted through e-voting Services provided by Central Depository Services (India) Limited (CDSL).

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the Electronic Voting Sequence Number - “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID:  
For CDSL: 16 digits beneficiary ID;  
For Members holding shares in Physical Form: Please enter Folio Number registered with the Company and then enter the Captcha Code as displayed on the screen; Then Click on Login.
- (iv) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing password is to be used. In case you have forgotten your password then enter the User ID and Captcha Code as displayed on the screen and click on Forgot Password and then enter the details as prompted by the system.

- (v) Otherwise, if you are a first time user or if you are holding shares in physical form, please follow the steps given below:
- a) Please fill the following details in the appropriate boxes (this is applicable to members holding shares in demat form or physical form):

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cutoff date</b> in the <b>Dividend Bank details field</b>.</li> </ul>

- b) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then directly reach the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on COMPANY on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the Resolution and option "NO" implies that you dissent to the Resolution.
- (x) Click on the "Resolution File Link" if you wish to view the entire Resolution.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to change your vote subsequently.
- (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xiv) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

Please note that:

- The voting period begins on Friday, 19<sup>th</sup> September, 2014 at 10.00 am and ends on Monday, 22<sup>nd</sup> September, 2014 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which is 12<sup>th</sup> September, 2014, may cast their vote electronically.

The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on this cut-off date. The e-voting module shall be disabled by CDSL for voting after 5.00 pm on 22<sup>nd</sup> September, 2014.



In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

3. Mr. N. L. Bhatia, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e voting process in a fair and transparent manner.
4. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in employment of the Company and forward his report of the votes cast in favour or against to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
5. The Results shall be declared on or after the Annual General Meeting (AGM). The Results declared along with the Scrutinizer’s Report shall be placed on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.

Date: 27<sup>th</sup> May, 2014

By Order of the Board

**Registered Office:**

1<sup>st</sup> Floor, Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai – 400 013  
Maharashtra (India)

CIN: L65190MH1940PLC003151

Phone: 022 – 3076 7000

Fax: 022 – 24902363

Email: [complianceofficer.swastik@piramal.com](mailto:complianceofficer.swastik@piramal.com)

**Sunil Adukia**  
Director

**Explanatory statement under Section 102 of the Companies Act, 2013**

**Item Nos. 5 & 6**

**Appointment of Independent Directors**

Section 149 of the Companies Act 2013 (‘Act’) requires all listed public companies to have at least one third of the total number of directors as Independent Directors. Your Company complies with this requirement.

Sub-section (10) of Section 149 of the Act further provides that Independent Directors shall hold office for a term up to five consecutive years on the Board of a company and can be re-appointed thereafter subject to the limit under sub-section (11) of Section 149 of the Act which provides that they shall not hold office for more than two consecutive terms.

The amended clause 49 of the Listing Agreement with the Stock Exchanges also stipulates similar conditions with regard to initial tenure for appointment of Independent Directors for a term up to five consecutive years. Further in terms of Section 149 (13) read with Explanation to sub-section (6) of Section 152 of the Act, Independent Directors are not liable to retire by rotation.

Mr. Chandrakant M. Hattangdi and Mr. Chandrakant M. Khetan, Directors on the Board of your Company qualify as Independent Directors under Section 149 of the Act and clause 49 of the Listing Agreement.

They were duly appointed under the Companies Act, 1956 as Directors liable to retire by rotation. In order to give effect to the aforesaid provisions of the Act, it is proposed that they be appointed as Independent Directors under Section 149 of the Act read with the amended clause 49 of the Listing Agreement to hold office for five consecutive years for a term up to March 31, 2019.

None of the aforementioned Directors are disqualified from being appointed as Directors in terms of Section 164 of the Act and they have given their consent to act as Directors.

The Company has received notices in writing from member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of each of the afore named Directors for the office of Directors of the Company.

The Company has received declarations from both the above Directors that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, they fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement. They are independent of the management.

Brief resumes of these Directors, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors

*inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view their expertise and knowledge, it will be in the interest of the Company that these Directors are appointed as Independent Directors.

Copy of the draft letter for appointment of these Directors as Independent Directors setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Except for the respective Directors / their relatives who may be deemed to be interested in the respective resolution at item nos. 5 & 6 of the Notice, as it concerns their appointment as Independent Directors, none of the Directors and Key Managerial Personnel of the Company nor their relatives are concerned or interested, financially or otherwise, in the respective resolutions set out at Item Nos. 5 & 6 of the Notice.

The Board recommends the Ordinary Resolutions set out at Item Nos. 5 & 6 of the Notice for approval by the shareholders.

**Item No. 7 & 8**

**Section 180 (1) (c) & (a) Borrowing Limit and Creation of charges:**

The Company is evaluating proposals for expansion of its businesses, diversification or new businesses either by itself or in or through its subsidiaries/associate Companies/ Projects/SPVs/Joint Ventures. These activities would result in increased funding requirements which may have to be met by borrowings and/ or any other financial assistance or financial obligations. In order to meet the requirements of the Funds for such purpose, it may be necessary to avail of outside financial assistance in one or more forms. To secure such borrowings /financial assistance /financial obligations explained above, the Company may be required to create security by way of mortgage/charge or lien /or hypothecation of its assets and properties both present and future. The terms of such security may include a right in certain events of default, to take over management or control of the whole or substantially the whole of the undertaking(s) of the Company.

For the said purpose, requisite resolutions were already passed under the provisions of Section 293(1) (d) & (a) of the Companies Act, 1956 at the General Meetings held earlier to provide for borrowing limit and creation of mortgages and/or charges on the assets and properties of the Company, over and above the aggregate of the paid- up capital of the Company and its free reserves.

However, the provisions pertaining to such matter being notified under the Companies Act, 2013 consent of the members of the Company is being sought as required under the provisions of Section 180(1) (c) of Companies Act, 2013, by way of Special resolution. It is also proposed to increase the borrowing limits of the Company to Rs 500 crores (Rupees Five Hundred Crores only) over and above the aggregate of the paid- up capital of the Company and its free reserves prevailing from time to time.

Similar, consent of the Company is also sought under Section 180(1)(a) of the Companies Act, 2013, for creating such mortgages and/or charges on the assets and properties of the Company, both present and future up to ₹ 500 Crores (Rupees Five Hundred Crores Only) over and above the aggregate of the Paid- up Share capital and free reserves of the Company for the time being.

None of the Director, Manager, Key Managerial Personnel or their relatives are, in any way, concerned or interested in this Resolution.

The Board recommends the Special Resolutions as set out at Item Nos. 7 & 8 of the Notice for your approval.

Date: 27<sup>th</sup> May, 2014

**By Order of the Board**

**Registered Office:**

1<sup>st</sup> Floor, Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai – 400 013  
Maharashtra (India)

**Sunil Adukia  
Director**

CIN: L65190MH1940PLC003151

Phone: 022 – 3076 7000

Fax: 022 – 24902363

Email: [complianceofficer.swastik@piramal.com](mailto:complianceofficer.swastik@piramal.com)

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors present their 73<sup>rd</sup> Annual Report on the affairs of the Company for the year ended 31<sup>st</sup> March, 2014 together with the Audited Statement of Accounts.

### 1. FINANCIAL HIGHLIGHTS

(In ₹)

	Current Year (31-03-2014)	Previous Year (31-03-2013)
<b>WORKING RESULTS</b>		
Total Revenue	7,24,863	14,96,022
Total Expenses	2,32,094	6,86,625
<b>Profit before Tax</b>	<b>4,92,769</b>	<b>8,09,397</b>
<b>Tax Expenses :</b>		
Current Tax	90,000	2,25,000
MAT Credit entitlement	(90,000)	-
Short/(Excess) Tax Provisions of earlier years	10,257	(23,72,410)
<b>Profit for the Year</b>	<b>4,82,512</b>	<b>29,56,807</b>

### 2. DIVIDEND

The Directors have recommended a dividend of ₹.1/- per share i.e. @ 10% (same as previous year) on 2,40,000 Equity Shares of ₹ 10/- each for the financial year ended 31<sup>st</sup> March 2014. The dividend, if approved by the members at the forthcoming Annual General Meeting, shall be paid to the eligible members within 5 days of the approval by the shareholders at the Annual General Meeting.

The Board recommends the above dividend for declaration by the members.

### 3. OPERATIONS REVIEW

Total Revenue for the year was at ₹ 7,24,863/- as against ₹ 14,96,022/- for FY2013. Total Expenses for FY2014 were ₹ 2,32,094/- as against ₹ 6,86,625/- for FY2013. The Company has PBIT of ₹ 4,92,769/- for FY2014 as compared to ₹ 8,09,397/- for FY2013.

A discussion of operations for the year ended 31<sup>st</sup> March 2014 is given in the Management Discussion and Analysis section.

### 4. DIRECTORS

The following changes took place during the year:

Mr. V.C. Vadodaria, Director of the Company expired on 28<sup>th</sup> November, 2013. Consequently Late Mr. V.C. Vadodaria has ceased to be Director of the Company w.e.f. 28<sup>th</sup> November, 2013. Mr. Sunil Adukia was appointed as a Director in the resulting casual vacancy w.e.f. 30<sup>th</sup> December, 2013.

Ms. Nandini Piramal retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment which your Board recommends.

As of the date of this Report, Mr. Chandrakant M. Hattangdi and Mr. Chandrakant Khetan, are Independent Directors as per clause 49 of the Listing Agreement and were appointed under the Companies Act 1956 as Directors liable to retire by rotation. In order to give effect to the applicable provisions of sections 149 and 152 of the Act, it is proposed that these Directors be appointed as Independent Directors, to hold office for five consecutive years, for a term up to March 31, 2019.

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of independence as prescribed under the applicable provisions of section 149 of the Act and under Clause 49 of the Listing Agreement with the Stock Exchanges.

### 5. DIRECTORS' RESPONSIBILITY STATEMENT

As required Under Section 217(2AA) of the Companies Act, 1956, ("the Act") we hereby state:

- (i) That 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) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2014 and its Profit for the year ended on that date;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

**6. COMPLIANCE CERTIFICATE**

As required by proviso to sub-section (1) of Section 383A of the Companies Act, 1956, the Compliance Certificate from Mr. Surendra Kanstiya, Practising Company Secretary is attached to this Report.

**7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

- (a) The nature of the activities of the Company during the year under review has been such that disclosure of the particulars required with respect to the conservation of energy and technology absorption in terms of section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) Rules, 1988 are not applicable.
- (b) Foreign Exchange Earnings & Outgo: Nil

**8. CORPORATE GOVERNANCE**

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. The requisite Certificate from Mr. Surendra Kanstiya, Practising Company Secretary, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 forms part of this report.

**9. HUMAN RESOURCES**

There were no employees who were in receipt of remuneration exceeding the limits laid down under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

**10. AUDITORS**

M/s. Kulkarni & Khanolkar, Chartered Accountants, Mumbai, the Auditors of the Company hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. In accordance with the provisions of section 139, 142 and other applicable provisions of the Companies Act, 2013 and of the Companies (Audit and Auditors) Rules, 2014, it is proposed to re-appoint them as the Auditors of the Company for a period of three consecutive years commencing from the conclusion of this Annual General Meeting, until the conclusion of the 76<sup>th</sup> Annual General Meeting of the Company in the calendar year 2017.

**11. ACKNOWLEDGEMENTS**

We take this opportunity to thank the employees for their dedicated service and contribution to the Company.

We also thank our banks, business associates and our shareholders for their continued support to the Company.

**For and on behalf of the Board**

Place: Mumbai  
Date: 27<sup>th</sup> May, 2014

**Khushru B. Jijina**  
Director

**Sunil Adukia**  
Director

**Annexure - I**

## COMPLIANCE CERTIFICATE

**Registration No. of the Company: 11-3151****Nominal Capital: Rs. 25 Lakhs**

To,  
 The Members,  
 The Swastik Safe Deposit & Investments Limited,  
 1<sup>st</sup> Floor, Piramal Tower  
 Ganpatrao Kadam Marg  
 Lower Parel  
 Mumbai 400013

We have examined the registers, records, books and papers of The Swastik Safe Deposit & Investments Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March 2014 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure `A` to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure `B` to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder except the form mentioned at S.No. 5, where the form has been filed with the additional fee. The Company was not required to file any form or return with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company, being a public limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 6 times respectively on 15<sup>th</sup> April 2013, 23<sup>rd</sup> May 2013, 2<sup>nd</sup> August 2013, 30<sup>th</sup> October 2013, 30<sup>th</sup> December 2013 and 31<sup>st</sup> January 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 16<sup>th</sup> September 2013 to 20<sup>th</sup> September 2013 however the previous notice by advertisement in the newspaper has not been given in this regard.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March 2013 was held on 20<sup>th</sup> September 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate certificate during the financial year however the Company has approved the splitting of shares certificates, in compliance with the relevant provisions of the Companies Act, 1956.
13. The Company has:
  - (i) delivered certificates on lodgement thereof for transfer and has not made any allotment during the financial year;
  - (ii) deposited the amount of dividend declared in a separate bank account with HDFC Bank, Nanik Motwani Marg, Wadia Building, Fort, Mumbai on 23<sup>rd</sup> September 2013 within three days from the date of declaration of dividend;
  - (iii) paid/posted demand drafts issued by the said HDFC Bank for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividend has been kept deposited with HDFC Bank, Nanik Motwani Marg, Wadia Building, Fort, Mumbai;
  - (iv) no amount lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon;
  - (v) duly complied with the requirements of section 217 of the Act.

14. The Board of directors of the Company is duly constituted. There was appointment of one director during the financial year to fill up the casual vacancy.
15. The Company has not appointed any managing director/whole-time director/manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rule made thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The amount borrowed by the Company during the financial year ending 31<sup>st</sup> March 2014 are within the borrowing limits of the Company.
25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its articles of association during the financial year.
31. There was no prosecution initiated against or show cause notices received by the company, during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted Provident Fund for its employees and as such, Section 418 of the Act is not applicable to the Company.

Place: Mumbai

Date: 27.05.2014

Sd/-  
Name of the Company Secretary: Surendra U. Kanstiya

C.P.No.: 1744

**ANNEXURE "A" TO THE COMPLIANCE CERTIFICATE  
OF THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED**

Registers as maintained by the Company

1. Register of Charges u/s 143.
2. Register of Member u/s 150.
3. Register of Contracts, companies and firms in which directors are interested u/s 301(3).
4. Register of Director, Managing Director, Secretary u/s 303.
5. Register of Directors' Shareholdings u/s 307.
6. Register of Transfers.
7. Register of Loans, Investments etc. u/s 372A.
8. Minutes Book of Board Meeting & General Meeting under the Companies Act, 1956.

Place: Mumbai  
Date: 27.05.2014

Sd/-  
Name of the Company Secretary: Surendra U. Kanstiya  
C.P.No.: 1744

**ANNEXURE "B" TO THE COMPLIANCE CERTIFICATE OF  
SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED**

Forms and Returns as filed by the Company during/relating to the financial year ending 31.03.2014

\* With Registrar of Companies:

Sr. No.	Form No./ Return	Filed Under Section	For	Date of Filing#	Whether Filed within Prescribed time	If delay in filing Whether requisite additional fees paid Yes/No
1.	Form 18	146	Shifting of registered office to 1 <sup>st</sup> Floor, Piramal Tower, Ganpatrao Kadam Marg Lower Parel Mumbai 400013	27.08.2013	Yes	No
2.	Form No 66 (Compliance Certificate)	383A	Financial year ended 31.03.2013	16.10.2013	Yes	No
3.	Form 23AC and Form 23ACA (Annual Accounts)	220	Financial year ended 31.03.2013	18.10.2013	Yes	No
4.	Form 20B (Annual Return)	159	A.G.M. held on 20.09.2013	14.11.2013	Yes	No
5.	Form 32	303	Cessation from the office of director by Mr. V C Vadodaria, due to death	31.12.2013	No	Yes
6.	Form 32	303	Appointment of Mr Sunil Adukia as director to fill up the casual vacancy caused by the cessation of office of director by Mr. V C Vadodaria, due to death	31.12.2013	Yes	No

# Date of uploading of Form

\* With Regional Director, Central Govt. or other authorities: Nil

Place: Mumbai  
Date: 27.05.2014

Sd/-  
Name of the Company Secretary: Surendra U. Kanstiya  
C.P.No.: 1744

## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE SWASTIK SAFE DEPOSIT & INVESTMENTS LTD.

### Report on the Financial Statements

We have audited the accompanying financial statements of **The Swastik Safe Deposit & Investments Ltd.** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended and the summary of significant accounting policies and other explanatory information.

### Managements Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

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

- (a) In case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014.
- (b) In case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date.
- (c) In 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 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 purposes 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 and Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
  - e. On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**For KULKARNI & KHANOLKAR**  
**Chartered Accountants**  
**Firm Regn. No.- 105407W**

**(P. D. JOSHI)**  
**Partner**

**Membership No 157279**

Place : Mumbai Date : 27<sup>th</sup> May, 2014



**Annexure****Re : Swastik Safe Deposit & Investments Ltd.**

Referred to in paragraph 1 of our Report of even date on Other Legal and Regulatory Requirements:

- (i) The Company does not have any fixed assets.
- (ii) The Company did not have any inventory & hence the question of maintenance of book records & its physical verification did not arise
- (iii) (a) No loans have been taken or given during the year from the parties registered U/s. 301.  
(b) The Company has not entered into any contract with any party mentioned in Section 301 of the Act.
- (iv) The Company does not have fixed assets and hence the question of having adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase and sale of the fixed assets does not arise. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) We are informed that the Company has not entered into any contracts or arrangements with any party mentioned in Section 301 of the Act.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public in terms of the RBI directives.
- (vii) The company did not have formal internal audit system.
- (viii) Maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 pursuant to the Rules made by the Central Government is not applicable.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income tax and other Statutory dues, applicable to it.  
(b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company does not have accumulated losses. The company has not incurred cash losses during the financial year covered by our audit as well as during the immediately preceding financial year.
- (xi) During the year under audit the company has not borrowed from a financial institution, bank or debenture holders and hence the question of default in the repayment does not arise.
- (xii) We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund and therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in, or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) We are informed that the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) The company has not borrowed any funds as Term Loans during the year.
- (xvi) The Company has not borrowed any funds on a short term basis during the year.
- (xvii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the Company has not issued any debentures.
- (xix) The Company has not raised money by way of public issue.
- (xx) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For KULKARNI & KHANOLKAR**  
**Chartered Accountants**  
**Firm Regn. No. 105407W**

**P.D.Joshi**  
**Partner**  
**M. no.15279**

**Place: Mumbai**

**Date : 27<sup>th</sup> May 2014**

**Balance Sheet as at March 31, 2014**

(In Rs.)

Particulars		Note No.	As at March 31, 2014	As at March 31, 2013
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share capital	1	24,00,000	24,00,000
	(b) Reserves and surplus	2	6,26,76,81,402	6,26,74,77,825
<b>2</b>	<b>Current liabilities</b>			
	(a) Other current liabilities	3	1,15,061	1,11,172
	(b) Short-term Provisions	4	2,78,935	5,03,935
	<b>TOTAL</b>		<b>6,27,04,75,398</b>	<b>6,27,04,92,932</b>
<b>II.</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	Non-current investments	5	6,26,13,03,233	6,26,13,03,233
<b>2</b>	<b>Current assets</b>			
	(a) Cash and cash equivalents	6	69,047	2,18,713
	(b) Other current assets	7	91,03,118	89,70,986
	<b>TOTAL</b>		<b>6,27,04,75,398</b>	<b>6,27,04,92,932</b>

Significant Accounting Policies and notes form an integral part of the Financial Statements.

As per our report of even date attached  
For M/s Kulkarni & Khanolkar  
Firm Registration Number :105407W  
Chartered Accountants

For and on behalf of the Board of Directors

P.D. Joshi  
Partner  
Membership No. 15279

Nandini Piramal  
Director

Khushru Jijina  
Director

Sunil Adukia  
Director

Place : Mumbai  
Date : 27th May, 2014

Place : Mumbai  
Date : 27th May, 2014

**Statement of Profit and loss for the year ended March 31, 2014**

(In Rs.)

Particulars	Note No.	For the year ended on March 31, 2014	For the year ended on March 31, 2013
Revenue from operations	8	-	1,67,868
Other income	9	7,24,863	13,28,154
<b>Total Revenue</b>		<b>7,24,863</b>	<b>14,96,022</b>
<b>Expenses:</b>			
Finance costs	10	-	3,34,736
Other expenses	11	2,32,094	3,51,889
<b>Total expenses</b>		<b>2,32,094</b>	<b>6,86,625</b>
Profit/(Loss) before tax		4,92,769	8,09,397
<b>Tax expense:</b>			
Current tax		90,000	2,25,000
MAT credit entitlement		(90,000)	-
Short/ (Excess) tax provisions of earlier years		10,257	(23,72,410)
Profit for the period		4,82,512	29,56,807
<b>Earnings per equity share:</b>			
(1) Basic		2.01	12.32
(2) Diluted		2.01	12.32

Significant Accounting Policies and notes form an integral part of the Financial Statements.

As per our report of even date attached  
For M/s Kulkarni & Khanolkar  
Firm Registration Number :105407W  
Chartered Accountants

For and on behalf of the Board of Directors

P.D. Joshi  
Partner  
Membership No. 15279

Nandini Piramal  
Director

Khushru Jijina  
Director

Sunil Adukia  
Director

Place : Mumbai  
Date : 27th May, 2014

Place : Mumbai  
Date : 27th May, 2014

**Cash Flow Statement**

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2014	Year Ended March 31, 2013
<b>A. Cash Flow from Operating Activities</b>		
Profit before tax	4,92,769	8,09,507
Adjustments for:		
Interest on Income-tax Refund	-	(10,75,279)
Dividend on Investments	(21,700)	(1,60,366)
Profit on Sale of Investments	(7,03,163)	(92,509)
Operating Profit / (Loss)	(2,32,094)	(5,18,647)
Adjustments For Changes In Working Capital :		
- (Increase) Decrease in Other Receivables	(1,42,389)	37,49,000
- Increase (Decrease) in Trade and Other Payables	(2,21,111)	(8,96,488)
Cash Generated From Operations	(5,95,594)	23,33,865.00
- Taxes Paid (Net of Refunds)	-	59,07,656
<b>Net Cash From Operating Activities (A)</b>	<b>(5,95,594)</b>	<b>82,41,521</b>
<b>B. Cash Flow from Investing Activities</b>		
Proceeds from Sale of Investments	7,03,163	93,000
Interest on Income-tax Refund	-	10,75,279
Dividend on Investments	21,700	1,60,366
<b>Net Cash (Used in) Investing Activities (B)</b>	<b>7,24,863</b>	<b>13,28,645</b>
<b>C. Cash Flow from Financing Activities</b>		
Repayment of Short-term Borrowings	-	(93,50,000)
Dividend Paid	(2,40,000)	(2,40,000)
Dividend Tax Paid	(38,935)	(38,935)
<b>Net Cash From / (Used) in Financing Activities (C)</b>	<b>(2,78,935)</b>	<b>(96,28,935)</b>
Net Increase in Cash & Cash Equivalents (A)+(B)+(C)	(1,49,666)	(57,769)
Cash and Cash Equivalents At Beginning of the year	2,18,713	2,77,000
Cash and Cash Equivalents At end of the year	69,047	2,18,713
Cash and Cash Equivalents Comprise		
Balance with Scheduled Banks	69,047	2,18,713

**Notes :**

The above Cash Flow Statement has been prepared under the 'Indirect Method' set out in Accounting Standard - 3 issued by the Institute of Chartered Accountants of India.

Previous year figures have been regrouped and recasted wherever necessary to confirm to current year's classification.

**Significant Accounting Policies and notes form an integral part of the Financial Statements.**

As per our report of even date attached

For M/s Kulkarni & Khanolkar  
Firm Registration Number :105407W  
Chartered Accountants

For and on behalf of the Board of Directors

P.D. Joshi  
Partner  
Membership No. 15279

Nandini Piramal      Khushru Jijina      Sunil Adukia  
Director                      Director                      Director

Place : Mumbai  
Date : 27th May, 2014

Place : Mumbai  
Date : 27th May, 2014

## Significant Accounting Policies

### a Basis of Preparation

The financial statements are prepared under the historical cost convention, on accrual basis, and comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956.

### b Revenue Recognition

Company follows accrual system of accounting and takes into account expense and incomes as accrued. Dividend income is recognised when the company's right to receive dividend established by the reporting date.

### c Provision for Current and Deferred Taxation

Provision for current tax is made at the amount expected to be paid to taxation authority in accordance with the Income Tax Act, 1961.

### d Investment

Investment share stated at cost.

## Notes forming part of the financial statements for the year ended March 31, 2014

### 1 Share Capital

<u>Share Capital</u>	As at March 31, 2014		As at March 31, 2013	
	Number	Rs.	Number	Rs.
<b>Authorised</b>				
Equity Shares of Rs. 10/- each	2,50,000	25,00,000	2,50,000	25,00,000
<b>Issued</b>				
Equity Shares of Rs. 10/- each	2,40,000	24,00,000	2,40,000	24,00,000
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10/- each fully paid up	2,40,000	24,00,000	2,40,000	24,00,000

#### Reconciliation of shares:

Particulars	Equity Shares			
	As at March 31, 2014		As at March 31, 2013	
	Number	Rs.	Number	Rs.
At the beginning of the year	2,40,000	24,00,000	2,40,000	24,00,000
At the end of the year	2,40,000	24,00,000	2,40,000	24,00,000

Name of Shareholder	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Piramal Corporate Services Limited	1,78,535	74.39%	1,78,535	74.39%

Terms / rights attached to equity share:

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote of shares.

In the event of the liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

**2 Reserve & Surplus**

(In Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
<b>a) Capital Reserve</b>	37,46,325	37,46,325
<b>b) Capital redemption reserve</b>	9,500	9,500
<b>c) General reserve</b>	6,14,23,16,181	6,14,23,16,181
<b>d) Reserve Fund u/s 45-IC(1) of RBI Act, 1934:</b>		
Opening Balance	4,04,80,951	4,04,80,951
Add: Current Year Transfer	96,502	-
<b>Closing Balance</b>	<b>4,05,77,453</b>	<b>4,04,80,951</b>
<b>e) Surplus (Profit &amp; Loss Statement)</b>		
Opening balance	8,09,24,869	7,82,46,997
Add: Net Profit/(Net Loss) for the current year	4,82,512	29,56,807
Less: Transfer to Reserve Fund u/s 45-IC(1) of RBI	(96,502)	-
Less: Proposed dividend	(2,40,000)	(2,40,000)
Less: Tax on Proposed Dividend	(38,935)	(38,935)
<b>Closing Balance</b>	<b>8,10,31,943</b>	<b>8,09,24,869</b>
<b>Total (a+b+c+d+e)</b>	<b>6,26,76,81,402</b>	<b>6,26,74,77,825</b>

**3 Other Current Liabilities**

Particulars	As at March 31, 2014	As at March 31, 2013
Liability for expenses	58,839	50,562
TDS Payable	6,015	7,406
Interest Payable	-	16,094
Unpaid Dividend	50,207	37,110
<b>Total</b>	<b>1,15,061</b>	<b>1,11,172</b>

**4 Short-term Provision**

Particulars	As at March 31, 2014	As at March 31, 2013
Provision for Income-tax	-	2,25,000
Proposed Dividend on Equity Shares	2,40,000	2,40,000
Tax payable on proposed dividend	38,935	38,935
<b>Total</b>	<b>2,78,935</b>	<b>5,03,935</b>

**5 Non-current investments**

Details of Investments (Long-term)						
Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Value Rupees	No. of Shares		Amount (Rs.)	
			As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
<b>(a) Investment in Quoted Equity Instruments - At Cost</b>						
Piramal Phytocare Ltd. (Earlier known as Piramal Life Sciences Ltd.)	Others	10.00	4,960	4,960	7,93,600	7,93,600
Piramal Enterprises Limited	Others	2.00	-	1,240	-	-
Pilani Investments Corporation Ltd.	Others	10.00	50	50	384	384
<b>Total (a)</b>					<b>7,93,984</b>	<b>7,93,984</b>

Details of Investments (Long-term)						
Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	Face Value Rupees	No. of Shares		Amount (Rs.)	
			As at March 31, 2014	As at March 31, 2013	As at March 31, 2014	As at March 31, 2013
<b>(b) Investment in Unquoted Equity Instruments - At Cost</b>						
The Travancore Cements Ltd.	Others	10.00	50,000	50,000	<b>13,43,799</b>	<b>13,43,799</b>
<b>(c) Investments in Preference Shares - At Cost</b>						
15% Non-Cumulative Pref. shares of Piramal Corporate Services Limited	Holding Company	10.00	95,715	95,715	91,65,450	91,65,450
0.01% Redeemable Non-Cumulative Pref. shares of Piramal Corporate Services Limited	Holding Company	10.00	450	450	-	-
6% Non-Cumulative Redeemable Pref. shares Alpex Holdings Pvt. Ltd	Others	10.00	2,50,000	2,50,000	6,25,00,00,000	6,25,00,00,000
<b>Total (c)</b>					<b>6,25,91,65,450</b>	<b>6,25,91,65,450</b>
<b>Grand Total (a+b+c)</b>					<b>6,26,13,03,233</b>	<b>6,26,13,03,233</b>

(Rs.)

Particulars	As at March 31, 2014	As at March 31, 2013
Aggregate amount of quoted investments (Market value)	1,96,328	9,53,224
Aggregate amount of quoted investments	7,93,984	7,93,984
Aggregate amount of unquoted investments	6,26,05,09,249	6,26,05,09,249

**6 Cash and cash equivalents**

Particulars	As at March 31, 2014	As at March 31, 2013
Balance with banks	69,047	2,18,713
<b>Total</b>	<b>69,047</b>	<b>2,18,713</b>

**7 Other Current Assets**

Particulars	As at March 31, 2014	As at March 31, 2013
Advance Tax and TDS (Net of Provisions)	5,13,118	6,19,905
MAT Credit Entitlement	90,000	-
Share Application Money	64,00,000	61,00,000
Receivable in cash or kind	21,00,000	21,00,000
Other Receivables	-	1,51,081
<b>Total</b>	<b>91,03,118</b>	<b>89,70,986</b>

**8 Operating Income**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest Income	-	1,67,868
<b>Total</b>	<b>-</b>	<b>1,67,868</b>

**9 Other Income**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Dividend Income	21,700	1,60,366
Profit on sale of investments	7,03,163	92,509
Interest on income tax refund	-	10,75,279
<b>Total</b>	<b>7,24,863</b>	<b>13,28,154</b>

**10 Finance Costs**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Interest expense	-	3,34,736
<b>Total</b>	<b>-</b>	<b>3,34,736</b>

**11 Other Expenses**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Professional Fees	79,032	1,39,349
Advertising Expenses	82,424	1,12,944
Audit Fees	33,708	33,708
Listing Fees	22,472	49,558
Sundry Expenses	14,458	16,330
<b>Total</b>	<b>2,32,094</b>	<b>3,51,889</b>

**12 Payments to the auditor as:**

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
Auditor (including Service-tax)	33,708	33,708
for other services	22,472	79,102
for reimbursements of expenses	3,371	3,370
<b>Total</b>	<b>59,551</b>	<b>1,16,180</b>

**13 Earning per Share (EPS)-** EPS is calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earning per equity share are as stated below:

Particulars	For the year ended March 31, 2014 (Rs.)	For the year ended March 31, 2013 (Rs.)
Profit for the year	4,82,512	29,56,807
Weighted Number of shares	2,40,000	2,40,000
Earning Per Share (EPS)	2.01	12.32



**14 Deferred tax Liability**

The company has been advised that as there is no tax effect of timing difference based on the estimated computation for a reasonable period, there is no provision for deferred tax in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.

**15 Related Party Disclosures**

Holding Company:	Piramal Corporate Services Limited*
Associate	Alpex Power Private Limited* Piramal Water Private Limited*
Key Management Personnel:	Ms. Nandini Piramal*

\* There are no transactions during the year with the above parties.

**16 Contingent Liability:**

In the opinion of the management there is no contingent liability in respect of Income Tax and adequate provision have been made for all known liabilities.

17 Previous year figures have been regrouped and recasted wherever necessary to confirm to current year's classification.

Significant Accounting Policies and notes form an integral part of the Financial Statements.

As per our report of even date attached

For and on behalf of the Board of Directors

**For M/s Kulkarni & Khanolkar**

Firm Registration Number :105407W  
Chartered Accountants

**P.D. Joshi**  
Partner  
Membership No. 15279

<b>Nandini Piramal</b> Director	<b>Khushru Jijina</b> Director	<b>Sunil Adukia</b> Director
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Place : Mumbai  
Date : 27th May, 2014

Place : Mumbai  
Date : 27th May, 2014

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**Notes**

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**Notes**



# The Swastik Safe Deposit & Investments Limited

CIN: L65190MH1940PLC003151

**Registered Office:** 1<sup>st</sup> Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013

**Phone:** (022) 3076 7700 • **Fax:** (022) 2490 2363 **Email:** complianceofficer.swastik@piramal.com

**Share Transfer Agent:** Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078.

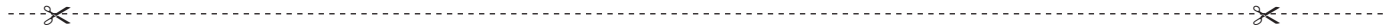
## ATTENDANCE SLIP

I/We hereby record my/our presence at the 73<sup>rd</sup> Annual General Meeting of the Company held at Auditorium, 3<sup>rd</sup> Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 at 11.00 a.m. on Friday, 26<sup>th</sup> September, 2014.

Name and Address of the Shareholder(s)		
If Shareholder(s), please sign here	If Proxy, please mention name and sign here	
	Name of Proxy	Signature

**Notes:**

1. Shareholder/Proxy holder, as the case may be, is requested to sign and hand over this slip at the entrance of the Meeting venue.
2. Members are requested to advise the change of their address, if any, to Link Intime India Pvt. Ltd., at the above address.



# The Swastik Safe Deposit & Investments Limited

CIN: L65190MH1940PLC003151

**Registered Office:** 1<sup>st</sup> Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013

**Phone:** (022) 3076 7700 • **Fax:** (022) 2490 2363 **Email:** complianceofficer.swastik@piramal.com

## PROXY FORM

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

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

Registered address: .....

E-mail Id: .....

Folio No/ Client Id: .....

DP ID: .....

I/We, being the member (s) of.....shares of the above named Company, hereby appoint

1. Name:..... Address:.....

..... E-mail Id:..... Signature:.....,or failing him

2. Name:..... Address:.....

..... E-mail Id:..... Signature:.....,or failing him

3. Name:..... Address:.....

..... E-mail Id:..... Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 73<sup>rd</sup> Annual General Meeting of the Company, to be held on Friday, 26<sup>th</sup> September, 2014 at 11.00 a.m. at Auditorium, 3<sup>rd</sup> floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\* I/We wish my above proxy(ies) to vote in the manner as indicated in the box below:

Resolutions		For	Against	Abstain
1.	Adoption of the audited Balance Sheet as at and the Statement of Profit and Loss for the financial year ended on March 31, 2014 and the Reports of the Directors and Auditors thereon.			
2.	To declare dividend			
3.	Reappointment of Ms. Nandini Piramal who retires by rotation			
4.	Appointment of Auditors and fixing their remuneration			
5.	Appointment of Mr. Chandrakant M. Hattangdi as Independent Director			
6.	Appointment of Mr. Chandrakant M. Khetan as Independent Director			
7.	Section 180 (1)(c)- Borrowing Limit			
8.	Section 180 (1)(a)- Creation of charges			

Signed this.....day of..... 2014.

Signature of shareholder

Affix a  
15 paise  
revenue  
stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

\*\* This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. Alternatively, you may mention the number of shares in the appropriate column in respect of which you would like your proxy to vote. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

**Note:**

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

## INFORMATION FOR SHAREHOLDERS

Registered Office	1 <sup>st</sup> Floor, Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013. Tel.: (022) 3076 7000 Fax: (022) 2490 2363 Email: complianceofficer.swastik@piramal.com
CIN	L65190MH1940PLC003151
Listing of Equity Shares on Stock Exchanges	BSE Limited (Scrip Code: 501386) Delhi Stock Exchange of India Limited (DSE) (Scrip Code: 19283)
Share Transfer Agent	Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078 Tel : (022) 2596 3838 Fax : (022) 2594 6969 Email : piramal.irc@linkintime.co.in

## INVESTORS CORRESPONDENCE

Secretarial Department  
**The Swastik Safe Deposit & Investments Limited**  
1<sup>st</sup> Floor, Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai - 400 013.  
Tel.: (022) 3076 7000  
Fax: (022) 2490 2363  
Email: complianceofficer.swastik@piramal.com

**Registered Post / Speed Post / Courier**

If undelivered please return to  
**THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED**  
1st Floor, Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai - 400 013.