

**STANROSE MAFATLAL**  
**INVESTMENTS AND FINANCE LIMITED**



**34<sup>th</sup>**  
**ANNUAL REPORT 2013-2014**



# STANROSE MAFATLAL

## INVESTMENTS AND FINANCE LIMITED

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| <b>AUDITORS</b>  |             | <b>VICE PRESIDENT (LEGAL) &amp; COMPANY SECRETARY</b>                       |
| C. C. CHOKSHI & COMPANY<br>Chartered Accountants   |             | SHRI GIRISH R. SHAH   |
| <b>REGISTERED OFFICE</b>   |             | <b>CHIEF FINANCIAL OFFICER</b>  |
| POPULAR HOUSE, ASHRAM ROAD<br>AHMEDABAD-380 009  |             | SHRI HARSHAD V. MEHTA   |
| Email: <a href="mailto:info@stanroseinvest.com">info@stanroseinvest.com</a>  |             | <b>BANKERS</b>  |
| Website: <a href="http://www.stanroseinvest.com">www.stanroseinvest.com</a>  |             | HDFC BANK LTD.      AXIS BANK LTD.<br>IDBI BANK LTD.                        |
| <b>SHARE TRANSFER AGENT</b>  |             | <b>CORPORATE OFFICE</b>   |
| LINK INTIME INDIA PVT. LTD.,<br>Unit No. 303, 3rd Floor,<br>Shopper's Plaza V,<br>Opp. Municipal Market,<br>Behind Shopper's Plaza-II,<br>Off. C.G.Road,<br>Ahmedabad - 380 009.<br>Tel. 079 26465179<br>Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a><br>Web site: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> |             | VIJYALAXMI MAFATLAL CENTRE<br>57-A, DR. G. DESHMUKH MARG,<br>MUMBAI-400 026 |
|  |             | <b>LISTED ON : BSE, CODE : 506105</b>                                       |
|  |             | <b>DEMAT CODE : ISIN : INE441L01015</b>                                     |

Shareholders intending to require any information about the accounts to be explained in the Meeting are requested to inform the Company at least ten days in advance of the Annual General Meeting.

Thirty-Fourth Annual General Meeting on 2nd August, 2014 at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058.



**DIRECTORS' REPORT**

To  
The Members,  
**STANROSE MAFATLAL INVESTMENTS AND  
FINANCE LIMITED**

Your Directors have pleasure in presenting the Thirty-fourth Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2014.

**FINANCIAL RESULTS:**

|   | <i>(Rupees in Lacs)</i> |                      |
|---|-------------------------|----------------------|
|   | <b>Current Year</b>     | <b>Previous Year</b> |
|   | <b>Rupees</b>           | <b>Rupees</b>        |
| Total Income  | <b>730.63</b>           | <i>645.16</i>        |
| Gross Profit  | <b>408.37</b>           | <i>355.63</i>        |
| Less: Depreciation  | <b>24.03</b>            | <i>24.84</i>         |
| Profit before Tax   | <b>384.34</b>           | <i>330.79</i>        |
| Less: Provision for Taxation  | <b>53.50</b>            | <i>43.36</i>         |
| Profit after Tax  | <b>330.84</b>           | <i>287.43</i>        |
| Add: Profit brought forward from Previous Year  | <b>1164.06</b>          | <i>1225.28</i>       |
| Balance Available for Appropriations  | <b>1494.90</b>          | <i>1512.71</i>       |
| Less: Transfer to Reserve u/s. 45 IC of RBI Act, 1934                                     | <b>66.50</b>            | <i>60.00</i>         |
| Transfer to General Reserve-I   | <b>33.25</b>            | <i>30.00</i>         |
| Proposed Dividend   | <b>238.08</b>           | <i>238.08</i>        |
| Tax on Dividend   | <b>40.46</b>            | <i>40.46</i>         |
| Add: Transfer from General Reserve II (for diminution of certain Non-current Investments) | <b>24.13</b>            | <i>19.89</i>         |
| Balance carried forward   | <b>1140.74</b>          | <i>1164.06</i>       |

**DIVIDEND**

Your Directors recommend a Dividend of Rs.6/- per share (Previous Year Rs.6/-) on 39,67,920 Equity Shares of Rs.10 each aggregating to Rs.278.54 Lacs (inclusive of dividend tax) for the financial year ended on 31st March, 2014. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on August 2, 2014, the said dividend will be paid on August 12, 2014 or thereafter, to (i) those shareholders whose names appear on the Register of Members of the Company on June 27, 2014 and (ii) those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, for the purpose.

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)****FINANCIAL REVIEW**

The total income for the year was Rs.730.63 Lacs as

compared to Rs.645.16 Lacs in the previous year. Depreciation was Rs.24.03 Lacs (Previous Year Rs. 24.84 Lacs). The Provision for Taxation during the year was Rs.53.50 Lacs. Profit after tax was Rs.330.84 Lacs. The total income and the profit for the year are higher, mainly on account of higher booking of profit on sale of non-current investments by Rs.58.50 Lacs and increase in interest income by Rs.47.09 Lacs.

An amount of Rs.66.50 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 IC of RBI Act, 1934 and an amount of Rs.33.25 Lacs was transferred to General Reserve I during the year under review, whereas an amount of Rs.24.13 Lacs was appropriated from General Reserve II for diminution in the value of certain non-current investments.

The Net Worth of the Company as at 31st March, 2014 stood at Rs.4807.25 Lacs as against Rs.4754.95 Lacs on 31st March, 2013.

**NBFC INDUSTRY**

Non-Banking Finance Companies (NBFCs) have emerged as important financial intermediaries particularly for small-scale and retail sectors. With simplified sanction procedures, flexibility, low operating cost and focused product presence, NBFCs have an edge over banks in meeting the credit needs of customers.

**Business Review**

The Company's operations continue to be mainly focused in the areas of Inter-corporate Investments, Capital Market activities and Financing. Segment-wise brief outline of financial and operational performance during the year under report is as under:

**(i) Investments**

The Company's investment portfolio is reviewed from time to time and securities are bought to add to the Portfolio or sold in order to make Capital gains. Details of the Company's investments are given under Note No. 7 to Financial Statements of the Company for the year ended as at 31st March, 2014. The total worth of Company's Quoted and Unquoted Investments in Shares and Securities (Including Stock-in-trade) as at 31st March, 2014 is Rs.4359.63 Lacs (Previous Year Rs.5086.85 Lacs) which is 55.16% (Previous Year 53.92 %) higher than related Book Value. The increase in appreciation of Book Value of portfolio from 53.92 % to 55.16% is mainly on account of overall increase in market capitalization.

During the year under report the Company:

- a) has made net disinvestment of Rs.37.59 Lacs from its Non-current Quoted Equity Investments against net addition of Rs.155.18 Lacs in the previous year.
- b) booked a net profit of Rs.480.34 Lacs on

sale of Non-Current investments as against Rs. 421.83 Lacs in the previous year.

- c) earned income by way of Dividend of Rs.129.68 Lacs against Rs.140.02 Lacs in the previous year which inter alia includes Rs.93.03 Lacs (Previous year Rs.93.03 Lacs) received from Standard Industries Ltd. and Rs.0.49 Lacs (Previous Year Rs.6.38 Lacs) on Units of Mutual Funds.
- d) Written off certain non-current equity investments of the aggregate value of Rs. 24.13 Lacs.
- e) After the close of the Financial year ended on March 31, 2014, the Company has booked Net Capital Gain of Rs. 546.34 Lacs on sale of certain Non-Current Investments in shares of the aggregate book value of Rs. 247.76 Lacs.

**(ii) Trading in Securities**

During the year under review, the Company made a profit from trading in securities of Rs.14.01 Lacs as against Rs. 23.97 Lacs in the previous year. The decrease is mainly due to shifting of funds from short-term Mutual Funds to Inter-Corporate Deposits.

**(iii) Finance**

During the year under report the Company earned interest income of Rs.106.08 Lacs as against Rs.59.05 Lacs in the previous year. The increase is mainly due to deployment of additional funds in inter-corporate deposits.

As reported last year, Stan Plaza Ltd. (SPL) had taken exposure in a real estate business company and purchase of land at Pune for and on behalf of the Company and Standard Industries Limited (SIL).

**Opportunities and Threats**

As various factors are posing constant threats and high volatility in the Capital Markets, it appears beneficial to diversify the portfolio to reduce the risk and insulate from the vagaries of stock-market. Mutual Funds help to reduce risk through diversification and professional management and therefore, the Company invests in debt/equity oriented Mutual Funds. One of the biggest advantages of Mutual Fund investment is Liquidity. Open-end funds provide option to redeem on demand, which is beneficial during rising or falling markets. The management is exploring other avenues of business.

**Outlook**

The Company intends to continue focusing on capital market activities including trading in securities and emerging products in derivatives.

**Risk and Concern**

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The Company has significant quoted investments which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in prices of the Company's quoted investments may affect its financial position and the results of its operations. The Company has a diversified portfolio of stocks to mitigate any stock specific risks. It continuously monitors its market exposure and tries to manage these risks by following prudent business and risk management practices.

**Adequacy of Internal Control**

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently. The Internal control is supplemented by an effective internal audit being carried out by an external firm of Chartered Accountants.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee of the Board of Directors reviews the adequacy of internal controls.

**Human Resources**

Relations remained cordial with employees at all levels during the year.

**CORPORATE GOVERNANCE**

The Company has complied with the applicable provisions of Corporate Governance under Clause 49 of the Listing Agreement with BSE. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

**FIXED DEPOSITS**

Your Company has not accepted any public deposits during the year under review.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed and that there are no material departures from the same;

- Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the profit for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual Accounts for the Financial Year ended 31st March, 2014 have been prepared on a 'going concern' basis.

### SUBSIDIARY COMPANY

The Company does not have any Subsidiary Company in operation. Stanrose Mafatlal Lubechem Limited - In Liquidation, a substantially owned subsidiary of the Company has been ordered to be wound-up by the High Court of Mumbai vide its Order dated June 10, 2011 and has appointed the Official Liquidator to take charge of its assets, Bank Accounts, books of accounts, affairs, business and properties with all powers under the provisions of the then prevailing Companies Act, 1956.

Thus at the end of the financial year viz. 31st March, 2014 as at which Company's Balance Sheet is made out the Company was not having any subsidiary in operation and hence the question of annexing its statements/documents to the Company's Balance Sheet as at 31st March, 2014, as referred under Section 212 of the Companies Act, 1956, does not arise.

### DIRECTORATE

The term of all the existing eight directors is subject to retirement by rotation. The Companies Act, 2013 (The Act) provides that the independent directors are not liable to retire by rotation and their term of appointment can be up to five consecutive years.

In view of the change in the terms of the appointment of Independent Directors, as aforesaid, Shri Russi Jal Taraporevala, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Framroz M. Pardiwalla, Independent Directors of the Company shall retire at the forthcoming Annual General Meeting and being eligible be re-appointed under the new terms for three years i.e. up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017. Their brief resumes, as required under Clause 49 of the Listing Agreement, are covered under Annexure to the Notice for 34th AGM of the Company.

None of the Directors of the Company is disqualified from being appointed as a Director as specified under Section 164 of the Companies Act, 2013.

Shri Chetan J. Parikh has resigned from the Directorship of the Company with effect from 13th May, 2014, in view of his commitments abroad. Your Directors place on record their appreciation of the valuable services rendered by Shri Parikh during his tenure as a director. The strength of remaining directors being adequate, the Board opted not to fill the vacancy for the time being.

In terms of Section 152 of the Act, out of remaining three Non-Independent Directors, Shri Madhusudan J. Mehta is liable to retire by rotation and is eligible for re-appointment.

### AUDITORS AND AUDITORS' REPORT

M/s. C. C. Chokshi & Co., Chartered Accountants, the Statutory Auditors of the Company are holding office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Pursuant to the requirement under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988:

- The Company has no activity involving conservation of energy or technology absorption.
- The Company does not have any Foreign Exchange Earnings.
- Outgo under Foreign Exchange - Rs.11.65 Lacs.

### PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### ACKNOWLEDGEMENTS

Your Directors sincerely express their deep appreciation to employees at all levels, bankers, customers and shareholders for their sustained support and co-operation and hope that the same will continue in future.

*For and on behalf of the Board*  
**Pradeep R. Mafatlal**  
Chairman

Mumbai,  
Dated: May 13, 2014

**REPORT ON CORPORATE GOVERNANCE**

**[As required by Clause 49 of the Listing Agreement with Stock Exchange]**

Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance standards for listed companies vide Clause No. 49 of the Listing Agreement with the Stock Exchange. The Company furnishes its report on the Corporate Governance as under:

**Company's Philosophy on Corporate Governance**

Corporate Governance is a combination of voluntary practices and compliance with Laws and Regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

**1. BOARD OF DIRECTORS:**

**(A) Composition of the Board:**

The Company's Board consists of Directors having varied experience in different areas with some eminent personalities who have made a mark in their respective fields. The composition of the Board is in conformity with the provisions of Clause 49 of the Listing Agreement. Shri Pradeep R. Mafatlal, a Non-

Executive Promoter Director, is the Chairman of the Company, heading the Board. The Board comprises of 8 Non-Executive Directors, of whom 4 Directors are Independent and 4 are Non-Independent. Shri Chetan J. Parikh is the brother-in-law of Shri Pradeep R. Mafatlal.

**(B) Category of Directors, their attendance at the Board and AGM, etc.**

The category of Directors, their attendance at the Board Meetings during the year 2013-14 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table-1 given at the bottom)

**(C) Number of Board Meetings held and the dates on which such Meetings were held, etc.:**

Four Board Meetings were held during the year on 22.5.2013, 30.7.2013, 30.10.2013 and 10.2.2014.

All relevant information such as statement of investments, finance, financial results, capital expenditure proposals, etc. as a matter of routine, was placed before the Board for its appraisal, review and approval.

**2. CODE OF CONDUCT:**

The Board of Directors has adopted a Code of

**TABLE : 1 [Reference : Para 1(B)]**

| Name of Director                              | Category of Director             | Attendance         |          | No. of Other Directorships * | No. of Other Committee Memberships** |
|---|----------------------------------|--------------------|----------|------------------------------|--------------------------------------|
|   |                                  | No. of Board Mtgs. | Last AGM |                              |                                      |
| 1. Shri Pradeep R. Mafatlal<br>Chairman       | Non-Independent<br>Non-Executive | 2                  | No       | 2<br>(Chairman)              | 1                                    |
| 2. Shri Russi Jal Taraporevala                | Independent<br>Non-Executive     | 1                  | No       | 2                            | 2                                    |
| 3. Shri Arun P. Patel                         | Independent<br>Non-Executive     | 3                  | No       | 1                            | —                                    |
| 4. Shri Rajesh Jaykrishna                     | Independent<br>Non-Executive     | 2                  | No       | —                            | —                                    |
| 5. Shri Chetan J. Parikh<br>(up to 13-5-2014) | Non-Independent<br>Non-Executive | 2                  | No       | 1                            | —                                    |
| 6. Shri Kersi J. Pardiwalla                   | Non-Independent<br>Non-Executive | 4                  | Yes      | 2<br>(Chairman<br>of 1)      | 1                                    |
| 7. Shri Madhusudan J. Mehta                   | Non-Independent<br>Non-Executive | 3                  | Yes      | 2                            | —                                    |
| 8. Shri Framroz M. Pardiwalla                 | Independent<br>Non-Executive     | 4                  | Yes      | 1                            | 2                                    |

\* Excludes Private and Foreign Companies

\*\* Represents Chairmanship/Membership of Audit Committees and Stakeholders' Relationship Committees of Public Limited Companies.



Conduct for Board Members and Senior Management Personnel of the Company. The said Code has been communicated to all the Directors and members of the Senior Management, who have affirmed their compliance with it, as approved and adopted by the Board. However, as the appointment of CEO viz. Managing Director or Manager under the then prevailing Companies Act, 1956, in the Company being non-mandatory, a declaration to this effect signed by the CEO is not contained in the Annual Report. The Code is placed on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com).

### **3. POLICY ON PROHIBITION OF INSIDER TRADING**

In compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 1992 (as amended from time to time) and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Prohibition of Insider Trading for Directors/Officers and designated employees of the Company relating to dealings by them in the securities of the Company.

The Code also provides for periodical disclosures from Directors/Officers and designated employees as well as pre-clearance of transactions by such persons.

### **4. CEO / CFO CERTIFICATION :**

A Certificate from the CFO about the correctness of the Annual Financial Statements, etc. was placed before the Board.

The appointment of CEO viz. Managing Director or Manager under the then prevailing Companies Act, 1956, in the Company, being non-mandatory, no such certificate is placed before the Board.

### **5. COMMITTEES OF THE BOARD:**

#### **(a) Audit Committee:**

The Board of Directors has constituted an Audit Committee comprising of four Independent Non-Executive Directors, viz. Shri Framroz M. Pardiwalla, Chairman, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Russi Jal Taraporevala. The Vice President (Legal) & Company Secretary acts as the Secretary to the Committee.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the Listing Agreement, as amended to date.

During the year the Committee met four times. Shri Framroz M. Pardiwalla attended four meetings, Shri Arun P. Patel attended three meetings, Shri Rajesh Jaykrishna attended two meetings and Shri Russi Jal Taraporevala attended one.

#### **(b) Shareholders'/Investors' Grievance Committee (Now Stakeholders' Relationship Committee)**

The Shareholders'/Investors' Grievance Committee deals with the matter of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet and non-receipt of declared dividend etc.

- i) Name of Non-executive Director heading the Committee: Shri Russi Jal Taraporevala
- ii) Name and Designation of Compliance Officer: Shri Girish R. Shah, Vice President (Legal) & Company Secretary
- iii) Number of shareholders' complaints received: During the year 2013-14, the Company received 6 complaints in the aggregate and all of them have been resolved by furnishing requisite information/documents.
- iv) Number not solved to the satisfaction of shareholders: NIL
- v) Number of pending share transfers: 7 requests for transfer were pending for approval as on 31st March, 2014, which were approved on 1st April, 2014.
- vi) During the year the Committee met twice. Shri Pradeep R. Mafatlal and Shri Chetan J. Parikh attended two Meetings whereas Shri Russi Jal Taraporevala attended one.
- vii) The Committee is renamed as 'Stakeholders' Relationship Committee' with revised terms of reference under The Companies Act, 2013 and amended Listing Agreement.

### **6. RISK MANAGEMENT:**

During the financial year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and risk minimization procedures as required under Clause 49 of the Listing Agreement. Business risk evaluation and management is an ongoing process with the Company.

### **7. SUBSIDIARY COMPANY:**

The Company does not have any Subsidiary Company in operation. Stanrose Mafatlal Lubechem Limited - In Liquidation, a substantially owned subsidiary of the Company has been ordered to be wound-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### 8. DIRECTORS' REMUNERATION DURING 2013-14:

The Non-Executive Directors are paid Sitting Fees of Rs.5,000/- for attending each of the Meetings of the Board/Committees (except the Share Transfer Committee) and a commission upto 3% of the net profits as determined under Sections 349 and 350 of the Companies Act, 1956 for the financial year ended 31st March, 2013, in pursuance of General Body Resolution. Within the overall limit, the extent and proportion in which the Commission is to be distributed amongst the Directors is determined by the Board.

The details of remuneration paid during the year 2013-14 to the Directors are given in table 2 below..

### 9. GENERAL BODY MEETINGS:

- i) Location and time, where last three AGMs were held:  
On 30-7-2013 at 10.30 A.M.  
On 16-8-2012 at 10.30 A.M. &  
On 3-9-2011 at 10.30 A.M.  
At: Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad 380058.
- ii) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No postal ballot had been conducted.
- iii) Whether Special Resolutions are proposed to be conducted through postal ballot: No
- iv) Procedure for postal ballot: Not applicable

### 10. DISCLOSURES

- (a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large:

During the year 2013-14, the Company had no materially significant related party transactions having potential conflict with the interest of the

Company at large. The transactions with the related parties are disclosed in the Notes to Financial Statements in the Annual Report.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years:  
None.

### 11. MEANS OF COMMUNICATION

- 1) Half-yearly report sent to each household of shareholders: No
- 2) Quarterly Results:  
Quarterly Results are published in Ahmedabad Editions of Economic Times, English and Gujarati or Business Standard - English and Jansatta - Gujarati; and are displayed on Company's website www.stanroseinvest.com. The website contains a separate dedicated section 'Investor Relations', where shareholders' information is available.
- 3) Whether it also displays official news releases and the presentations made to institutional investors or to the Analysts : No
- 4) Whether MD & A is a part of the Annual Report or not : Yes.

### 12. GENERAL SHAREHOLDERS INFORMATION

The Company is registered in the State of Gujarat. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1980PLC003731.

#### (a) 34th Annual General Meeting

**Date & Time:** 2nd August, 2014 at 10.30 A.M.

**Venue** : Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad - 380058.

#### (b) Financial Calendar (tentative) :

**Financial Year** :  
1st April to 31st March

**TABLE NO. 2 (Reference : Para 8)**

| Name of Director            | Remuneration paid during 1-4-2013 to 31-3-2014 |                              |           | No. of Shares held as on 31.3.2014# |
|-----------------------------|--|------------------------------|-----------|-------------------------------------|
|                             | Sitting Fee Rs.                                | Commission (For 2012-13) Rs. | Total Rs. |                                     |
| Shri Pradeep R. Mafatlal    | 20,000   | 5,00,000                     | 5,20,000  | 28,842                              |
| Shri Russi Jal Taraporevala | 15,000   | 70,000                       | 85,000    | 32                                  |
| Shri Arun P. Patel          | 30,000   | 70,000                       | 1,00,000  | 175                                 |
| Shri Rajesh Jaykrishna      | 20,000   | 70,000                       | 90,000    | 156                                 |
| Shri Chetan J. Parikh       | 20,000   | 70,000                       | 90,000    | --                                  |
| Shri Kersi J. Pardiwalla    | 20,000   | 70,000                       | 90,000    | 300                                 |
| Shri Madhusudan J. Mehta    | 15,000   | 70,000                       | 85,000    | 434                                 |
| Shri Framroz M. Pardiwalla  | 40,000   | 70,000                       | 1,10,000  | 14                                  |

# Including Joint Holding.

**Financial Reporting for :**

**Quarter ending 30-6-2014:**

By 14th August, 2014

**Quarter ending 30-9-2014:**

By 14th November, 2014

**Quarter ending 31-12-2014:**

By 14th February, 2015

**Year ending 31-3-2015:**

Audited Results by 30th May, 2015.

**(c) Book Closure Dates for AGM & Dividend :**

27th June, 2014 to 4th July, 2014

(both days inclusive)

**(d) Dividend Payment Date:**

From 12th August, 2014 and onwards.

**(e) Unpaid Dividend :**

(i) The Company has transferred unclaimed dividends for and upto the Financial Year ended on 30th September, 1994 to the General Revenue Account of the Central Government and thereafter upto the financial year ended on 31st March, 2006 to the Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the Companies Act, 1956, within the prescribed time limit. Till the provisions of Companies Act, 2013, relating to Unpaid Dividend are notified, no claim shall lie in respect of dividend transferred to IEPF. The members, therefore, may submit their claims, if any, for unclaimed dividends for and upto the financial year ended 30th September, 1994, to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, AHMEDABAD - 380 013.

The aggregate amount lying in Unpaid Dividend Accounts as at 31st March, 2014 is Rs.42,47,448/-.

During the year under review, the Company has credited Rs.2,69,148/- lying in unpaid/unclaimed dividend account for the year ended 31st March, 2006 to the IEPF. The cumulative amount transferred to IEPF up to 31st March, 2014 is Rs.14,80,888/-.

(ii) Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year ended on 31st March, 2007 and thereafter which remains unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education & Protection Fund' of the Central Government.

The likely schedule indicating the deadline for claiming the unpaid dividends before its transfer to IEPF is given in Table 3 here under:

**TABLE NO. : 3**

| Dividend No. | For the Year ended | Date of Declaration | Last Date for Claiming Unpaid Dividend |
|--------------|--------------------|---------------------|--|
| 26th         | 31-3-2007          | 24-9-2007           | 23-9-2014                              |
| 27th         | 31-3-2008          | 15-9-2008           | 14-9-2015                              |
| 28th         | 31-3-2009          | 12-9-2009           | 11-9-2016                              |
| 29th         | 31-3-2010          | 13-8-2010           | 12-8-2017                              |
| 30th         | 31-3-2011          | 03-9-2011           | 02-9-2018                              |
| 31st         | 31-3-2012          | 16-8-2012           | 15-8-2019                              |
| 32nd         | 31-3-2013          | 30-7-2013           | 29-7-2020                              |

The Ministry of Corporate Affairs has on May 10, 2012, notified the Investor Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012 ("IEPF Rules") with the objective of enabling shareholders to use the information provided by the companies on their websites and the website of IEPF, to verify the status of unclaimed dividends, if any. The Shareholder can view the aforesaid information on the website of IEPF viz. '[www.iepf.gov.in](http://www.iepf.gov.in)' and under "Investor Relations" on the website of the Company, viz. '[www.stanroseinvest.com](http://www.stanroseinvest.com)'. The data of Unpaid Dividends is uploaded as aforesaid on the websites by the Company. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company at its Registered Office or with its Registrar and Transfer Agent viz. Link Intime India Pvt. Ltd., before the same is due for transfer to IEPF. The Unpaid Dividend Claim Form - Letter of Indemnity can be downloaded from [www.stanroseinvest.com](http://www.stanroseinvest.com).

**(f) Dividends:**

**(i) Receipt of Dividend through Electronic Mode**

Securities and Exchange Board of India (SEBI) has vide Circular No. CIR/MID/DP/10/2013 dated March 21, 2013 directed that listed companies shall mandatorily make all payments to investors, including dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic mode of payment viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS) and NEFT, etc.

In order to receive the dividend without loss of time, all eligible shareholders holding shares in demat mode are requested to update with their respective Depository Participants, their correct Bank Account Number including nine digit MICR Code and eleven digit IFSC Code,

E-Mail ID and Mobile No(s). This will facilitate the remittance of dividend amount as directed by RBI in the Bank Account electronically. Updation of Email Ids and Mobile Nos.(s) will enable sending communication relating to credit of dividend, unencashed dividend, etc.

Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts: Name of the first account holder ( as appearing in the Bank Account records), Bank Name, Branch Name, Branch Address, Account Type, Account Number, Nine Digit MICR Code, Eleven digit IFSC Code, Email Id and Mobile No.(s) to the Company at its Registered Office or its Registrar and Transfer Agent viz. Link Intime India Pvt. Ltd. having address at: Unit No. 303, 3rd Floor, Shoppers' Plaza V, Opp. Municipal Market, B/h. Shoppers' Plaza II, Off. C. G. Road, Ahmedabad 380 009, by quoting reference folio number and attaching a photocopy of the cheque leaf of their active Bank Account and a Self-attested copy of their PAN Card.

**(ii) Various Electronic modes for making payment of Dividend**

In case the shareholder has updated the complete and correct bank account details (including nine digit MICR Code and eleven digit IFSC Code) before the deadlines given hereinabove, the Company shall make the payment of dividend to such shareholders under any one of the following modes:

1. National Electronic Clearing Service (NECS)
2. Electronic Clearing Service (ECS)
3. National Electronic Fund Transfer (NEFT)

In case dividend payment by electronic mode is returned or rejected by the corresponding bank due to some reason, then the Company will issue a Dividend Warrant/Demand Draft/Cheque and print the bank account details available on its records on the said dividend warrant to avoid fraudulent encashment of warrants.

**(g) Rationalisation of Shareholding Pattern**

Most of the Members are still holding shares of the Company in physical form and that too in very small numbers. The Company continues its endeavour to assist them in disposal of such small number even without demat at or near the full market value even by absorbing some costs associated with its administration. Members desirous of availing the assistance may write or contact Shri Girish R. Shah, Vice President (Legal) & Company Secretary, at the Registered Office

at Ahmedabad. Members having multiple folios, either in identical name(s) or in different pattern of name(s) at common address or otherwise may approach the Registrar & Transfer Agent of the Company for transfer/consolidation of all such shareholding into one folio to facilitate better service. Members who have lost their original Share Certificate(s) are also requested to contact or write to them for issue of duplicate Share Certificate(s).

**(h) Nomination Facility**

Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 can be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com) Members holding shares in dematerialized form may contact their DP for recording their nomination.

**(i) Share Transfer System**

All the share related work is undertaken by our Registrar & Share Transfer Agent, Link Intime India Pvt. Ltd., Ahmedabad. The Share Transfer Committee of the Directors approves the share transfer, transmission, splitting and consolidation of shares among others. The share transfers are registered and returned within 15 days from the date of receipt if relevant documents are complete in all respects.

**(j) PAN Requirement for every Participant in Securities Market**

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 self-certified photocopy of PAN Card of the transferee(s), surviving holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.

**(k) Registration of Email ID for receipt of Notices of General Meetings, Annual Report, etc. in e-form**

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and has issued circulars allowing service of notices/documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect of electronic holdings with the Depository through their Depository Participants. Members holding shares in physical form are requested to get their email addresses registered with the Company/its Registrar & Share Transfer Agent.

**ADVANTAGES OF REGISTERING FOR E-COMMUNICATION:**

- \* Receive communication promptly
- \* Reduce paper consumption and save trees
- \* Eliminate wastage of papers
- \* Avoid loss of documents in postal transit
- \* Save costs on papers and on postage

**(l) Address for Correspondence:**

601, Popular House, Ashram Road,  
Ahmedabad - 380 009.  
Phone No. 079 66310887, 26580067  
Fax: 079 26589557  
E-mail : [Investorcare@stanroseinvest.com](mailto:Investorcare@stanroseinvest.com)

**(m) Registrar and Share Transfer Agent:**

The Company's Registrar and Share Transfer Agent is Link Intime India Pvt. Ltd., Unit No. 303, 3rd Floor, Shopper's Plaza-V, Opp. Municipal Market, Behind Shopper's Plaza II, Off. C. G. Road, Ahmedabad - 380009 Tel. 079 26465179 Email: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in). All correspondence for transfer of shares, demat requests and other communication in relation thereto be addressed to them.

**(n) Listing on the Stock Exchange and Stock Code:**

Listed on Bombay Stock Exchange. Listing fee for 2014-15 of BSE has been paid and the Scrip Code No. is 506105, [Scrip ID STANROS] under T Group.

The Company has established connectivity with NSDL and CDSL both for demat and the ISIN allotted to its Equity Shares is INE441L01015.

**(o) Recommendation to get the shares dematerialized**

We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized for the following:

- ❖ Execution of trades in demat in market lot of ONE equity share is available on BSE.
- ❖ To improve the liquidity in terms of number of transactions and volume of shares on the Exchange.
- ❖ For better discovery of price on the Exchange.
- ❖ Faster settlement cycle, making the transactions of sale, purchase and transfer much simpler and faster.
- ❖ Faster disbursement of Non-cash corporate benefits like Rights, Bonus, etc.
- ❖ To lower the transaction cost. Lower brokerage is charged by many brokers for trading in dematerialised securities.
- ❖ Elimination of bad deliveries.
- ❖ No stamp duty on transfer.
- ❖ Periodic Status Report and information available on internet.
- ❖ Ease related to change of address of investor.
- ❖ Elimination of problems related to transmission.
- ❖ Ease in portfolio monitoring.
- ❖ Ease in pledging the shares.
- ❖ SMS alert facility.
- ❖ No risk of loss on account of fire, theft or mutilation.
- ❖ Reduced paper work

**(p) (i) Distribution of Shareholding by size as on 31st March, 2014 :**

**TABLE NO. 4**

| Sr. No. | Number or range of Shares held | Shareholders |                   |              | Shares held |                   |              |
|---------|--------------------------------|--------------|-------------------|--------------|-------------|-------------------|--------------|
|         |                                | Number       | % to total Number | Cumulative % | Number      | % to total Number | Cumulative % |
| 01.     | 1                              | 780          | 2.27              | 2.27         | 780         | 0.02              | 0.02         |
| 02.     | 2                              | 8,739        | 25.46             | 27.73        | 17,478      | 0.44              | 0.46         |
| 03.     | 3                              | 249          | 0.73              | 28.46        | 747         | 0.02              | 0.48         |
| 04.     | 4                              | 10,661       | 31.05             | 59.51        | 42,644      | 1.07              | 1.55         |
| 05.     | 5                              | 86           | 0.25              | 59.76        | 430         | 0.01              | 1.56         |
| 06.     | 6 to 10                        | 2,959        | 8.62              | 68.38        | 21,300      | 0.54              | 2.10         |
| 07.     | 11 to 20                       | 4,594        | 13.38             | 81.76        | 69,821      | 1.76              | 3.86         |
| 08.     | 21 to 49                       | 2,453        | 7.15              | 88.91        | 79,094      | 1.99              | 5.85         |
| 09.     | 50                             | 590          | 1.72              | 90.63        | 29,500      | 0.75              | 6.60         |
| 10.     | 51 to 100                      | 1,491        | 4.34              | 94.97        | 1,16,015    | 2.92              | 9.52         |
| 11.     | 101 to 500                     | 1,390        | 4.05              | 99.02        | 3,16,930    | 7.99              | 17.51        |
| 12.     | 501 to 1,000                   | 166          | 0.48              | 99.50        | 1,21,069    | 3.05              | 20.56        |
| 13.     | 1,001 & more                   | 173          | 0.50              | 100.00       | 31,52,112   | 79.44             | 100.00       |
|         |                                | 34,331       | 100.00            |              | 39,67,920   | 100.00            |              |

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(p) (ii) Shareholding Pattern as at 31st March, 2014 :**

**TABLE NO. 5**

| Category                       | No. of Share-holders | No. of Shares held | % of Shareholding |
|--------------------------------|----------------------|--------------------|-------------------|
| <b>A) PROMOTERS' HOLDING :</b> |                      |                    |                   |
| - Indian                       | 11                   | 19,19,170          | 48.37             |
| - Foreign                      | -                    | -                  | -                 |
| <b>SUB - TOTAL A</b>           | <b>11</b>            | <b>19,19,170</b>   | <b>48.37</b>      |
| <b>B) PUBLIC HOLDING :</b>     |                      |                    |                   |
| (i) Institutions               | 15                   | 4,28,307           | 10.79             |
| (ii) Non Institutions          |                      |                    |                   |
| (a) Private Corporate Bodies   | 84                   | 2,38,198           | 6.00              |
| (b) Individuals                | 34,221               | 13,82,245          | 34.84             |
| <b>SUB-TOTAL B</b>             | <b>34,320</b>        | <b>20,48,750</b>   | <b>51.63</b>      |
| <b>GRAND TOTAL (A + B)</b>     | <b>34,331</b>        | <b>39,67,920</b>   | <b>100.00</b>     |

**(q) Stock Market Data :**

(i) The particulars of High-Low prices and the volume during each month of 2013-14 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

| Month       | High Rs. | Low Rs. | Volume (Nos.) |
|-------------|----------|---------|---------------|
| <b>2013</b> |          |         |               |
| April       | 74.85    | 65.25   | 3,673         |
| May         | 75.00    | 61.20   | 4,474         |
| June        | 82.95    | 69.85   | 1,038         |
| July        | 79.00    | 60.70   | 5,070         |
| August      | 74.00    | 60.05   | 1,214         |
| September   | 68.35    | 60.10   | 3,217         |
| October     | 68.75    | 58.10   | 1,553         |
| November    | 72.90    | 64.15   | 3,677         |
| December    | 76.00    | 66.60   | 2,900         |
| <b>2014</b> |          |         |               |
| January     | 75.65    | 65.10   | 18,213        |
| February    | 89.50    | 69.35   | 31,445        |
| March       | 77.30    | 69.20   | 2,143         |
| Fiscal-2014 | 89.50    | 60.05   | 78,617        |

(ii) Share Price Performance in comparison to broad based indices - BSE Sensex :

During the Financial Year 2013-14, the Company's share price under performed the benchmark indice. The Company's share price increased by 2.85% as compared to an increase of 18.85% in BSE Sensex.

**(r) Dematerialisation of Shares**

75.51% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2014.

| No. | Electronic / Physical | No. of Folios | No. of Shares    | %               |
|-----|-----------------------|---------------|------------------|-----------------|
| 1.  | NSDL                  | 2,063         | 28,43,110        | 71.65 %         |
| 2.  | CDSL                  | 621           | 1,53,205         | 3.86 %          |
| 3.  | Physical              | 31,647        | 9,71,605         | 24.49 %         |
|     | <b>TOTAL</b>          | <b>34,331</b> | <b>39,67,920</b> | <b>100.00 %</b> |

*For and on behalf of the Board*

**Pradeep R. Mafatlal**

*Chairman*

*Mumbai,*

*Dated: May 13, 2014*

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of  
**Stanrose Mafatlal Investments and Finance Limited**

We have examined the compliance of conditions of corporate governance by **Stanrose Mafatlal Investments and Finance Limited**, for the year ended on 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of the corporate governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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

**For C.C. CHOKSHI & CO.**  
*Chartered Accountants*  
*(Firm Registration No. 101876W)*

**GAURAV J. SHAH**

*Partner*

*(Membership No. 35701)*

*Ahmedabad*

*13th May, 2014.*

**INDEPENDENT AUDITORS' REPORT**

TO THE MEMBERS OF  
**STANROSE MAFATLAL INVESTMENTS AND FINANCE  
LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government in terms of Section 227(4A) 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 it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2014 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014 from being appointed as a director in terms of Section 274(1)(g) of the Act.

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm Registration No. 101876W)*  
**GAURAV J. SHAH**  
*Partner*  
*[Membership No. 35701]*

Ahmedabad,

Dated : 13th May, 2014

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) Having regard to nature of the Company's business/ activities/results, clauses (ii), (viii), (x), (xiii) of CARO are not applicable.
- (ii) In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
  - (c) The fixed assets disposed off during the year, in our opinion, do not constitute a substantial part of the fixed assets of the Company and such disposal has, in our opinion, not affected the going concern status of the Company.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of shares, fixed assets and for the sale of shares and during the course of our audit we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:
  - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
  - (b) Where each of such transaction is in excess of Rs. 5 lakhs in respect of any party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.

- (vi) According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- (vii) In our opinion, the internal audit functions carried out during the year by a firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- (viii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Income-tax, Wealth Tax, Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.
  - (c) Details of dues of Income-tax which have not been deposited as on 31st March, 2014 on account of disputes are given below:

| Name of Statute     | Nature of dues | Forum where dispute is pending | Period to which the amount relates         | Amount involved (Rs.) |
|---------------------|----------------|--------------------------------|--|-----------------------|
| IncomeTax Act, 1961 | Income Tax     | ITAT                           | 1990-91<br>1998-99<br>2004-05 &<br>2006-07 | 71,06,646             |
|                     | Income Tax     | CIT (Appeals)                  | 1995-96<br>1996-97                         | 69,20,447             |
|                     | Income Tax     | Asstt. Comm.                   | 2010-11<br>2011-12                         | 12,83,420             |

- (ix) During the year, the Company had no dues to financial institution or bank or debenture holders.
- (x) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xi) Based on our examination of the records and evaluation of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.



## **STANDROSE MAFATLAL**

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- (xii) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks and financial institutions.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has not raised any term loan during the year under review and hence, question of its application does not arise.
- (xiv) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that the Company has not raised any short-term funds.
- (xv) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xvi) The Company has not issued any debentures during the year.
- (xvii) The Company has not raised any money by way of public issues during the year.
- (xviii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm Registration No.101876W)*

**GAURAV J. SHAH**

*Ahmedabad,*  
*Dated : 13th May, 2014*

*Partner*  
*[Membership No. 35701]*

**BALANCE SHEET** as at 31st March, 2014

(Amount in Rupees)

| Particulars                               | Note No. | As at 31-3-2014     | As at 31-3-2013     |
|---|----------|---------------------|---------------------|
| <b>I Equity and Liabilities :</b>         |          |                     |                     |
| <b>Shareholders' Funds :</b>              |          |                     |                     |
| Share Capital .....                       | 2        | 3,96,79,200         | 3,96,79,200         |
| Reserves and Surplus .....                | 3        | 44,10,45,826        | 43,58,15,406        |
|   |          | <u>48,07,25,026</u> | <u>47,54,94,606</u> |
| <b>Non-current Liabilities :</b>          |          |                     |                     |
| Long Term Provisions .....                | 4        | 10,50,626           | 10,60,626           |
|   |          | <u>10,50,626</u>    | <u>10,60,626</u>    |
| <b>Current Liabilities : .....</b>        |          |                     |                     |
| Trade Payables .....                      | 5        | 5,12,633            | 5,95,725            |
| Other Current Liabilities .....           |          | 55,25,747           | 46,36,904           |
| Short-term Provisions .....               |          | 2,85,97,888         | 2,82,19,674         |
|   |          | <u>3,46,36,268</u>  | <u>3,34,52,303</u>  |
| Total .....                               |          | <u>51,64,11,920</u> | <u>51,00,07,535</u> |
| <b>II ASSETS :</b>                        |          |                     |                     |
| <b>Non-current Assets</b>                 |          |                     |                     |
| <b>Fixed Assets : .....</b>               |          |                     |                     |
| Tangible Assets .....                     | 6        | 1,49,03,895         | 1,71,79,875         |
| <b>Non-current Investments .....</b>      | 7        | <b>28,16,20,854</b> | <b>28,26,91,289</b> |
| <b>Deferred Tax Assets (Net) .....</b>    | 8        | <b>12,05,520</b>    | <b>10,55,982</b>    |
| <b>Long Term Loans and Advances .....</b> | 9        | <b>6,48,10,214</b>  | <b>6,43,91,975</b>  |
|   |          | <u>36,25,40,483</u> | <u>36,53,19,121</u> |
| <b>Current Assets : .....</b>             |          |                     |                     |
| Stock-in Trade .....                      | 10       | 14,90,886           | 4,69,54,975         |
| Trade Receivables .....                   |          | 14,39,657           | 6,91,640            |
| Cash and Cash Equivalents .....           |          | 1,12,77,459         | 97,78,409           |
| Short Term Loans and Advances .....       |          | 13,96,63,435        | 8,72,63,390         |
|   |          | <u>15,38,71,437</u> | <u>14,46,88,414</u> |
| Total .....                               |          | <u>51,64,11,920</u> | <u>51,00,07,535</u> |

Summary of Significant Accounting Policies ..... 1

See accompanying notes to the financial statements

|  |  |  |  |
|--|--|--|--|
| In terms of our Report attached.<br><br><b>For C.C. CHOKSHI &amp; CO.</b><br><i>Chartered Accountants</i><br><br><b>GAURAV J. SHAH</b><br><i>Partner</i><br>Ahmedabad,<br>Dated : 13th May, 2014 | For and on behalf of the Board of Directors of<br>Stanrose Mafatlal Investments and Finance Ltd. |  |  |
|  | <b>K. J. PARDIWALLA</b><br><i>Director</i><br>Mumbai,<br>Dated : 13th May, 2014                  | <b>F. M. PARDIWALLA</b><br><i>Director</i> | <b>P. R. MAFATLAL</b><br><i>Chairman</i><br><br><b>H. V. MEHTA</b><br><i>Chief Financial Officer</i> |
|  | <b>G. R. SHAH</b><br><i>Vice President (Legal) &amp;<br/>                 Company Secretary</i>  |  |  |

**STANROSE MAFATLAL****STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2014**

(Amount in Rupees )

| Particulars  | Note No. | Year ended<br>31-03-2014  | Year ended<br>31-03-2013 |
|--|----------|---------------------------|--------------------------|
| <b>Revenue from Operations</b> .....               | 11       | <b>7,29,79,359</b>        | 6,44,49,850              |
| Other Income .....                                 | 12       | <b>83,997</b>             | 66,173                   |
| Total Revenue                                      |          | <u><b>7,30,63,356</b></u> | <u>6,45,16,023</u>       |
| <b>Expenses :</b>                                  |          |                           |                          |
| Employee benefit expenses .....                    | 13       | <b>67,44,457</b>          | 60,20,761                |
| Depreciation .....                                 |          | <b>24,02,540</b>          | 24,84,125                |
| Other Expenses .....                               | 14       | <b>2,54,81,869</b>        | 2,29,32,620              |
| Total Expenses                                     |          | <u><b>3,46,28,866</b></u> | <u>3,14,37,506</u>       |
| <b>Profit before Taxes</b> .....                   |          | <b>3,84,34,490</b>        | 3,30,78,517              |
| <b>Tax Expense :</b>                               |          |                           |                          |
| Current Tax .....                                  |          | <b>55,00,000</b>          | 44,00,000                |
| Deferred Tax .....                                 |          | <b>(1,49,538)</b>         | (64,239)                 |
| <b>Profit for the year</b> .....                   |          | <u><b>3,30,84,028</b></u> | <u>2,87,42,756</u>       |
| <b>Earnings per equity share [Refer Note 21]:</b>  |          |                           |                          |
| Basic .....  |          | <b>8.34</b>               | 7.24                     |
| Diluted .....                                      |          | <b>8.34</b>               | 7.24                     |
| Summary of Significant Accounting Policies .....   | 1        |                           |                          |
| See accompanying notes to the financial statements |          |                           |                          |

|   |  |  |  |  |                                   |  |  |
|---|--|--|--|--|-----------------------------------|--|--|
| <p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b><br/><i>Chartered Accountants</i></p> <p><b>GAURAV J. SHAH</b><br/><i>Partner</i><br/>Ahmedabad,<br/>Dated : 13th May, 2014</p> | <p style="text-align: center;">For and on behalf of the Board of Directors of<br/>Stanrose Mafatlal Investments and Finance Ltd.</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 33%;"><b>K. J. PARDIWALLA</b><br/><i>Director</i></td> <td style="text-align: center; width: 33%;"><b>F. M. PARDIWALLA</b><br/><i>Director</i></td> <td style="text-align: center; width: 33%;"><b>P. R. MAFATLAL</b><br/><i>Chairman</i></td> </tr> <tr> <td colspan="2" style="text-align: center;">Mumbai,<br/>Dated : 13th May, 2014</td> <td style="text-align: center;"><b>H. V. MEHTA</b><br/><i>Chief Financial Officer</i></td> </tr> </table> <hr/> <p style="text-align: center;"><b>G. R. SHAH</b><br/><i>Vice President (Legal) &amp;<br/>Company Secretary</i></p> <p style="text-align: center;">Ahmedabad,<br/>Dated : 13th May, 2014</p> | <b>K. J. PARDIWALLA</b><br><i>Director</i>           | <b>F. M. PARDIWALLA</b><br><i>Director</i> | <b>P. R. MAFATLAL</b><br><i>Chairman</i> | Mumbai,<br>Dated : 13th May, 2014 |  | <b>H. V. MEHTA</b><br><i>Chief Financial Officer</i> |
| <b>K. J. PARDIWALLA</b><br><i>Director</i>  | <b>F. M. PARDIWALLA</b><br><i>Director</i>   | <b>P. R. MAFATLAL</b><br><i>Chairman</i>             |  |  |                                   |  |  |
| Mumbai,<br>Dated : 13th May, 2014   |  | <b>H. V. MEHTA</b><br><i>Chief Financial Officer</i> |  |  |                                   |  |  |

**CASH FLOW STATEMENT** for the year ended on 31st March, 2014

(Amount in Rupees)

|   | Year<br>ended<br>31-3-2014 | Year<br>ended<br>31-3-2013 |
|---|----------------------------|----------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                   |                            |                            |
| NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS                     | 3,84,34,490                | 3,30,78,517                |
| Adjustments for :   |                            |                            |
| Depreciation .....  | 24,02,540                  | 24,84,125                  |
| Provision for diminution in value of long term investments .....                | 24,13,023                  | 19,89,000                  |
| Income from Investments .....   | (4,80,33,721)              | (4,21,83,267)              |
| Profit on Assets Sold .....   | (650)                      | (25,927)                   |
| <b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES .....</b>           | <b>(47,84,318)</b>         | <b>(46,57,551)</b>         |
| Changes in Working Capital  |                            |                            |
| Adjustments for :   |                            |                            |
| Trade Receivables .....   | (7,48,017)                 | 6,96,804                   |
| Purchase of Investments .....   | (25,10,255)                | (1,68,42,863)              |
| Sale of Investments .....   | 4,92,01,389                | 6,87,14,658                |
| Inventories - Stock in trade .....  | 4,54,64,089                | (4,62,815)                 |
| Long-term Loans and Advances .....  | (4,18,239)                 | (45,05,776)                |
| Short-term Loans and Advances .....   | (5,22,08,685)              | (19,75,694)                |
| Trade Payables .....  | (83,092)                   | (1,31,461)                 |
| Other Current Liabilities .....   | 8,88,843                   | 2,33,270                   |
| Long-term Provisions .....  | (10,000)                   | 1,44,317                   |
| Short-term Provisions .....   | 3,78,214                   | 1,12,412                   |
| <b>CASH GENERATED FROM / (USED IN) OPERATIONS .....</b>                         | <b>3,51,69,929</b>         | <b>4,13,25,301</b>         |
| Direct Taxes (Paid) .....   | (56,91,360)                | (52,58,017)                |
| <b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A) .....</b>                | <b>2,94,78,569</b>         | <b>3,60,67,284</b>         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                   |                            |                            |
| Purchase of Fixed Assets .....  | (1,28,310)                 | (1,05,69,101)              |
| Sale of Fixed Assets .....  | 2,399                      | 1,15,798                   |
| <b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) .....</b>                | <b>(1,25,911)</b>          | <b>(1,04,53,303)</b>       |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                                   |                            |                            |
| Dividend Paid .....   | (2,78,53,608)              | (2,30,58,079)              |
| <b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) .....</b>                | <b>(2,78,53,608)</b>       | <b>(2,30,58,079)</b>       |
| <b>NET (DECREASE) / INCREASE IN CASH AND CASH<br/>EQUIVALENTS (A+B+C) .....</b> | <b>14,99,050</b>           | <b>25,55,902</b>           |
| <b>CASH AND CASH EQUIVALENTS AT THE<br/>BEGINNING OF THE YEAR .....</b>         | <b>97,78,409</b>           | <b>72,22,507</b>           |
| <b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>                 | <b>1,12,77,459</b>         | <b>97,78,409</b>           |

**Notes :**

|   |                    |                  |
|---|--------------------|------------------|
| 1) Cash and cash equivalents as at the end of the Year: |                    |                  |
| Cash on hand .....                                      | 4,69,226           | 2,75,257         |
| Balances with Banks in Current Accounts* .....          | 1,08,08,233        | 95,03,152        |
| <b>Total</b>  | <b>1,12,77,459</b> | <b>97,78,409</b> |

\*Note : Including Rs. 42,47,448 (Previous Year Rs. 35,13,997) in respect of Unpaid Dividend Accounts.

- 2) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as prescribed under Companies (Accounting Standards) Rules, 2006.

|   |   |
|---|---|
| <p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b><br/><i>Chartered Accountants</i></p> <p><b>GAURAV J. SHAH</b><br/><i>Partner</i><br/>Ahmedabad,<br/>Dated : 13th May, 2014</p> | <p>For and on behalf of the Board of Directors of<br/>Stanrose Mafatlal Investments and Finance Ltd.</p> <p><b>K. J. PARDIWALLA</b>    <b>F. M. PARDIWALLA</b>    <b>P. R. MAFATLAL</b><br/><i>Director</i>                      <i>Director</i>                      <i>Chairman</i></p> <p>Mumbai,<br/>Dated : 13th May, 2014</p> |
|   | <p><b>H. V. MEHTA</b><br/><i>Chief Financial Officer</i></p> <p><b>G. R. SHAH</b><br/><i>Vice President (Legal) &amp;<br/>Company Secretary</i></p> <p>Ahmedabad,<br/>Dated : 13th May, 2014</p>  |

## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2014

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The Financial Statement have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

#### b. USE OF ESTIMATES:

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/materialized.

#### c. REVENUE RECOGNITION:

- i. Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- ii. Dividend income is accounted for when the right to receive payment is established.
- iii. Interest income is accounted on accrual basis.

#### d. INVESTMENTS:

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

#### e. STOCK-IN-TRADE:

Current Investments in Shares and Securities,

etc., acquired in the ordinary course of business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

#### f. FIXED ASSETS:

Fixed Assets are stated at historical cost less accumulated depreciation.

#### g. IMPAIRMENT OF FIXED ASSETS:

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

#### h. DEPRECIATION:

Depreciation on fixed assets is provided on Written Down Value (WDV) method at the rates and in the manner provided for under Schedule XIV of the Companies Act, 1956.

#### i. RETIREMENT BENEFITS:

##### Gratuity :

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Company. The Company Accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

##### Provident Fund :

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

##### Leave Encashment :

Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

**j. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.

Contingent assets are neither recognized nor disclosed in financial statements.

**k. GENERAL RESERVE II:**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-

term investments and such amount is credited to General Reserve II.

**I. TAXATION:**

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**m. OPERATING LEASE:**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

### 2. SHARE CAPITAL :

| Particulars  | As at<br>31-3-2014<br>Rupees | As at<br>31-3-2013<br>Rupees |
|--|------------------------------|------------------------------|
| <b>AUTHORISED SHARE CAPITAL :</b>  |                              |                              |
| <b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights | <u><b>5,00,00,000</b></u>    | <u>5,00,00,000</u>           |
| <b>Issued, Subscribed and Paid-up :</b>  |                              |                              |
| <b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights | <u><b>3,96,79,200</b></u>    | <u>3,96,79,200</u>           |
| Total  | <u><b>3,96,79,200</b></u>    | <u>3,96,79,200</u>           |

Notes :

(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :

|  |                         |                  |
|--|-------------------------|------------------|
| Outstanding at the beginning of the year | <b>39,67,920</b>        | 39,67,920        |
| Add : Issued During the year             | —                       | —                |
| Outstanding at the end of the year       | <u><b>39,67,920</b></u> | <u>39,67,920</u> |

(ii) Terms/rights attached to equity shares : 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 vote per share.

(iii) Details of Shareholders holding more than 5 percent equity shares:

|                                     |           |                 |          |
|-------------------------------------|-----------|-----------------|----------|
| 1. Shanudeep Pvt. Ltd.              | Nos.      | <b>9,80,078</b> | 9,80,078 |
|                                     | % holding | <b>24.70 %</b>  | 24.70 %  |
| 2. Vinadeep Investments Pvt. Ltd.   | Nos.      | <b>4,19,870</b> | 4,19,870 |
|                                     | % holding | <b>10.58 %</b>  | 10.58 %  |
| 3. Sheiladeep Investments Pvt. Ltd. | Nos.      | <b>3,90,297</b> | 3,90,297 |
|                                     | % holding | <b>9.84 %</b>   | 9.84 %   |

### 3. RESERVES AND SURPLUS :

| Particulars  | As at<br>31-3-2014<br>Rupees | As at<br>31-3-2013<br>Rupees |
|--|------------------------------|------------------------------|
| <b>Securities Premium Reserve</b>  |                              |                              |
| Balance as per last Balance Sheet.   | <b>9,91,98,000</b>           | 9,91,98,000                  |
| <b>Reserve U/S.45 IC of RBI Act, 1934:</b>   |                              |                              |
| Balance as per last Balance Sheet.   | <b>9,71,00,000</b>           | 9,11,00,000                  |
| Add : Amount transferred from Statement of Profit and Loss.  | <u><b>66,50,000</b></u>      | <u>60,00,000</u>             |
|  | <u><b>10,37,50,000</b></u>   | <u>9,71,00,000</u>           |
| <b>General Reserve No. I :</b>   |                              |                              |
| Balance as per last Balance Sheet.   | <b>11,91,00,000</b>          | 11,61,00,000                 |
| Add : Transferred from Statement of Profit and Loss  | <u><b>33,25,000</b></u>      | <u>30,00,000</u>             |
|  | <u><b>12,24,25,000</b></u>   | <u>11,91,00,000</u>          |
| <b>General Reserve No. II :</b>  |                              |                              |
| Balance as per last Balance Sheet.   | <b>40,11,000</b>             | 60,00,000                    |
| Less: Amount transferred to Statement of Profit and Loss on account of provision for diminution in Non-current investments | <u><b>24,13,023</b></u>      | <u>19,89,000</u>             |
|  | <u><b>15,97,977</b></u>      | <u>40,11,000</u>             |
| <b>Statement of Profit and Loss</b>  |                              |                              |
| Balance as per last Balance Sheet  | <b>11,64,06,406</b>          | 12,25,28,258                 |
| Add : Profit for the year  | <u><b>3,30,84,028</b></u>    | <u>2,87,42,756</u>           |
| Available for Appropriations   | <b>14,94,90,434</b>          | 15,12,71,014                 |
| Less: Appropriations:  |                              |                              |
| Transfer to Reserve u/s 45 IC of RBI Act, 1934   | <u><b>66,50,000</b></u>      | <u>60,00,000</u>             |

## STANROSE MAFATLAL

| Particulars                               | As at        | As at        | Particulars               | As at     | As at     |
|---|--------------|--------------|---------------------------|-----------|-----------|
|   | 31-3-2014    | 31-3-2013    |                           | 31-3-2014 | 31-3-2013 |
|   | Rupees       | Rupees       |                           | Rupees    | Rupees    |
| Proposed Dividend                         | 2,38,07,520  | 2,38,07,520  | OTHER CURRENT LIABILITIES |           |           |
| Distribution tax on proposed dividend     | 40,46,088    | 40,46,088    | Statutory Liabilities     | -         | 14,607    |
| Transfer to General Reserve No. I         | 33,25,000    | 30,00,000    | Other payables            | 12,78,300 | 11,08,300 |
| Add: Transfer from General Reserve No. II | 24,13,023    | 19,89,000    | Unclaimed dividend        | 42,47,447 | 35,13,997 |
|   | 11,40,74,849 | 11,64,06,406 |                           | 55,25,747 | 46,36,904 |
| Total                                     | 44,10,45,826 | 43,58,15,406 | SHORT TERM PROVISIONS     |           |           |

### 4. NON CURRENT LIABILITIES

| LONG TERM PROVISIONS                          |           |           |
|---|-----------|-----------|
| Provision for Employee Benefits               | 8,85,626  | 8,85,626  |
| Contingent Provisions against Standard Assets | 1,65,000  | 1,75,000  |
| Total   | 10,50,626 | 10,60,626 |

### 5. CURRENT LIABILITIES

|                |          |          |
|----------------|----------|----------|
| TRADE PAYABLES | 5,12,633 | 5,95,725 |
|                | 5,12,633 | 5,95,725 |

|   |             |             |
|---|-------------|-------------|
| Provision for Employee Benefits               | 4,09,280    | 1,91,066    |
| Contingent Provisions against Standard Assets | 3,35,000    | 1,75,000    |
| Proposed Dividend *                           | 2,38,07,520 | 2,38,07,520 |
| Provision for Tax on Proposed Dividend        | 40,46,088   | 40,46,088   |
|   | 2,85,97,888 | 2,82,19,674 |
| Total   | 3,46,36,268 | 3,34,52,303 |

\* Note : Dividend proposed at Rs. 6.00 per share (Previous Year Rs. 6.00 per share)

(Amount in Rupees)

| 6. FIXED ASSETS :          | GROSS BLOCK (AT COST) |                       |   |                 | DEPRECIATION   |              |            |                | NET BLOCK       |                 |
|----------------------------|-----------------------|-----------------------|---|-----------------|----------------|--------------|------------|----------------|-----------------|-----------------|
|                            | As at 1-4-2013        | Additions during year | Deductions/ Adjustments during the year | As at 31-3-2014 | As at 1-4-2013 | For the year | Deductions | Upto 31-3-2014 | As at 31-3-2014 | As at 31-3-2013 |
| Tangible Assets            |                       |                       |   |                 |                |              |            |                |                 |                 |
| Buildings .....            | 1,25,06,883           | —                     | —                                       | 1,25,06,883     | 40,01,032      | 4,25,293     | —          | 44,26,325      | 80,80,558       | 85,05,851       |
| Furniture & Fixtures ..... | 58,68,611             | —                     | —                                       | 58,68,611       | 33,55,356      | 6,71,491     | —          | 40,26,847      | 18,41,764       | 25,13,255       |
| Office Equipment .....     | 38,28,292             | 1,28,310              | 17,690                                  | 39,38,912       | 19,52,033      | 1,96,699     | 15,940     | 21,32,792      | 18,06,120       | 18,76,259       |
| Vehicles .....             | 1,39,68,838           | —                     | —                                       | 1,39,68,838     | 96,84,328      | 11,09,057    | —          | 1,07,93,385    | 31,75,453       | 42,84,510       |
| TOTAL .....                | 3,61,72,624           | 1,28,310              | 17,690                                  | 3,62,83,244     | 1,89,92,749    | 24,02,540    | 15,940     | 2,13,79,349    | 1,49,03,895     | 1,71,79,875     |
| Previous Year .....        | 2,69,10,493           | 1,05,69,101           | 13,06,970                               | 3,61,72,624     | 1,77,25,721    | 24,84,125    | 12,17,097  | 1,89,92,749    | 1,71,79,875     |                 |

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250 (Previous Year Rs. 250)

### 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

| Sr. Particulars No.  | Face Value per Share / Unit / Debenture (No.) | As at 31-3-2014 At Cost or Book Value | As at 31-3-2013 Qty. At Cost or (No.) Book Value |
|--|---|---------------------------------------|--|
| <b>(A) In Equity Shares of a Subsidiary Company (At Cost) (Unquoted) :</b> |   |                                       |  |
| Stanrose Mafatlal Lubechem Limited .....                                   |   |                                       |  |
| -In Liquidation .....  | 5   | 43,98,216                             | — 43,98,216                                      |
| <b>Total (A)</b>   |   |                                       |  |

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

(Amount in Rupees)

| Sr. No.   | Particulars  | Face Value per Share / Unit / Debenture |                       | As at 31-3-2014     |                       | As at 31-3-2013     |                       |
|---|--|---|-----------------------|---------------------|-----------------------|---------------------|-----------------------|
|   |  | Qty.                                    | At Cost or Book Value | Qty. (No.)          | At Cost or Book Value | Qty. (No.)          | At Cost or Book Value |
| <b>(B).In Shares of other Companies (At Cost) :</b> |  |   |                       |                     |                       |                     |                       |
| <b>I. In Equity Shares :</b>                        |  |   |                       |                     |                       |                     |                       |
| <b>(i) Quoted (Fully paid) (Non-Traded) :</b>       |  |   |                       |                     |                       |                     |                       |
| 1.  | Asian Electronics Ltd. ....  | 5                                       | 1,600                 | 3,61,320            | 1,600                 | 3,61,320            |                       |
| 2.  | BASF India Ltd. ....   | 10                                      | 9,200                 | 19,51,644           | 9,200                 | 19,51,644           |                       |
| 3.  | Binani Industries Limited ....   | 10                                      | 2,700                 | 5,04,130            | 2,700                 | 5,04,130            |                       |
| 4.  | Eicher Motors Limited ....   | 10                                      | 1,450                 | 5,57,917            | 1,450                 | 5,57,917            |                       |
| 5.  | Futura Polyesters Ltd. ....  | 10                                      | 78,300                | 9,92,940            | 78,300                | 9,92,940            |                       |
| 6.  | GTL Infrastructure Limited ....  | 10                                      | 3,100                 | 2,12,678            | 3,100                 | 2,12,678            |                       |
| 7.  | Housing Development Finance Corp. Ltd.   | 2                                       | 1,55,100              | 32,78,721           | 2,10,100              | 44,41,388           |                       |
| 8.  | HDFC Bank Limited. ....  | 2                                       | 1,16,750              | 6,11,08,459         | 1,16,750              | 6,11,08,459         |                       |
| 9.  | Indian Oil Corporation Limited ....  | 10                                      | 540                   | 2,14,466            | 540                   | 2,14,466            |                       |
| 10.   | Infrastructure Development Finance Co. Ltd.                                    | 10                                      | 35,900                | 25,00,152           | 35,900                | 25,00,152           |                       |
| 11.   | Innovassynth Investments Limited ....  | 10                                      | 35,589                | 5,84,908            | 35,589                | 5,84,908            |                       |
| 12.   | ITC Limited ....   | 1                                       | 47,400                | 41,51,536           | 47,400                | 41,51,536           |                       |
| 13.   | Jindal Stainless Limited ....  | 2                                       | 1,000                 | 1,42,251            | 1,000                 | 1,42,251            |                       |
| 14.   | KPIT Technologies Limited (Formerly known as KPIT Cummins Infosystems Ltd.)    | 2                                       | 7,000                 | 6,01,055            | 7,000                 | 6,01,055            |                       |
| 15.   | Lakshmi Overseas Industries Limited .....                                      | 2                                       | 26,800                | 45,91,655           | 26,800                | 45,91,655           |                       |
| 16.   | Manugraph India Limited .....  | 2                                       | 1,000                 | 2,61,177            | 1,000                 | 2,61,177            |                       |
| 17.   | NTPC Limited .....   | 10                                      | 2,000                 | 5,34,160            | 2,000                 | 5,34,160            |                       |
| 18.   | Piramal Phytocare Limited (Formerly known as Piramal Life Sciences Ltd.) ..... | 10                                      | 350                   | 35,900              | -                     | 35,900              |                       |
| 19.   | Reliance Communications Limited .....  | 5                                       | 1,000                 | 2,41,162            | 1,000                 | 2,41,162            |                       |
| 20.   | Reliance Industries Limited .....  | 10                                      | 20,862                | 47,05,593           | 20,862                | 47,05,593           |                       |
| 21.   | Sintex Industries Limited .....  | 1                                       | 2,775                 | 6,26,937            | 2,775                 | 6,26,937            |                       |
| 22.   | Standard Industries Limited .....  | 5                                       | 1,24,04,487           | 18,21,90,871        | 1,24,04,487           | 18,21,90,871        |                       |
| 23.   | State Bank of India .....  | 10                                      | 2,000                 | 22,35,147           | 2,000                 | 22,35,147           |                       |
| 24.   | Sun Pharma Advance Research Co. Ltd .  | 1                                       | 1,508                 | 1,33,699            | 1,508                 | 1,33,699            |                       |
| 25.   | Tata Steel Limited .....   | 10                                      | 8,133                 | 21,94,884           | 8,133                 | 21,94,884           |                       |
| 26.   | TRF Ltd. ....  | 10                                      | 5,000                 | 25,20,667           | 5,000                 | 25,20,667           |                       |
| 27.   | Virat Industries Limited. ....   | 10                                      | 34,250                | 3,42,500            | 34,250                | 3,42,500            |                       |
| 28.   | Wipro Ltd. ....  | 2                                       | 8,167                 | 8,72,588            | 8,167                 | 10,56,019           |                       |
| 29.   | Zicom Electronics Security Systems Ltd.  | 10                                      | 10,500                | 25,40,784           | 10,500                | 25,40,784           |                       |
|   | Less : Provision for Diminution in value of Investments .....                  |   |                       | (24,13,023)         |                       | —                   |                       |
|   | <b>Total B(i)</b>  |   |                       | <b>27,87,76,878</b> |                       | <b>28,25,35,999</b> |                       |
| <b>(ii) Unquoted (Fully Paid) :</b>                 |  |   |                       |                     |                       |                     |                       |
| (1)   | Federal-Mogul Bearings India Limited .....                                     | 10                                      | 582                   | 55,290              | 582                   | 55,290              |                       |
| (2)   | Marico Kaya Enterprises Ltd. ....  | 10                                      | 2                     | —                   | —                     | —                   |                       |
| (3)   | Sarju International Limited .....  | 10                                      | 25,000                | —                   | 25,000                | 11,25,000           |                       |
| (4)   | SIP Technologies and Exports Ltd. ....   | 10                                      | 3,000                 | —                   | 3,000                 | 8,64,000            |                       |
| (5)   | Stanrose Fund Management Services Limited                                      | 100                                     | 950                   | 95,000              | 1,000                 | 1,00,000            |                       |
| (6)   | Welspun Enterprises Ltd. ....  | 10                                      | 7                     | —                   | —                     | —                   |                       |
| (7)   | Wipro enterprises Limited .....  | 10                                      | 1,633                 | 1,83,431            | —                     | —                   |                       |
|   | Less : Provision for Diminution in value of Investments .....                  |   |                       | —                   |                       | (19,89,000)         |                       |
|   | <b>Total B(ii)</b>   |   |                       | <b>3,33,721</b>     |                       | <b>1,55,290</b>     |                       |
|   | <b>Total B</b>   |   |                       | <b>27,91,10,599</b> |                       | <b>28,26,91,289</b> |                       |



# STANROSE MAFATLAL

(Amount in Rupees)

| Sr. Particulars No.                       | Face Value per Share / Unit / Debenture | As at 31-3-2014 Qty. At Cost or Book Value | As at 31-3-2013 Qty. At Cost or Book Value |
|---|---|--|--|
| <b>(C) In Other Investments</b>           |   |  |  |
| <b>Unquoted (Non-Traded) :</b>            |   |  |  |
| 1. 8.30% G.S.D.L. - 2017 A/c .....        | 100                                     | 1900 1,86,200                              | — —  |
| 2. 9.50% SBI Bonds SRS -2, 2025 A/c ..... | 10,000                                  | 3 30,000                                   | — —  |
| 3. 8.39% Tamilnadu GS 2017 A/c .....      | 100                                     | 450 44,055                                 | — —  |
|   | <b>Total C</b>                          | <b>2,60,255</b>                            | <b>— —</b>                                 |
| <b>(D) In Other Investments</b>           |   |  |  |
| Farewell - Painting .....                 |   | 22,50,000                                  | —  |
|   | <b>Total D</b>                          | <b>22,50,000</b>                           | <b>—</b>                                   |
|   | <b>Total. (A + B + C + D)</b>           | <b>28,16,20,854</b>                        | <b>28,26,91,289</b>                        |

## NOTES :

|  |              |              |
|--|--------------|--------------|
| (a) Aggregate Value of Quoted Investments:   |              |              |
| Cost/Book Value .....                        | 27,87,76,878 | 28,25,35,999 |
| Market Value .....                           | 43,46,16,789 | 46,15,74,511 |
| (b) Aggregate Value of Unquoted Investments: |              |              |
| Cost/Book Value .....                        | 28,43,976    | 1,55,290     |

| Particulars | As at 31-3-2014 Rupees | As at 31-3-2013 Rupees | Particulars | As at 31-3-2014 Rupees | As at 31-3-2013 Rupees |
|-------------|------------------------|------------------------|-------------|------------------------|------------------------|
|-------------|------------------------|------------------------|-------------|------------------------|------------------------|

## 8. DEFERRED TAX ASSETS

|  |                  |                  |
|--|------------------|------------------|
| Deferred Tax Assets / (Liabilities) as at year end : |                  |                  |
| Reversal On account of Depn. ....                    | 7,55,954         | 6,55,083         |
| On account of Provisions for :                       |                  |                  |
| -- Standard Assets .....                             | 1,62,225         | 1,13,558         |
| -- Leave Encashment .....                            | 2,87,341         | 2,87,341         |
| <b>Total</b>   | <b>12,05,520</b> | <b>10,55,982</b> |

## 9. LONG TERM LOANS & ADVANCES

|                                 |                    |                    |
|---------------------------------|--------------------|--------------------|
| (Unsecured Considered Good)     |                    |                    |
| Unsecured Loan to Related Party | 6,40,96,558        | 6,40,96,558        |
| Loans to Staff                  | 6,37,568           | 2,51,124           |
| Accrued Interest on staff loans | 76,088             | 44,293             |
| <b>Total</b>                    | <b>6,48,10,214</b> | <b>6,43,91,975</b> |

\* Note : Interest Free Unsecured Loans given to Stan Plaza Ltd. (SPL) is pursuant to the understanding entered into between the Company, Standard Industries Ltd. (SIL) & SPL. According to the same, SPL has taken exposure in a Real Estate Business company, and also purchased Land admeasuring around 104 acres at Pune. SPL will be facilitating on behalf of the Company and SIL, for which it will charge a lump sum fee @ 5% of the benefits to be received. Further the benefits and losses as the case may be, from the said exposure will be shared equally by the Company & SIL

## 10. CURRENT ASSETS :

| Particulars  | As at 31-3-2014 Rupees | As at 31-3-2013 Rupees |
|--|------------------------|------------------------|
| <b>STOCK IN TRADE</b> (At lower of cost or net realisable value) | <b>14,90,686</b>       | <b>4,69,54,975</b>     |

Note : Statement of Stock in Trade Investments (Inventories) is as under :

| Sr. No.                      | Name of the Company / Mutual Fund | Face Value Rs. | Closing Stock (Qty.) As at 31-3-2014 | As at 31-3-2013 | As at 31-3-2014 Rupees | As at 31-3-2013 Rupees |
|------------------------------|-----------------------------------|----------------|--------------------------------------|-----------------|------------------------|------------------------|
| (A) Equity Shares (Quoted) : |                                   |                |                                      |                 |                        |                        |
| 1.                           | Aban Offshore Limited             | 2              | —                                    | 250             | —                      | 65,975                 |

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

| Sr. No.  | Name of the Company / Mutual Fund                            | Face Value Rs. | Closing As at 31-3-2014 | Stock (Qty.) As at 31-3-2013 | As at 31-3-2014 Rupees | As at 31-3-2013 Rupees |
|--|--|----------------|-------------------------|------------------------------|------------------------|------------------------|
| 2.   | Adani Port & Sez Limited                                     | 2              | —                       | 1,000                        | —                      | 1,38,750               |
| 3.   | Ankur Drug & Pharma Limited                                  | 5              | 300                     | 300                          | 1,179                  | 2,271                  |
| 4.   | BHEL Limited   | 2              | —                       | 500                          | —                      | 97,323                 |
| 5.   | Crompton Greaves Limited                                     | 2              | —                       | 200                          | —                      | 18,740                 |
| 6.   | Elder Pharma Limited   | 10             | 250                     | —                            | 50,113                 | —                      |
| 7.   | Everest Kanto Cylinder Limited                               | 2              | 550                     | 550                          | 9,174                  | 11,220                 |
| 8.   | Hanung Toys & Tex Limited                                    | 10             | 250                     | —                            | 6,187                  | —                      |
| 9.   | Hindustan Copper Limited                                     | 5              | 350                     | 350                          | 24,010                 | 32,445                 |
| 10.  | Hindustan Oil Exploration Co. Ltd.                           | 10             | 7,000                   | 7,000                        | 3,32,150               | 3,66,450               |
| 11.  | Jaiprakash Associates Limited                                | 2              | 500                     | 500                          | 26,850                 | 32,750                 |
| 12.  | Nestle India Limited   | 10             | 147                     | 147                          | 7,36,198               | 6,74,649               |
| 13.  | Reliance Infrastructure Limited                              | 10             | —                       | 200                          | —                      | 64,930                 |
| 14.  | Reliance Power Limited                                       | 10             | —                       | 1,000                        | —                      | 61,550                 |
| 15.  | Torrent Power Limited  | 10             | 400                     | 400                          | 37,460                 | 55,900                 |
| 16.  | Tata Power Limited   | 1              | 1,300                   | 1,100                        | 1,10,240               | 1,06,040               |
| 17.  | Zandu Realty Limited   | 100            | 175                     | 175                          | 1,57,325               | 1,93,156               |
| <b>Total (A)</b>                                     |  |                |                         |                              | <b>14,90,886</b>       | <b>19,22,149</b>       |
| Market Value   |  |                |                         |                              | <b>14,90,886</b>       | <b>19,22,149</b>       |
| Cost   |  |                |                         |                              | <b>15,99,324</b>       | <b>26,39,739</b>       |
| <b>(B) Units of Mutual Funds :</b>                   |  |                |                         |                              |                        |                        |
| 1.   | Birla Sunlife Dynamic Bond Fund - Monthly Dividend           | 10             | —                       | 1,59,913                     | —                      | 16,88,585              |
| 2.   | Birla Sunlife MIP 2 Savings 5 Plan - Reinvestments           | 10             | —                       | 5,26,754                     | —                      | 61,43,528              |
| 3.   | HDFC High Interest Fund- Short Term Plan - Dividend          | 10             | —                       | 4,56,866                     | —                      | 48,36,662              |
| 4.   | ICICI Prudential Floating Rate - Regular Plan - Dividend     | 10             | —                       | 1,04,044                     | —                      | 1,04,16,958            |
| 5.   | IDFC Super Saver Income Fund - Short Term Plan-Growth        | 10             | —                       | 1,76,508                     | —                      | 42,35,790              |
| 6.   | PineBridge India Short Term Fund -Monthly Dividend           | 10             | —                       | 10,680                       | —                      | 1,07,84,970            |
| 7.   | SBI - Premier Liquid Fund - Regular Plan - Dividend-         | 10             | —                       | 5,165                        | —                      | 52,27,091              |
| 8.   | UTI Liquid Cash Plan- Institutional-Daily Divi. Reinvestment | 10             | —                       | 1,667                        | —                      | 16,99,242              |
| Total (B)  |  |                |                         |                              | <b>—</b>               | <b>4,50,32,826</b>     |
| Market Value   |  |                |                         |                              | <b>—</b>               | <b>4,50,32,826</b>     |
| Cost   |  |                |                         |                              | <b>—</b>               | <b>4,51,55,280</b>     |
| Total [ A+B ]  |  |                |                         |                              | <b>14,90,886</b>       | <b>4,69,54,975</b>     |
| Total Market Value                                   |  |                |                         |                              | <b>14,90,886</b>       | <b>4,69,54,975</b>     |
| Total Cost   |  |                |                         |                              | <b>15,99,324</b>       | <b>4,77,95,019</b>     |
| Lower of cost or net realisable value / Market Value |  |                |                         |                              | <b>14,90,886</b>       | <b>4,69,54,975</b>     |

## STANDROSE MAFATLAL

|   | As at<br>31-3-2014<br>Rupees               | As at<br>31-3-2013<br>Rupees               |
|---|--|--|
| <b>TRADE RECEIVABLES</b>  |  |  |
| (Unsecured Considered good unless otherwise stated)   |  |  |
| Outstanding for a period exceeding six months from the Due date .....   | -  | -  |
| Others .....  | 14,39,657                                  | 6,91,640                                   |
| Total (II)  | <u>14,39,657</u>                           | <u>6,91,640</u>                            |
| <b>CASH AND BANK BALANCES</b>   |  |  |
| Cash and Cash Equivalent :  |  |  |
| Balance with Banks in Current Accounts (Including Rs. 42,47,448 (Previous Year Rs. 35,13,997) in respect of Unpaid Dividend Accounts) | 1,08,08,233                                | 95,03,152                                  |
| Cash on hand  | 4,69,226                                   | 2,75,257                                   |
| Total (III)   | <u>1,12,77,459</u>                         | <u>97,78,409</u>                           |
| <b>SHORT-TERM LOANS AND ADVANCES</b>  |  |  |
| (Unsecured, considered good)  |  |  |
| Sundry Deposits   | 1,26,475                                   | 1,25,525                                   |
| Intercorporate Deposits   | 12,45,00,000                               | 7,25,00,000                                |
| Other advances recoverable in cash or in kind or for value to be received   | 28,30,010                                  | 27,29,286                                  |
| Current Maturity of Loan and Advances to Staff  | 3,07,462                                   | 2,10,000                                   |
| Advance Payment of Income Tax and TDS (Net)   | 1,17,35,561                                | 1,15,44,201                                |
| Prepaid Expenses  | 1,63,927                                   | 1,54,378                                   |
| Total (IV)  | <u>13,96,63,435</u>                        | <u>8,72,63,390</u>                         |
| Total (I to IV)   | <u>15,38,71,437</u>                        | <u>14,46,88,414</u>                        |
|   | <b>Year ended<br/>31-3-2014<br/>Rupees</b> | <b>Year ended<br/>31-3-2013<br/>Rupees</b> |

### 11. REVENUE FROM OPERATIONS

|  |                    |                    |
|--|--------------------|--------------------|
| Interest on ICD .....                          | 1,05,76,103        | 58,66,713          |
| Dividend Income .....                          | 1,29,68,137        | 1,40,02,402        |
| Profit from Trading of Shares and Securities * | 14,01,398          | 23,97,468          |
| Profit on Sale of Investments (Net)            | 4,80,33,721        | 4,21,83,267        |
| Total  | <u>7,29,79,359</u> | <u>6,44,49,850</u> |

\* Note :  
Details of profit from Trading in Shares and Securities are as under :

|                     |                     |                     |
|---------------------|---------------------|---------------------|
| Sales .....         | 15,14,54,170        | 13,30,71,708        |
| Closing Stock ..... | 14,90,886           | 4,69,54,975         |
| Total (A) .....     | <u>15,29,45,056</u> | <u>18,00,26,683</u> |

|                            | Year ended<br>31-3-2014<br>Rupees | Year ended<br>31-3-2013<br>Rupees |
|----------------------------|-----------------------------------|-----------------------------------|
| Less : Opening Stock ..... | 4,69,54,975                       | 4,64,92,160                       |
| Purchases .....            | 10,45,88,683                      | 13,11,37,055                      |
| Total (B)                  | <u>15,15,43,658</u>               | <u>17,76,29,215</u>               |
| Total (A-B)                | <u>14,01,398</u>                  | <u>23,97,468</u>                  |

### 12. OTHER INCOME

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| Interest on Loan to Employees ..... | 31,795        | 38,548        |
| Profit on Sale of Fixed Assets      | 650           | 25,927        |
| Miscellaneous Income .....          | 51,552        | 1,698         |
| Total                               | <u>83,997</u> | <u>66,173</u> |

### 13. EMPLOYEE BENEFIT EXPENSES

|   |                  |                  |
|---|------------------|------------------|
| Salaries, Wages and Allowances .....          | 51,21,187        | 44,23,306        |
| Bonus .....                                   | 1,18,300         | 1,09,900         |
| Contribution to Provident & Other Funds ..... | 8,93,243         | 6,30,334         |
| Staff Welfare Expenses ...                    | 6,11,727         | 8,57,221         |
| Total .....                                   | <u>67,44,457</u> | <u>60,20,761</u> |

### 14. OTHER EXPENSES

|   |               |           |
|---|---------------|-----------|
| <b>Rent :</b>                             |               |           |
| Service and Amenities charge .....        | 24,47,200     | 24,47,200 |
| Leave and License fees                    | 19,75,316     | 19,75,316 |
| Rates & Taxes .....                       | 13,39,313     | 1,00,632  |
| <b>Repairs &amp; Maintenance :</b>        |               |           |
| -- Building .....                         | 5,80,488      | 11,43,817 |
| -- Others .....                           | 10,55,289     | 4,69,754  |
| Insurance .....                           | 1,45,061      | 1,06,525  |
| Printing & Stationery .....               | 2,03,197      | 1,98,074  |
| Postage and Telephone ....                | 6,33,461      | 4,84,087  |
| Advertisement .....                       | 97,984        | 1,61,375  |
| Payment to Auditors .....                 | 2,58,428      | 2,82,497  |
| Directors' Fees .....                     | 1,80,000      | 1,30,000  |
| Commission to Directors ...               | 11,60,000     | 9,90,000  |
| <b>Legal &amp; Professional Charges :</b> |               |           |
| Legal & Professional Charges .....        | 4,41,375      | 4,45,774  |
| Retainership fees .....                   | 14,06,800     | 12,04,800 |
| General Charges .....                     | 17,36,540     | 4,71,384  |
| Presentation Articles .....               | 9,78,114      | 4,04,130  |
| Electricity Charges .....                 | 7,14,927      | 6,19,540  |
| Computer Expenses .....                   | 1,52,568      | 1,27,136  |
| Motor Car expenses .....                  | 14,67,532     | 19,24,483 |
| <b>Travelling &amp; Conveyance :</b>      |               |           |
| Travelling .....                          | 9,92,501      | 9,41,220  |
| Foreign Travel .....                      | 38,10,446     | 41,84,099 |
| Membership & Subscription                 | 56,467,63,433 |           |
| Miscellaneous Expenses ...                | 6,85,839      | 6,18,344  |
| Donation .....                            | 4,00,000      | 14,50,000 |
| Provision for Standard Assets .....       | 1,50,000      | —         |

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

|   | <b>Year ended<br/>31-3-2014<br/>Rupees</b> | <i>Year ended<br/>31-3-2013<br/>Rupees</i> |
|---|--|--|
| Provision for diminution in Value of Investments (See Note 2) ..... | <b>24,13,023</b>                           | <i>19,89,000</i>                           |
| Total   | <b><u>2,54,81,869</u></b>                  | <i><u>2,29,32,620</u></i>                  |

Note : Payment to Auditors (Including Service-tax) :

Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :

|                            |                        |                        |
|----------------------------|------------------------|------------------------|
| (a) As Auditors .....      | <b>1,85,394</b>        | <i>1,85,394</i>        |
| (b) For Tax Audit .....    | <b>22,472</b>          | <i>22,472</i>          |
| (c) For Certification Work | <b>50,562</b>          | <i>74,631</i>          |
| Total                      | <b><u>2,58,428</u></b> | <i><u>2,82,497</u></i> |

**15. CONTINGENT LIABILITIES :**

Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Company is either in appeal or the effect of the Orders in appeal awaited is of Rs. 1,53,10,513/- (Previous Year Rs. 1,53,10,513).

**16.** The Company is not holding and accepting deposits. Further, the total assets of the Company being less than Rs. 100 Crores, the Prudential Norms on Credit and Investment Concentration and Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition Accounting Standards Assets Classification, Provisioning for Bad and Doubtful Debts & Standard Assets and other related matters as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007 as amended.

**17. SEGMENT INFORMATION :**

The Company is primarily engaged in the business of Intercompany Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounting Standard) Rules, 2006.

**18.** There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding as at the Balance Sheet date.

**19. LEASES :**

The Company has an operating Lease rented facility at Mumbai with lock-in-period of 60 months from the date of its commencement. The future rent payments for the facility are as under:

|   | <b>Year ended<br/>31-3-2014<br/>Rupees</b> | <i>Year ended<br/>31-3-2013<br/>Rupees</i> |
|---|--|--|
| Minimum future lease payments                     |  |  |
| Not later than one year                           | <b>17,82,000</b>                           | <i>17,82,000</i>                           |
| Later than one year and not later than five years | <b>6,80,226</b>                            | <i>24,62,226</i>                           |
| Total   | <b><u>24,62,226</u></b>                    | <i><u>42,44,226</u></i>                    |

**20. EMPLOYEE BENEFITS :**

(a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 (Revised 2005) "Employee benefits", prescribed under the Companies (Accounting Standard) Rules. 2006.

**Status of the Gratuity as required under AS 15 (Revised) :**

**I. Components of Employers' Expense recognised in Statement of Profit and Loss**

|   |                   |                   |
|---|-------------------|-------------------|
| (a) Current Service Cost                            | <b>1,06,738</b>   | <i>95,160</i>     |
| (b) Interest Cost                                   | <b>2,47,589</b>   | <i>2,28,291</i>   |
| (c) Expected Return on Plan Assets                  | <b>(2,52,630)</b> | <i>(2,21,605)</i> |
| (d) Net Actuarial Loss / (Gain) recognised in year. | <b>3,07,583</b>   | <i>89,220</i>     |

**Total Expense recognised in Statement of Profit and Loss** **4,09,280** *1,91,066*

**II. Net Asset / (Liability) recognised in Balance Sheet:**

|  |                    |                   |
|--|--------------------|-------------------|
| (a) Present value of Obligation          | <b>30,39,507</b>   | <i>29,03,794</i>  |
| (b) Fair Value of Plan Assets            | <b>(34,48,787)</b> | <i>30,94,860</i>  |
| (c) Present value of Unfunded Obligation | <b>(4,09,280)</b>  | <i>(1,91,066)</i> |

**Net (Asset) / Liability recognised in Balance Sheet** **(4,09,280)** *(1,91,066)*

**III. Changes in Defined Benefit Obligations (DBO) during the year :**

|   |                   |                  |
|---|-------------------|------------------|
| (a) Opening Present Value of Obligation | <b>30,94,860</b>  | <i>26,85,777</i> |
| (b) Current Service Cost                | <b>1,06,738</b>   | <i>95,160</i>    |
| (c) Interest Cost                       | <b>2,47,589</b>   | <i>2,28,291</i>  |
| (d) Actuarial (Gain) / Loss             | <b>2,73,183</b>   | <i>85,632</i>    |
| (e) Benefit Paid                        | <b>(2,73,583)</b> | <i>—</i>         |

**Present Value of Obligation at the year end** **34,48,787** *30,94,860*

**IV. Changes in the fair value of plan assets during ..... the year :**

|                                       |                   |                  |
|---------------------------------------|-------------------|------------------|
| (a) Opening fair value of plan assets | <b>29,03,794</b>  | <i>26,07,123</i> |
| (b) Expected return                   | <b>2,52,630</b>   | <i>2,21,605</i>  |
| (c) Actuarial Gain / (Loss)           | <b>(34,400)</b>   | <i>(3,588)</i>   |
| (d) Contributions by employer         | <b>1,91,066</b>   | <i>78,654</i>    |
| (e) Benefit Paid                      | <b>(2,73,583)</b> | <i>—</i>         |

**Fair Value of Plan Assets at the year end** **30,39,507** *29,03,794*

**V. Actuarial Assumptions**

|                                    |              |              |
|------------------------------------|--------------|--------------|
| (a) Discount Rate (per annum)      | <b>9.03%</b> | <i>8.00%</i> |
| (b) Annual Increase in Salary Cost | <b>6.00%</b> | <i>6.00%</i> |
| (c) Expected Return on Plan Assets | <b>8.70%</b> | <i>8.70%</i> |

## STANROSE MAFATLAL

### Past four years data for Defined benefit obligations and fair value of plan asset :

(Amount in Rupees)

| Particulars   | 2009-10   | 2010-11   | 2011-12   | 2012-13   | 2013-14   |
|---|-----------|-----------|-----------|-----------|-----------|
| Present Value of defined benefit Obligation at the end of the year (By Independent Actuary) | 21,84,363 | 24,10,259 | 26,85,777 | 30,94,860 | 34,48,787 |
| Fair Value of Plan assets at the end of the year  | 22,36,581 | 24,16,119 | 26,07,123 | 29,03,794 | 30,39,507 |
| Net (Asset) / Liability at the end of the year  | (52,218)  | (5,860)   | 78,654    | 1,91,066  | 4,09,280  |

To fund the obligations under the gratuity plan Contributions are made to the Gratuity Fund created by the Company which invests the funds in following manner.

| No. | Particulars                | % Investments |
|-----|----------------------------|---------------|
| 1.  | Insurer Managed Funds      | 96.89%        |
| 2.  | CBI Special Deposit Scheme | 3.11%         |
|     | Total                      | 100.00 %      |

(b) The liability for leave encashment and compensated absences as at the year end is Rs. 8,85,626 (Previous Year Rs. 8,85,626).

### 21. EARNING PER SHARE :

The details of Basic and Diluted Earnings per share are as under :

| Particulars                                    | Year ended<br>31-3-2014 | Year ended<br>31-3-2013 |
|--|-------------------------|-------------------------|
| Profit after tax (Rs.) .....                   | 3,30,84,028             | 2,87,42,756             |
| No. of Equity Shares .....                     | 39,67,920               | 39,67,920               |
| Basic & Diluted Earnings per Share (Rs.) ..... | 8.34                    | 7.24                    |
| Nominal Value of each Equity Share (Rs.) ..... | 10.00                   | 10.00                   |

### 22. AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:

The Company has not made any remittance in foreign currencies on account of dividends and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:

|   |            |              |
|---|------------|--------------|
| Year to which Dividend relates .....  | 2012-13    | 2011-2012    |
| Number of Non-Resident Shareholders .....   | 24         | 25           |
| Number of Equity Shares held by them on which Dividend was due .....                                  | 6,709      | 20,200       |
| Amount in rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders ..... | Rs. 40,254 | Rs. 1,01,000 |

### 23. Related Party Transactions :

#### (A) Name of related parties and description of relationship :

- Subsidiary Company  
Stanrose Mafatlal Lubechem Limited - In Liquidation
- Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL)  
Standard Industries Limited (SIL)  
Stan Plaza Limited (Wholly owned Subsidiary of SIL)  
Stanrose Fund Management Services Limited
- Controlling Companies having significant holding in SMIFL  
Shanudeep Pvt. Ltd.  
Sheiladeep Investments Pvt. Ltd.  
Vinadeep Investments Pvt. Ltd.  
Gagalbhai Investments Pvt. Ltd.  
Pradeep Investments Pvt. Ltd.
- Enterprises Controlled by SMIFL  
SMIFL Officers' Superannuation Scheme  
SMIFL Officers' Provident Fund  
SMIFL Employees' Provident Fund  
SHL Employees' Gratuity Fund

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(B) Related Party Transactions:**

**(Amount in Rupees)**

| Particulars   | Companies with significant holding by SMIFL & Controlling Companies |              | Enterprises Controlled by the Company |              | Total        |              |
|---|---|--------------|---------------------------------------|--------------|--------------|--------------|
|   | Year 2013-14  | Year 2012-13 | Year 2013-14                          | Year 2012-13 | Year 2013-14 | Year 2012-13 |
| <b>(A) Volume of Transactions :</b>                       |   |              |                                       |              |              |              |
| <b>Expenses:</b> Leave and Licence Fees & Other Services: |   |              |                                       |              |              |              |
| Shanudeep Private Limited                                 | 44,22,516   | 44,22,516    | —                                     | —            | 44,22,516    | 44,22,516    |
| Security Charges Reimbursed: Stan Plaza Limited           | 63,000  | 63,000       | —                                     | —            | 63,000       | 63,000       |
| Expenses Reimbursed: Stanrose Fund Mngt. Services Ltd.    | —   | 2,04,699     | —                                     | —            | —            | 2,04,699     |
| <b>Purchase of Investments:</b>                           |   |              |                                       |              |              |              |
| SHL Employees Gratuity Fund                               | —   | —            | 2,60,255                              | —            | 2,60,255     | —            |
| <b>Sale of Investments:</b>                               |   |              |                                       |              |              |              |
| SMIFL Officers' S. S.                                     | —   | —            | —                                     | 1,15,553     | —            | 1,15,553     |
| <b>Dividend Received:</b>                                 |   |              |                                       |              |              |              |
| Standard Industries Limited                               | 93,03,365   | 93,03,365    | —                                     | —            | 93,03,365    | 93,03,365    |
| <b>Dividend Paid:</b>                                     |   |              |                                       |              |              |              |
| Shanudeep Private Limited                                 | 58,80,468   | 49,00,390    | —                                     | —            | 58,80,468    | 49,00,390    |
| Sheiladeep Investments Pvt. Ltd.                          | 23,41,782   | 19,51,485    | —                                     | —            | 23,41,782    | 19,51,485    |
| Vinadeep Investments Pvt. Ltd.                            | 25,19,220   | 20,99,350    | —                                     | —            | 25,19,220    | 20,99,350    |
| Gagalbhai Investments Pvt. Ltd.                           | 2,62,356  | 2,18,630     | —                                     | —            | 2,62,356     | 2,18,630     |
| Pradeep Investments Pvt. Ltd.                             | 1,08,720  | 90,600       | —                                     | —            | 1,08,720     | 90,600       |
| Standard Industries Limited                               | 1,13,934  | 94,625       | —                                     | —            | 1,13,934     | 94,625       |
| <b>(B) Balances at the Year end:</b>                      |   |              |                                       |              |              |              |
| Stan Plaza Limited  | 6,40,96,558   | 6,40,96,558  | —                                     | —            | 6,40,96,558  | 6,40,96,558  |

|  |                      |                      |
|--|----------------------|----------------------|
| <b>24. Foreign Currency Transactions :</b> | <b>Year ended</b>    | <i>Year ended</i>    |
|  | <b>31-3-2014</b>     | <b>31-3-2013</b>     |
| Travelling Expenses                        | <b>Rs. 11,65,358</b> | <i>Rs. 15,51,280</i> |
| Total                                      | <b>Rs. 11,65,358</b> | <i>Rs. 15,51,280</i> |

**25. Disclosure about Loans /Advances and Investments in own shares by the Company in its Subsidiaries and Associates etc. as required by Clause No. 32 of Listing Agreement**

| Particulars  | Amount in Rupees                    |                                     |
|--|-------------------------------------|-------------------------------------|
|  | Outstanding Balance as on 31-3-2014 | Maximum Outstanding during the year |
| Loans and Advances in the nature of loan where there is:                   |                                     |                                     |
| (a) No repayment schedule or repayment beyond 7 years                      | —                                   | —                                   |
| (b) No Interest or Interest below Section 372A of the Companies Act, 1956: | —                                   | —                                   |
| Loans to Employees (in ordinary course of business)                        | 9,45,030                            | 9,79,030                            |

**Notes :**

- (i) None of the Loanees named hereinabove has made any investment in the Equity Capital of the Company except negligible holding with some of the employees.
- (ii) During the year under report there are no other transactions of Loan / Advances etc. referred above with Subsidiary, Associates or with firms / companies in which Directors are interested.

**26. DISCLOSURE OF DETAILS AS REQUIRED UNDER PARA 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2007.**

## STANROSE MAFATLAL

| Particulars  | Amount in Rupees                      |                       |
|--|---------------------------------------|-----------------------|
|  | At at 31-03-2014<br>Amount<br>Overdue | Amount<br>Outstanding |
| <b>LIABILITIES SIDE</b>  |                                       |                       |
| (1) Loans and Advances<br>availed by the Company<br>(Inclusive of interest accrued<br>thereon but not paid) :    | —                                     | —                     |
| <b>ASSETS SIDE</b>   |                                       |                       |
| (2) Break-up of Loans and Advances<br>(Including bills receivable)<br>(Other than those included in (3) below) : |                                       |                       |
| (a) Secured  |                                       | —                     |
| (b) Unsecured  | 18,97,61,700                          |                       |
| (3) Break-up of Leased Assets, Stock on hire<br>and other assets counting towards<br>AFC activities :            |                                       |                       |
| (a) Leased Assets  |                                       | —                     |
| (b) Stock on hire  |                                       | —                     |
| (c) Other Loans counting towards<br>AFC activities   |                                       | —                     |
| (4) Break-up of Investments:   |                                       |                       |
| <b>Current Investments:</b>  |                                       |                       |
| (a) Quoted :   |                                       |                       |
| Equity Shares  | 14,90,886                             |                       |
| Government Securities  |                                       | —                     |
| Other Securities   |                                       | —                     |
| (b) Unquoted :   |                                       |                       |
| Units of Mutual Funds  |                                       | —                     |
| <b>Long Term investments :</b>   |                                       |                       |
| (a) Quoted :   |                                       |                       |
| Equity Shares  | 27,88,56,878                          |                       |
| Other Investment   |                                       | —                     |
| (b) Unquoted :   |                                       |                       |
| Equity Shares  | 3,33,720                              |                       |
| Other Investments  | 2,60,255                              |                       |
| Other Investments [Paintings]  | 22,50,000                             |                       |

(5) Borrower group-wise classification of assets,  
financed as in (2) & (3) above :

| Category                            | Amount in Rupees                             |                     |                     |
|-------------------------------------|--|---------------------|---------------------|
|                                     | At at 31-03-2014<br>Amount net of provisions |                     |                     |
|                                     | Secured                                      | Unsecured           | Total               |
| (a) Related Parties :               |  |                     |                     |
| (i) Subsidiaries                    | —  | —                   | —                   |
| (ii) Companies in<br>the same group | —  | —                   | —                   |
| (iii) Other related<br>parties      | —  | 6,40,96,558         | 6,40,96,558         |
| (b) Other than<br>related parties   | —  | 12,56,65,142        | 12,56,65,142        |
| <b>Total</b>                        | —  | <b>18,97,61,700</b> | <b>18,97,61,700</b> |

(6) Investor group-wise classification of all  
investments (current and long term) in shares and  
securities (both quoted and unquoted):

| Category                          | Amount in Rupees                                   |                                      |
|-----------------------------------|--|--------------------------------------|
|                                   | Market Value / Break<br>up or Fair Value or<br>NAV | Book Value<br>(Net of<br>Provisions) |
| <b>At at 31-03-2014</b>           |  |                                      |
| (a) Related Parties :             |  |                                      |
| Subsidiary Companies              |  | —                                    |
| Companies in the same<br>group    |  | —                                    |
| Other related parties             | 13,55,81,043                                       | 18,21,90,871                         |
| (b) Other than related<br>parties | 30,03,82,226                                       | 9,87,79,306                          |
| <b>Total</b>                      | <b>43,59,63,269</b>                                | <b>28,09,70,177</b>                  |

27. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

|  |  |  |  |
|--|--|--|--|
| In terms of our Report attached.<br><br><b>For C.C. CHOKSHI &amp; CO.</b><br><i>Chartered Accountants</i><br><br><b>GAURAV J. SHAH</b><br><i>Partner</i><br>Ahmedabad,<br>Dated : 13th May, 2014 | For and on behalf of the Board of Directors of<br>Stanrose Mafatlal Investments and Finance Ltd. |  |  |
|  | <b>K. J. PARDIWALLA</b><br><i>Director</i><br>Mumbai,<br>Dated : 13th May, 2014                  | <b>F. M. PARDIWALLA</b><br><i>Director</i> | <b>P. R. MAFATLAL</b><br><i>Chairman</i><br><br><b>H. V. MEHTA</b><br><i>Chief Financial Officer</i> |
| Ahmedabad,<br>Dated : 13th May, 2014   | <b>G. R. SHAH</b><br><i>Vice President (Legal) &amp;<br/>           Company Secretary</i>        |  |  |

## NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty-fourth Annual General Meeting of the Members of the Company will be held on Saturday, the 2nd August, 2014 at 10.30 A.M. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, to transact the following business:

### ORDINARY BUSINESS:

#### Item No 1. Adoption of Financial Statements

To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date of the Company and the Reports of the Directors' and Auditors' thereon.

#### Item No 2. Declaration of Dividend

To declare Dividend on Equity Shares. The Board of Directors has recommended a Dividend of Rs.6/- per Equity Share of Rs.10/- each.

#### Item No 3. Appointment of Director

To appoint a Director in place of Shri Madhusudan J. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.

#### Item No 4. Appointment of Auditors

To re-appoint Auditors and fix their remuneration 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 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. C. C. Chokshi & Co., Chartered Accountants (Regn. No. 101876W) Ahmedabad, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the fourth consecutive Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors.

### SPECIAL BUSINESS:

#### Item No 5. Appointment of Shri Russi Jal Taraporevala as an 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Russi Jal Taraporevala (holding DIN 00019069), Director of the Company, who retires at the Annual

General Meeting 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 an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017."

#### Item No 6. Appointment of Shri Arun P. Patel as an 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Arun P. Patel (holding DIN 00830809), Director of the Company, who retires at the Annual General Meeting 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 an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017."

#### Item No 7. Appointment of Shri Rajesh Jaykrishna as an 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Rajesh Jaykrishna (holding DIN 00048294), Director of the Company, who retires at the Annual General Meeting 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 an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017."

#### Item No 8. Appointment of Shri Framroz M. Pardiwalla as an 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 Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force)



read with Schedule IV to the Companies Act, 2013, Shri Framroz M. Pardiwalla (holding DIN 00228390), Director of the Company, who retires at the Annual General Meeting 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 an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017."

### Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a 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 carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for other person or shareholder. The Proxy form, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
- (b) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting. Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
- (c) 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.
- (d) Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed from 27th June, 2014 to 4th July, 2014 (both days inclusive) for annual closing and determining the entitlement of the shareholders dividend for 2013-14.
- (f) The Dividend on Equity Shares if declared at the Meeting will be paid on 12th August, 2014 or thereafter to those Members whose names shall appear on the Company's Register of Members on 27th June, 2014; in respect of the shares held in demat form the dividend will be paid to members, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.
- (g) Members holding shares in electronic form may note that the Particulars of their address and Bank Account registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Transfer Agent.
- (h) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
- (i) The Company has designated an exclusive email ID viz. *investorcare@stanroseinvest.com* to enable investors to post their grievances, if any, and monitor its redressal.
- (j) As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2013-14 will be sent along with the Notice to all the members whose email addresses are registered with the Company/its Registrar/Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report 2013-14 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Registrar/Depository Participant.  
The Notice of the 34th Annual General Meeting and the Annual Report 2013-14 will also be available on the Company's website *www.stanroseinvest.com* for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Ahmedabad for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.
- (k) Details required to be furnished in terms of Clause no. 49 of the Listing Agreement with the Stock Exchange relating to the Corporate Governance in respect of the Directors being

proposed for re-appointment at the ensuing Annual General Meeting of the Company, are given hereunder:

**Shri Madhusudan J. Mehta**

Shri Mehta, aged 69 years, is a Bachelor of Commerce and Law. He possesses long and diverse experience in the fields of Finance, Taxation and Administrative Affairs. He is associated with various business enterprises of Mafatlal Group for more than four decades, holding various responsible positions. Since more than last 14 years, he is with Shanudeep Pvt. Ltd., one of our Promoter Companies and holding the position of its Manager (Administration).

He is also on the Board of Pradeep Investments Pvt. Ltd., Gagalbhai Trading Pvt. Ltd., Gagalbhai Investments Pvt. Ltd., Sheiladeep Investments Pvt. Ltd., Sheilaja Enterprises Pvt. Ltd., Stanrose Fund Management Services Ltd., Stanrose Mafatlal Lubechem Ltd. (In Liquidation), Umiya Balaji Real Estate Pvt. Ltd. and Umiya Real Estate Pvt. Ltd. and a Trustee in various Public Charitable Trusts.

He is holding 434 Equity shares of Rs.10/- each in the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Shri Mehta as a Director. Accordingly the Board recommends his re-appointment.

Except Shri Madhusudan J. Mehta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 3.

(l) Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The detailed circular on procedure of E-voting is being attached.

(m) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed herewith.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Ahmedabad,  
Dated: May 13, 2014

By Order of the Board  
**G. R. SHAH**  
Vice President (Legal) &  
Company Secretary

**ANNEXURE TO THE NOTICE:**

**Explanatory statement pursuant to Section 102 of the Companies Act, 2013. [It may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange]**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to items no. 5, 6, 7 and 8 contained in the accompanying Notice dated May 13, 2014.

**In respect of Item No. 5**

Shri Russi Jal Taraporevala, (holding DIN 00019069), born in September, 1932, is an Economist and Specialist in Finance. He holds B.Com. degree from University of Bombay, degree of M.Sc. (Economics) from London School of Economics of the University of London and M.B.A. from the University of California at Berkeley. He possesses long and rich experience in Industry, Finance and Corporate Affairs.

Since 1955, Shri Taraporevala has been a Director of thirty large Public and three Private companies. In addition, Shri Taraporevala was a Director in the Sixties of the Central Bank of India Ltd. He was the Chairman of the Advisory Board in India of Citibank N. A. from 1975 to 1981.

He is a Director in Standard Industries Limited and D. B. Taraporevala Sons & Co. Private Ltd.

He is the Chairman of the Nomination and Remuneration Committee and Member of Audit Committee and Stakeholders' Relationship Committee of Standard Industries Limited.

He is the Chairman of the Stakeholders' Relationship Committee and a Member of Audit Committee of the Company.

He is holding 32 Equity Shares of Rs.10/- each in the Company as a joint-holder along with Sooni Jal Taraporevala.

Shri Taraporevala retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956. Shri Taraporevala being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Taraporevala fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his appointment as an Independent Director setting out the terms and conditions would be available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Shri Taraporevala as an Independent Director, for approval by the shareholders of the Company.

Except Shri Taraporevala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.5.

### **In respect of Item No. 6**

Shri Arun P. Patel, (holding DIN 00830809), aged 79 years, is a well known industrialist. Soon after his graduation in Science, he joined in the running of a textile mill formerly known as The Bharat Vijay Mills Ltd. and now as Sintex Industries Limited. Under the guidance and stewardship of Shri Arunbhai as a Vice Chairman of Sintex Industries Limited, its Plastic Division has emerged as the world's largest manufacturer of Plastic tanks besides expanding and strengthening of its original Textile Division.

He is on the Board of the Company since 4th August, 1981.

He is a Member of the Audit Committee of the Company.

He is holding 175 Equity Shares of Rs.10/- each in the Company.

Shri Patel is a director whose period of office is liable to determination by retirement of directors under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Patel being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his appointment as an Independent Director setting out the terms and conditions would be available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Shri Patel as an Independent Director, for approval by the shareholders of the Company.

Except Shri Patel, being an appointee, none of the Directors and Key Managerial Personnel of the Company

and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 6.

### **In respect of Item No. 7**

Shri Rajesh Jaykrishna, (holding DIN 00048294), aged 64 years, holds a degree of B.Sc., M.S. in Chemical Engineering (U.S.A.) and is a well-known industrialist. He has a very wide experience in industry, finance and corporate affairs.

He is on the Board of Sukrut Chemicals Pvt. Ltd., H.K. Investment Co.Pvt. Ltd., Jayavardhini Investment Pvt. Ltd., Deesa Stockholding Pvt. Ltd., Telegenic Productions Pvt. Ltd., Ansumalini Investments Pvt. Ltd. and Echke Limited.

He is on the Board of the Company since 9th November, 1982.

He is a member of the Audit Committee of the Company.

He is holding 156 Equity Shares of Rs.10 each in the Company as a joint holder.

Shri Rajesh Jaykrishna is a director whose period of office is liable to determination by retirement of directors under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Rajesh Jaykrishna being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for three consecutive years for a term up to the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2017.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Rajesh Jaykrishna fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his appointment as an Independent Director setting out the terms and conditions would be available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Shri Rajesh Jaykrishna as an Independent Director, for approval by the shareholders of the Company.

Except Shri Rajesh Jaykrishna, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no. 7.

### **In respect of Item No. 8**

Shri Framroz M. Pardiwalla (holding DIN 00228390), was born on 25th August, 1939. He is a Commerce Graduate

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

from Sydenham College of Commerce & Economics as well as a Law Graduate from H. R. College, Mumbai. He has worked with ICICI Ltd. for 38 years in a Senior executive's capacity, heading Corporate Finance including Indian and Foreign currency treasury, foreign exchange, taxation and EDP Departments. He has vast experience in Accounts, Foreign Exchange and Law.

In recognition to his professional qualifications and experience in banking and finance, the governing council of Indian Institute of Banking and Finance has conferred on him Associate-ship of the Institute.

During the period 1982 to 2005, he was a Director on the Board of several companies as also the Chairman/Member of Audit/Shareholders' Grievance, Executive and Asset Sale Committees of the Boards of various companies.

He is the Chairman of the Audit Committees of the Company as well as that of Standard Industries Limited.

He is a Director on the Board of Standard Industries Limited and a Member of its Stakeholders' Relationship Committee.

He alongwith Mrs Almitra F. Pardiwalla is holding 14 Equity shares of Rs.10/- each in the Company.

Shri Pardiwalla is a director whose period of office is liable to determination by retirement of directors under the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Shri Pardiwalla being eligible and offering himself for appointment is proposed to be appointed as an Independent Director for three consecutive years for a term up to the conclusion

of Annual General Meeting that may be held for the financial year ending March 31, 2017.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Pardiwalla fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his appointment as an Independent Director setting out the terms and conditions would be available for inspection of the members without any fee at the registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Shri Pardiwalla as an Independent Director, for approval by the share-holders of the Company.

Except Shri Pardiwalla, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.8.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.

By Order of the Board  
**G. R. SHAH**  
Vice President (Legal) &  
Company Secretary

Ahmedabad,  
Dated: May 13, 2014

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

CIN : L65910GJ1980PLC003731

Registered Office: Popular House, Ashram Road, Ahmedabad - 380 009

Website: stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

## CIRCULAR ON PROCEDURE OF E-VOTING

The instructions for members for voting electronically are as under:- (EVSN - 140613008)

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and 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. If you are a first time user follow the steps given below.
- (v) Now, both Demat and Physical holders shall fill up the following details in the appropriate boxes :

|                        |   |
|------------------------|---|
| PAN*                   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department  |
| 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.              |

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the 'Default Value- <SMIEV1234Z>' in the PAN field.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository please enter the 'Default Value-27062014' in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly 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. The new password has to be minimum eight characters consisting of atleast one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. 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.
- (viii) Click on the relevant EVSN 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 "Resolutions File Link" if you wish to view the further description / entire Resolutions.
- (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 modify your vote.
- (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) If Demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xv) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in>, click on 'registration' and fill up the required details. After that they

have to take printout and submit at [helpdesk.evoting@cDSLindia.com](mailto:helpdesk.evoting@cDSLindia.com) for receiving their login details. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. Before casting vote, they should upload a scanned copy of the Board Resolution/ Power of Attorney (POA) in PDF format in the system for the scrutinizer to verify the same.

- (xvi) 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).
- (xvii) The voting period begins on Thursday, July 24, 2014 (9:00 am) and ends on Saturday, July 26, 2014 (6:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, June 27, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 26th July, 2014 (6:00 pm).
- (xviii) The Company has appointed Shri Manoj Hurkat, a Practicing Company Secretary, Ahmedabad, (Membership No. - 4287, COP No. - 2574) as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xix) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and will make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (xx) The Results declared along with the Scrutinizer's Report(s) will be available on the website of the Company [www.stanroseinvest.com](http://www.stanroseinvest.com) and on the website of CDSL within two days of passing of the resolutions.

**Registered Office:**

Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Ahmedabad,  
Dated: June 14, 2014

By Order of the Board  
**G. R. SHAH**  
Vice President (Legal) &  
Company Secretary

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

CIN: L65910GJ1980PLC003731

Registered Office : Popular House, Ashram Road, Ahmedabad-380 009.

Website: stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

Form No. MGT-11

## PROXY FORM

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

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

E-mail Id: ..... No. of Shares held .....

Folio No. / Client ID \* ..... DP ID \* .....

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

(1) ..... of .....  
having E-mail Id : ..... or failing him

(2) ..... of .....  
having E-mail Id : ..... or failing him

(3) ..... of .....  
having E-mail Id : .....

\* Applicable for members holding shares in electronic form

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company, to be held on Saturday, the 2nd August, 2014 at 10.30 a.m. at Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No. | Resolutions   |
|---------|---|
| 1       | Adoption of Financial Statements                                      |
| 2       | Declaration of Dividend   |
| 3       | Appointment of Director   |
| 4       | Appointment of Auditors   |
| 5       | Appointment of Shri Russi Jal Taraporevala as an Independent Director |
| 6       | Appointment of Shri Arun P. Patel as an Independent Director          |
| 7       | Appointment of Shri Rajesh Jaykrishna as an Independent Director      |
| 8       | Appointment of Shri Framroz M. Pardiwalla as an Independent Director  |

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

Signature of shareholder

Affix  
15 Paise  
Revenue  
stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.





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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.**

CIN: L65910GJ1980PLC003731

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Website: stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**34th Annual General Meeting - August 2, 2014**

DP ID No. .... Client ID No. ....

I hereby record my presence at the Thirty-Forth Annual General Meeting of the Company held at Banquet Hall, Karnavati Club Ltd., S.G. Highway, Ahmedabad 380058 at 10.30 A.M.

|  |                    |
|--|--------------------|
| Full name of Member (In Block Letters)   | Reg. Folio No.     |
|  |                    |
| Full name of Proxy (In Block Letters)<br>(to be filled if the Proxy attends instead of the member) | No. of Shares held |
|  |                    |

Member's/Proxy's Signature .....

*If undelivered please return to :*  
**STANROSE MAFATLAL**  
**INVESTMENTS AND FINANCE LTD.**  
Popular House,  
Ashram Road,  
Ahmedabad-380 009.

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