

# **SIL INVESTMENTS LIMITED**

*80th Annual Report  
2013-2014*

**BOARD OF DIRECTORS**

Mr. C.S. Nopany, Chairman  
Mr. Sanjay Goenka  
Mr. Subroto Lahiri  
Mrs. Shalini Nopany, Managing Director  
Mr. S.K. Khandelua, Director-in-Charge  
Mr. S.S. Maheshwari

**AUDITORS**

M/s. Singhi & Co.  
Chartered Accountants  
402 & 403, Pragati House  
47-48, Nehru Place  
New Delhi - 110 019

**BANKERS**

Punjab National Bank  
State Bank of Bikaner and Jaipur

**REGISTERED OFFICE**

Pachpahar Road,  
Bhawanimandi - 326 502  
(Rajasthan)

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## DIRECTORS' REPORT

### Dear Shareholders,

Your Directors have pleasure in presenting the 80<sup>th</sup> Annual Report together with the audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March, 2014:

### FINANCIAL RESULTS

Particulars	(Rs. in lakhs)	
	Current Year	Previous Year
<b>Gross Profit</b>	<b>1393.39</b>	1061.25
Less: Depreciation	<b>6.43</b>	6.43
Taxation:		
-Current	<b>208.00</b>	189.00
-Earlier	-	(1.78)
-Deferred	<b>(2.71)</b>	1.30
<b>Net Profit</b>	<b><u>1181.67</u></b>	<u>866.30</u>
Add: Balance brought forward from the previous year	<b>5285.69</b>	4770.01
Balance available for appropriation	<b><u>6467.36</u></b>	<u>5636.31</u>
<b>Appropriations:</b>		
Transfer to General Reserve	<b>29.60</b>	21.66
Transfer to Reserve Fund	<b>237.00</b>	174.00
Proposed Dividend	<b>132.45</b>	132.45
Corporate Dividend Tax	<b>22.51</b>	22.51
Balance in Profit & Loss A/c carried to Balance Sheet	<b>6045.80</b>	5285.69
Total	<b><u>6467.36</u></b>	<u>5636.31</u>

### DIVIDEND

Your Directors are pleased to recommend a dividend of Re.1.25 per share for the year ended 31<sup>st</sup> March, 2014, subject to shareholders' approval at the ensuing Annual General Meeting. The Dividend payout as proposed is in accordance with the Company's policy of paying sustainable dividend linked to long term performance, keeping in view the capital needs of the Company, and desire to achieve through internal accruals. The total amount of dividend to be paid to the shareholders will be Rs. 154.96 lakhs (inclusive of Dividend Tax).

### SUBSIDIARIES

The Ministry of Corporate Affairs, vide circular no. 02/2011 dated February, 8, 2011, has notified exemption under Section 212 (8) of the Companies Act, 1956 from attaching the copies of the Balance Sheet, statement of Profit & Loss, Report of Board of Directors and Auditors of the Subsidiary Companies, along with the Balance Sheet of the Company, upon fulfillment of certain conditions. As the Company complies with the same, documents pertaining to M/s SCM Investment

& Trading Co.Ltd., RTM Investment & Trading Co. Ltd., SIL Properties Ltd. and RTM Properties Ltd, which are subsidiary companies of this Company, are not being attached with the Balance Sheet. However, these documents shall be made available to any member or investors of the Company/Subsidiary Companies, interested in obtaining the same. Further, pursuant to the provisions of the Accounting Standard 21(AS-21) prescribed under the Companies (Accounting Standards) Rules -2006, the Listing Agreements and as prescribed by the Securities and Exchange Board of India, Consolidated Financial Statements presented by the Company include financial information of subsidiary companies, which forms a part of the Annual Report.

### PUBLIC DEPOSITS

The Company has neither invited nor accepted/renewed any deposits from the public within the meaning of Section 58A of the Companies Act, 1956 during the year under review. There are no unclaimed deposits, unclaimed /unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on 31<sup>st</sup> March, 2014.

### CAPITAL ADEQUACY RATIO

Your Company's Capital to Risk Assets Ratio (CRAR) calculated in line with the Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 ("RBI Directions") stood at 49.55%, which is above the regulatory minimum of 15%. Your Company's asset size is Rs.257.87 Crores. The Company has received a certificate from M/s. Singhi & Co., Chartered Accountants, the Auditors of the Company, pursuant to Non Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2008, confirming compliance of the conditions with respect to Systemically Important Non-Deposit taking Non-Banking Financial Companies.

### DIRECTORS

Pursuant to section 152 of the Companies Act, 2013 read with Article 82 of the Articles of Association of the Company, Mr. C.S.Nopany, director of the company retire at the Annual General Meeting, and being eligible offer themselves for reappointment. A brief resume of the Director retiring by rotation at the ensuing Annual General Meeting and being re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in

the Notes to the Notice of the Annual General Meeting. The Board of Directors of the Company commends the appointment.

As required under section 149(10) and (11) of the Companies Act, 2013 read with revised Clause 49 of the Listing Agreement, the following Directors of the Company viz., Mr. Sanjay Goenka, Mr. Subroto Lahiri and Mr. S.S. Maheshwari, who held office as Independent Directors shall require re-appointment at the Annual General Meeting. Being eligible, each of the directors has offered himself for re-appointment. Members are requested to appoint them for tenure of five years as Independent Directors not liable to retire by rotation.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 217 (2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:-

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed and there are no material departures there from;
- (ii) the Directors have selected such accounting policies as mentioned in the Notes to Accounts of the Annual Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended 31st March, 2014;
- (iii) 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; and
- (iv) the annual accounts have been prepared on a going concern basis.

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

The Company was granted certificate of registration as an NBFC-ND-SI w.e.f. 22.05.2009 by RBI, Jaipur. Since then, Company has been operating successfully in this space, under overall superintendence and regulation of the regulatory authority.

The Management Discussion and Analysis Report for the year under review as stipulated under Clause 49 of the Listing Agreement with the stock exchanges, is presented in a separate section (Annexure-I) forming part of the Annual Report.

### **CORPORATE GOVERNANCE**

Your Company is committed to maintain the highest standards of ethics and governance, resulting in enhanced transparency for the benefit of all stakeholders. As per Clause 49 of the Listing Agreement with stock exchanges and the requirements set out by the Securities and Exchange Board of India's Corporate Governance Practices, the Company has implemented all the stipulations prescribed. The Company has adopted a code of conduct applicable to the Board and senior management. The Company fully complies with the governance practices as enunciated in the Listing Agreement.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreements (Annexure-II) forms part of this report. The requisite Certificate from the Statutory Auditors of the Company, M/s Singhi & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

### **COMPLIANCE OF ACCOUNTING STANDARDS**

As per requirements of the Listing Agreement with Stock Exchanges and Accounting Standards of the Institute of Chartered Accountant of India, your Company has made proper disclosures in financial statements in respect of Consolidated Financial Statements, Related Party Transactions and Deferred Taxation. The Company has duly adopted all the Accounting Standards in pursuance to the provision of Section 211 (3A) of the Companies Act, 1956.

### **CONSOLIDATED FINANCIAL STATEMENTS**

The Audited Consolidated Financial Statements based on the Financial Statements received from Subsidiaries, as approved by their respective Board of Directors have been prepared in accordance with the Accounting Standard-21 (AS-21) on 'Consolidated Financial Statements' read with Accounting Standard-23 (AS-23) on 'Accounting for Investments in Associates' notified under section 211 (3C) of the Companies Act, 1956, read with Companies (Accounting Standards) Rules, 2006, as applicable.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the provisions of section 124 of the Companies Act, 2013, the declared dividend which remained unclaimed for a period of seven years has been transferred by the Company to the Investor Education and Protection Fund established by the

Central Government pursuant to Section 125 of the said Act.

**PARTICULARS OF EMPLOYEES**

During the year 2013-14, no employee was in the receipt of remuneration as is required to be disclosed under Section 217 (2A) of the Companies Act, 1956.

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

Particulars required to be furnished under the Companies (Disclosure of Particulars in the Report of Board of Directors) under Section 217(1)(e) of the Companies Act, 1956 Part A and B pertaining to conservation of energy and technology absorption are not applicable to the Company as the Company has no manufacturing activity. Particulars with regard to Foreign Exchange Earnings and Outgo are given in Notes on Accounts and form part of this Report.

**AUDITORS' REPORT**

The observations made in the Auditors' Report are self explanatory and do not contain any reservation, qualification or adverse remarks and, therefore, need no further clarifications/ explanations as required under Section 217 (3) of the Companies Act, 1956.

**AUDITORS**

M/s Singhi & Co., Auditors (Registration No. 302049E) retire at the conclusion of the forthcoming Annual

General Meeting and being eligible, offer themselves for re-appointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of Section 226 of the said Act. Further they also hold a valid certificate issued by the Peer Review Board of the ICAI as required under revised clause 41 of listing agreement.

**ACKNOWLEDGEMENTS**

Your Directors would like to express their sincere appreciation for assistance and co-operation received from the various stake holders including NBFIs, financial institutions, and banks; Governmental authorities and other business associates who have extended their valuable support and encouragement during the year under review. Your Directors also take the opportunity to place on record their deep appreciation of the committed services rendered by the employees at all levels of the Company who have contributed significantly to the company's performance. Your Directors also acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board

Place : Kolkata  
Dated: 15<sup>th</sup> May, 2014

**C. S. Nopany**  
Chairman

## ANNEXURE- I TO THE DIRECTORS' REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of the Company is pleased to present Management Discussion and Analysis Report (to the extent applicable to the company) covering overall performance and outlook of its activities.

#### MACRO ECONOMIC OVERVIEW

##### Indian Economy:

Considering that Indian GDP will continue to remain upwards of 6.1% and India having the world's largest population below 40 years (estimated at over 200 million) with significant purchasing power, business opportunities will touch new echelons. However, sustaining high growth is likely to be the overarching concern in 2014-15, although the risk of inflation will remain, mainly because of a weak rupee.

There are many important policy reforms in the pipeline in 2014-15, such as land acquisition reform, new manufacturing policy, FDI, among others. This is also the year when the government has set its targets to achieve its ambitious goal of food security and cash transfers to the poor, in lieu of the subsidies. However, these reforms will widen the fiscal deficit further. Policymakers' approach of pushing for growth with less focus on the productive dynamic has translated into increased signs of macro stability risks emerging in the form of higher inflation, fiscal deficit and current account deficit.

With agriculture and service sectors continuing to perform better, the GDP slowdown can be attributed entirely to the continuous weakening of the industrial growth. The service sector continues to be a star performer with a growth rate of over 6.7 per cent. Similarly, agriculture and allied sectors are also estimated to achieve growth rate of 2.1 per cent in 2013-14. The most pressing task for the government will be to get the investment cycle buoyant again. The global economic and financial crisis has had a dampening effect on cross border FDI flows and in order to maintain earlier levels of foreign investment and attract more, it is imperative to enhance India's competitiveness. Higher public investment appears unlikely given the tight fiscal situation due to the uncontrolled revenue spending which has led to uncontrollable inflation. Inflation worries may however lighten, with food inflation declining steadily.

Private investment activity has been slack due to numerous uncertainties facing corporate. The large Indian companies are sitting on a pile of cash which they are refraining to use to build fresh capacity.

The obvious way would be to rebuild corporate confidence, and that can be achieved only through the implementation of a well-studied actionable agenda. The few sectors that have a significant multiplier effect on the rest of the economy could be given special attention. These include construction of new roads, a reinvigorated national highway programme, or construction of affordable housing for the masses; energy etc. which will generate jobs as well as demand for cement, steel and engineering equipment among others. The fiscal deficit is also a concern area and it seems highly unlikely that there will be significant progress towards fiscal discipline right now.

The GDP growth has slowed down to 6.1 per cent on the back of weakening in industrial growth, although agriculture and services continued to perform well despite drought and floods in some parts of the country. Continuous rise in commodity and fuel prices have ensured that now inflation has spread into manufactured products on the back of growing demand.

#### ABOUT SIL INVESTMENTS LIMITED (SIL)

##### Financial Performance-Overview

SIL is a registered a NBFC since 22nd May, 2009 in the category of Non-deposit Taking Systemically Important NBFC (ND-SI). Company's standalone performance is discussed in the Directors' Report. The mainstay of Company' operations continued to be Investments in various Companies, under which steady dividend income flows into the Company coupled with sustained appreciation in capital. During the year under review Company has earned income in the form of dividends, rent income, interest on ICD lending activity and profit on sale of investments. The Company's core businesses remain as commercial finance and investments. The Company will extend the business further through identification of promising investment opportunities, through leveraging its resources. Company is also looking forward to expand its operations in the other fields permitted by the Reserve Bank of India, in conformity with its present status. Nearly 100 per cent of the operating profits were contributed by core businesses viz., commercial finance and investments.

##### The Consolidated performance of the Company is as follows:

SIL consolidated income from operations for the financial year ended March 31, 2014 stood at Rs.

2945 lakhs as against Rs 3234 lakhs in the previous year. Profit after tax, minority interest, was however, at Rs.1189 lakhs, as against Rs.871 lakhs for year ended March 31, 2013 which was due to higher taxation at Rs.252 lakhs as against Rs.228 lakhs.

### Resources and Liquidity

As on March 31, 2014 the consolidated net worth of the Company stood at Rs.18666 lakhs as against Rs.17631 lakhs as on March, 31, 2013. As on March 31, 2014, the consolidated total assets were Rs.28795 lakhs as against Rs. 29928 lakhs as on March, 31, 2013.

### Finance and Investments

The investment portfolio of the Company in quoted investments as on March 31, 2014 was Rs.8094 lakhs, at cost.

### RISKS AND CONCERNS

SIL is exposed to specific risks that are particular to its businesses and the environment within which it operates, which include market risk, interest rate volatility, execution risk, and economic cycle.

- The Company has significant quoted investments which are exposed to fluctuations in stock prices. These investments represent a substantial portion of the Company's core capital, and are vulnerable to fluctuations in the stock markets. Any decline in these quoted investments may severely impact its financial position and results of operations.
- Credit risk is a risk arising from default or failure on the part of borrowers in meeting their financial obligations towards repayment of loans and interest. This risk is comprehensively addressed by the company both at the strategic level and at the client level.
- Liquidity Risk: Asset/Liability Management: The company is exposed to liquidity risk principally as a result of lending to its customers for periods which may differ from those of its funding sources. Financial firms are now increasingly focused on asset-liability risk. Asset-liability risk is a leveraged form of risk. The capital of most financial institutions is small relative to the firm's assets or liabilities, so small percentage changes in assets or liabilities can translate into large percentage changes in capital.

The problem was not that the value of assets might fall or that the value of liabilities might

rise. It was that capital might be depleted by narrowing of the difference between assets and liabilities—that the values of assets and liabilities might fail to move in tandem. The Company is alive to the dynamics of this problem and has in place a control structure for closely monitoring incipient signs of risk in this area and to unleash necessary corrective measures, if needed. SIL's treasury actively manages asset liability positions in accordance with the overall guidelines laid down by the Management in the Asset Liability Management (ALM) framework.

- The Company can be adversely affected by volatility in interest rates in India, which could cause its margins to decline and profitability to shrink. Earnings from interest income is steadily becoming one of the important businesses of the Company. It is therefore exposed to interest rate risk, principally as a result of lending to its customers at interest rates, in amounts, and for periods which may differ from those of its funding sources. The Company is hedged to some extent against this risk through the reset clause in its advances portfolio.
- While the Indian economy has shown sustained growth over the last several years, a slowdown could cause the business of the company to suffer. SIL manages such risks by maintaining a conservative financial profile and following prudent business and risk management practices.
- The risk appetite is enunciated by the Board from time to time. Company has in place specially mandated Committees such as ALCO, Risk Management Committee, besides Nomination-cum-Remuneration and Audit Committees.

### INTERNAL CONTROL SYSTEMS

Company has adequate internal control system commensurate with its size and nature of business. Conforming to the requirements of the regulatory authorities such as the RBI and the SEBI and consistent with the requirements of the Listing agreements with the Stock Exchanges, the company has institutionalized an elaborate system of control processes designed to provide a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, reliability of financial controls and compliance with applicable laws and

regulations. The Internal Auditors are mandated to carry out periodical audit and report on areas of non-compliances/ weaknesses. Corrective actions in case of reported deficiencies, if any, are taken actively to further strengthen the internal control systems. These reports are reviewed by the Audit Committee of the Board of Directors for follow-up action, and instructions are issued for taking necessary measures.

### **FUTURE OUTLOOK**

The Company's present business operations are preponderantly that of an investment company, future of which largely depends upon financial and capital markets. Your Company has investments in financially sound companies and has immovable properties in the State of Maharashtra, U.P. etc. and Company will continue to earn good dividend and rent income. However, the income from the advances/lending business is steadily growing, contributing significant volume to the overall business of the Company. The Management is optimistic about the future outlook of the Company. Further, more promising areas of activity are being explored on a sustained basis. The Company will expand its activities, consistent with its status as a NBFC-SI.

### **CAUTIONARY STATEMENT**

Statement in the Management's Discussion and Analysis Report detailing the Company's objectives, projections,

estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. These statements being based on certain assumptions and expectation of future events, actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax regime, economic developments within India and abroad, financial markets, etc.

The Company assumes no responsibility in respect of forward-looking statements that may be revised or modified in future on the basis of subsequent developments, information or events. The financial statements are prepared under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Companies Act, 1956 (the Act) and comply with the Accounting Standards notified under Section 211(3C) of the Act read with the Companies (Accounting Standards) Rules, 2006. The management of SIL Investments Limited has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profit/ loss for the year. The narrative on our financial condition and result of operations should be read together with our audited consolidated financial statements and the notes to these statements included in the annual report.



**ANNEXURE-II TO THE DIRECTORS' REPORT****REPORT ON CORPORATE GOVERNANCE****A. Company's Philosophy on Corporate Governance**

Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices, which ensure that a company meets its obligations with the objectives to optimize shareholder's value and fulfill its responsibilities to the community, customers, employees, Government and other societal segments. SIL's philosophy is to conduct business at highest ethical standards for growth and prosperity of all the stakeholders on a sustainable basis in keeping with its corporate social responsibilities. This philosophy is built on a rich legacy of fair, transparent and effective governance, and led by strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct.

The Company believes that a sound governance discipline also enables the Board to direct and control the affairs of the company in an effective manner and maximize stakeholder value, including the society at large. This is an ongoing process with SIL; and we continuously endeavor to improve upon our practices in line with the changing demands of the business. SIL adopts innovative approaches for leveraging all its resources; and encourages a spirit of conversion of opportunities into achievements. Company's governance structures and systems are the foundation which provides and nurtures ramping up of healthy and sustainable growth of human resources, through empowerment and motivation. In this, your company is guided by its vision, mission and the code on Corporate Governance.

Keeping in view the company's size, reach and complexity of operations, and corporate tradition, the Corporate Governance framework is based on the following main principles:

- Strategic supervision by the Board of Directors which is made up of appropriate size, bouquets of experience, and commitment to discharge their responsibilities;
- Timely and adequate flow of information to the Board and its Committees for meaningful and focused discussion at the meetings;
- Independent verification of company's financial reporting from time to time and on quarterly basis;
- A sound system of Internal Controls within the Risk Management framework to mitigate perceived risk factors;
- Timely and balanced disclosure of all material information; and disclosure of all deviations, if any, to all stakeholders;
- Compliance with applicable laws, rules, regulations and guidelines;
- Transparency and defined accountability;
- Equitable and fair treatment to all the stakeholders including employees, customers, vendors, shareholders and investors.

The Board of Directors plays an active role in fulfilling its fiduciary obligation to shareholders by efficiently overseeing management functions to ensure their effectiveness in delivering shareholder value. The Governance framework is made effective through an efficient system of timely disclosures and transparent business practices.

**B. Board of Directors**

The Board of Directors which is a body formed to serve and protect the overall interest of all the stakeholders, provides and evaluates the strategic direction of the company; formulates and reviews management policies and ensures their effectiveness. The Chief Executive Officer of the Company designated as Managing Director manages the business of the company under the overall superintendence, guidance and control of the Board, assisted by a competent team.

**(a) Constitution**

The Company's Board of Directors comprises six members, five of whom are Non-executive Directors and one Managing Director. Cumulatively, they account for more than 83 per cent of the Board's strength as against the minimum requirement of 50 percent as per the Listing Agreement. The Non-executive Directors are eminent professionals with a vast experience of industry, finance and law. The Board is headed by Non-executive Chairman and it has more than the required number of Independent Directors. All the directors possess the requisite qualifications and experience in general corporate management, finance, banking and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company. Except Mr C.S.Nopany and Mrs Shalini Nopany, being related to each other in the capacity of husband and wife, none of the other Directors are inter se related to each other. Except the Managing Director, all directors are liable to retire by rotation. The Board of Directors of the Company has appointed one of its Members as the Director-in-Charge who has the responsibility to implement and oversee all legal compliance as envisaged under section 5(f) of the Companies Act, 1956. He is assisted by the Company Secretary and Compliance Officer appointed under the Act and also under the Listing Agreement.

**(b) Number of Board Meetings**

During the year under review four Board Meetings were held on 13th May, 2013, 26th July, 2013, 1st November, 2013, and 30th January, 2014. The meetings were held as per the requirements of business; and at intervals within

the legally permitted limits. The Board meets once in every quarter, inter alia, to review the quarterly results and other items on the agenda. Additional meetings are held as and when necessary. Senior executives are invited to provide additional inputs at the Board meeting, if necessary.

**(c) Directors' Attendance at Board Meetings and Details of Directorships / Committee Positions Held**

The composition of the Board of Directors, their attendance at the board meetings during the year and at the last annual general meeting (AGM) as also number of other directorships in Indian public companies are as follows:

Name of Director	Attendance at last AGM	No.of Board meetings attended	Category of Director	Other Director-Ships	No.of other Companies Board's Committee(s)	
					Chairperson	Member
Mr.C.S.Nopany	No	4	NED	08	01	01
Mrs. Shalini Nopany*	No	4	ED (M.D)	05	-	01
Mr.Sanjay Goenka	Yes	4	I/NED	01	-	-
Mr.Subroto Lahiri	No	4	I/NED	01	-	-
Mr.S.K.Khandelia**	No	-	NED	-	-	-
Mr. S. S. Maheshwari	Yes	-	I/NED	-	-	-

NED – Non Executive Director

I -Independent

ED- Executive Director

\* Managing Director

\*\* Mr S.K.Khandelia was appointed as Director-in-Charge by the Board on 25.01.2010 as envisaged under Section 5(f) of the Companies Act, 1956.

None of the directors except Mr. C. S. Nopany and Mrs. Shalini Nopany are related to each other.

**(d) Information to the Board**

A detailed agenda folder is sent to each director in advance of the Board Meetings. As a policy, all major decisions involving investments, in addition to matters which statutorily require the approval of the Board are placed before the Board for its consideration and directions. Inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda papers.

- Quarterly, half yearly and annual results of the Company
- Revenue and Capital Expenditure Budgets, as applicable.
- Minutes of the Audit and other Committees of the Board
- Information relating to recruitment and remuneration of senior level officers just below the Board level.
- Materially important legal or taxation issues
- Status of financial obligations to and by the Company
- Any significant development in human resources or industrial relations
- Details of risk exposure and steps taken by management to limit or restrain the risk
- Compliance status with any regulatory, statutory or listing agreement related requirements or in relation to any shareholder services

Board periodically reviews compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliance, if any.

**C. Details of Remuneration paid to Directors**

The Managing Director receives salary, allowances and perquisites, while all the Non-Executive Directors receive sitting fees and allowances (if applicable), and annual commission. There has been no materially relevant pecuniary transaction or relationship between the company and its Non-Executive Directors during the year.

**(a) Remuneration paid/payable to Non-Executive Directors of the company for the year ended 31<sup>st</sup> March, 2014**

The Non-Executive Directors are paid sitting fees for attending each Meeting of the Board of Directors and Committees thereof. The Company also pays to its non-executive director's commission upto 1% of the profits for all directors put together, with the maximum ceiling of Rs.50, 000/- to each director net. The total commission payable to all the non-executive directors for the financial year 2013-14 will be Rs.2, 50,000/- for which provision was made in the books of accounts. The commission shall be paid after the adoption of annual accounts of the Company for the year ended 31st March, 2014 by the shareholders at the forthcoming AGM.

## SIL INVESTMENTS LIMITED

The details of commission payable and sitting fees (including for committee meetings) paid to the directors during the year 2013-2014 are as follows:

S.No.	Name of Director	Commission (Rs.)	Sitting Fees (Rs.)
1	Mr.C.S.Nopany	50000	20000
2	Mr.Sanjay Goenka	50000	50000
3	Mr.Subroto Lahiri	50000	30000
4	Mr.S.K.Khandelia	50000	25000
5	Mr. S. S. Maheshwari	50000	5000

(b) Remuneration paid/payable to the Managing Director of the Company for the year ended 31st March, 2014, is as under:-

(Rs. in lakhs)

Managing Director	Salary etc.	Perquisites	Retirement Benefits	Total
Mrs. Shalini Nopany	1800000/-	NIL	NIL	1800000/-

\* Excluding provision for accrued leave.

### D. Committees of the Board

Pursuant to the provisions of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Board of Directors constituted various committees of the directors with adequate delegation of powers to properly discharge businesses of the Company.

These committees are:

- \* Audit Committee
- \* Stakeholder's Relationship Committee
- \* Nomination-and-Remuneration Committee.
- \* Finance & Corporate Affairs Committee.
- \* Asset Liability Committee

#### (I) Audit Committee Composition

The Audit Committee comprises of three Non-executive Directors and is headed by Mr Sanjay Goenka, an independent Non-executive Director. The other members of the Committee are Mr Subroto Lahiri and Mr S.S.Maheshwari

#### Terms of Reference

The terms of reference of the Audit Committee comprise the following:

- Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, reliable and sufficient.
- Reviewing with the management and statutory auditors the quarterly/annual financial statements before submission to the Board, and focusing primarily on :
  - Any changes in the accounting policies and procedures
  - Compliance with accounting standards
  - Adequacy of the internal control system, including management information system.
  - Compliance with listing agreements with the stock exchanges and conformity with their requirements concerning financial statements.
  - Major accounting entries based on the exercise of prudential judgment by management
  - Any related party transactions of the company of a material nature that may cause potential conflict with the interests of the company
- Reviewing the company's financial and risk management policies
- Recommending the appointment and removal of statutory and internal auditors and determination of the audit fees and also grant approval for payment for any other services.
- Reviewing the scope and adequacy of the internal audit functions and deciding the scope of work of the Internal Auditors, discussing with Internal Auditors significant audit findings and follow up actions initiated thereon.
- Any other matter that may be referred to the Committee from time to time.

- The Audit Committee also reviews every quarter the Report on Corporate Governance under clause 49 of the Listing Agreement and Secretarial Audit Report of the Practicing Company Secretaries

### Meetings and Attendance

During the year under review four meetings of the committee were held on 13th May, 2013, 26th July, 2013, 1st November, 2013 and 30th January, 2014. The composition of the committee and the attendance of the members at the meetings was as follows:

Name of the Member	Status	No.of Meetings
Mr. Sanjay Goenka	Chairman	4
Mr.Subroto Lahiri	Member	4
Mr. S. S. Maheshwari	Member	–

The constitution of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956. The Committee reviews various aspects of the internal audit control system and financial and risk management policies. The requirements in respect of Clause 49 of the Listing Agreement and as amended from time to time are also reviewed by the Committee. The management makes a presentation before the Audit Committee on the observations and recommendations of the Statutory and Internal Auditors to strengthen controls and compliance.

## (II) Stakeholder's Relationship Committee

### Composition

The Stakeholder's Relationship Committee comprises of three Non-executive Directors and is headed by Mr C.S.Nopany, Chairman of the Board. The other members of the Committee are Mr S.K. Khandelua and Mr S.S.Maheshwari..

### Terms of Reference

The Stakeholder's Relationship Committee oversees the redressal of shareholder and investor complaints/ requests for transfer/transmission of shares, subdivision and consolidation of share certificates, the issue of duplicate share certificates, requests for demat & remat of shares, non-receipt of the declared dividend and non-receipt of the Annual Report. It also recommends measures for improvement in investor services. The Committee also keeps a close watch on the performance of M/s. Sharepro Services (India) Pvt. Ltd., the Registrar & Share Transfer Agents of the company. The Company Secretary designated as the Compliance Officer of the company, acts as the Secretary of the Committee. The Committee meets as often as is necessary for resolution of important matters within its mandate. There were no investor complaints pending at the end of the financial year.

### Meetings and Attendance

During the year under review, two meetings of the committee was held on 23rd July, 2013 and 11th January,2014. The composition of the committee and the attendance of the members at the meeting was as follows:

Name of the Member	Status	No of Meeting Attended
Mr. C. S. Nopany	Chairman	–
Mr. S. K. Khandelua	Member	2
Mr. S. S. Maheshwari	Member	2

Minutes of the meeting of the Stakeholder's Relationship Committee are approved by the Chairman of the Committee and are noted by the Board at its next meeting.

### Investors' Complaints Received and Resolved During the Year

During the year under review the Company received 13 complaints/letters from the shareholders which were duly attended. The average period of redressal of grievances is 7 days from the date of receipt of letters/complaints. There was no unresolved complaint as on 31st March, 2014.

## (III) Nomination and Remuneration Committee:

### Composition

The Nomination and Remuneration Committee comprises of two Non-executive Directors and is headed by Mr. Sanjay Goenka and other member of the Committee is Mr. Subroto Lahiri.

### Terms of Reference

The Committee is empowered to determine the compensation package of the senior personnel.

**Meetings and Attendance**

During the year under review, no meeting of the committee was held.

**(IV) Finance & Corporate Affairs Committee****Composition**

The Finance and Corporate Affairs Committee comprises of three Non-executive Directors and one Managing Director and is headed by Mr C.S.Nopany, Chairman of the Board. The other members of the Committee are Mrs Shalini Nopany, Mr Sanjay Goenka and Mr S.K.Khandelia.

**Terms of Reference**

The Committee is authorised to decide upon matters relating to borrowings, Inter corporate loans/deposits, opening and closing of bank accounts and to take appropriate timely action and decide upon various matters related thereto, in terms of the powers delegated to it by the Board. The Committee is also empowered to approve the Unaudited Quarterly Financial results to be submitted to the Stock Exchanges as provided under Clause 41(ii) of the Listing Agreement.

**Meetings and Attendance**

During the year under review, eight meetings of the committee were held on 1st April 2013, 29th July 2013, 20th September, 2013, 10th October, 2013, 31st January, 2014 , 25th February 2014,19th March,2014 and 25th March,2014.

The composition of the committee and the attendance of the members at the meeting were as follows:

Name of the member	Status	Category	Number of meetings
Mr. C. S. Nopany	Chairman	Non-executive	–
Mrs. Shalini Nopany	Member	Executive	–
Mr. Sanjay Goenka	Member	Non-executive Independent	8
Mr. S.K.Khandelia	Member	Non-executive	8

Minutes of the Finance and Corporate Affairs Committee are approved by the Chairman of the Committee and are noted by the Board in the next meeting of the Board.

**(V) Asset Liability:****Composition**

The Asset Liability Committee comprises of one Non-executive Director and CFO of the Company and is headed by Mr. S. K. Khandelia, Non-executive Director and other member of the Committee is Mr. Sunil Sharma.

**Terms of Reference**

The Committee is empowered to analyze and review of Monthly Returns and Short Term Dynamic Liquidity.

**Meetings and Attendance**

During the year under review, four meeting of the committee were held on 19th April, 2013, 19th July, 2013, 14th October, 2013 and 17th January, 2014.

The composition of the committee and the attendance of the members at the meeting were as follows:

Name of the member	Status	Category	Number of meetings attended
Mr. S.K. Khandelia	Chairman	Non-executive Director	4
Mr. Sunil Sharma	Member	CFO	4

Minutes of the Asset Liability Committee are approved by the Chairman of the Committee and are noted by the Board in the next meeting of the Board

**E. Remuneration Policy**

The remuneration of employees comprises of the base remuneration, perquisites, bonus and ex-gratia. The components of the total remuneration vary for the different cadres and are governed by industry patterns, qualifications and experience, responsibilities handled and performance. The remuneration policy aims to motivate superior performance, recognize and reward achievement and promote retention.

**F. Management**

Management Discussion and Analysis is given in a separate section and forms a part of the Directors' Report in this Annual Report.

**Disclosures****(i) Materially significant Related Party Transactions**

Details of materially significant related party transactions that is the transactions of a material nature between the Company and the Promoters, Management, Directors or their relatives etc. are disclosed in the Note No. 22.05 of the Annual Accounts in compliance with the Accounting Standard relating to "Related Party Disclosures". Details of all such transactions are provided to the Board at the Board Meetings, and the interested directors neither participate in the discussion, nor vote on such matters.

There is no materially significant Related Party Transaction that may potentially conflict with the interests of the Company at large.

**(ii) Accounting treatment in preparation of financial statements**

The Company has followed the Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006 in preparation of its financial statements.

**(iii) Risk Management**

As required under clause 49 of the Listing Agreement, the Company has established a well documented and robust risk management framework. Under this framework, risks are identified across all business processes of the Company on a continuous basis. Once identified, these risks are classified as strategic risks, business risks or reporting risks. Strategic risks are those which are associated with the longer term interests of the Company. Reporting risks are associated with incorrect or un-timely financial and non-financial reporting.

The Audit Committee and the Board of Directors review the Risk Management Strategy of the company to ensure effectiveness of the Risk Management Policy and Procedures. Board of Directors of the company is regularly apprised on the key risk assessment areas and a mitigation mechanism is recommended.

During the year, the Board has reviewed the risk assessment and a risk minimization procedure commensurate to the risks has been adopted; and is in place.

**(iv) Corporate Ethics**

As a responsible corporate citizen, the company consciously follows corporate ethics in business and corporate interactions. Company has framed codes and policies providing guidance for carrying business in ethical manner. Some of these policies are:

Code for prevention of Insider Trading;  
Code for Corporate disclosure;  
Code of Conduct;  
Whistle Blower policy;  
Safety, health and environment policy.

The company has established and implemented a Whistle Blower policy under which none of the company's personnel has been denied access to the Audit Committee.

**(v) Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

As per the requirement of Clause 41(ii) and 49(V) of the Listing Agreement, a certificate duly signed by CEO and CFO of the company, regarding the Financial Statements for the year ended 31st March, 2014, was placed at the Board Meeting of the company held on 15th May, 2014.

**G. Shareholder Information****(i) Means of communication**

In accordance with Clause 54 of the Listing Agreement, the Company has maintained a functional website at [www.silinvestments.in](http://www.silinvestments.in) containing the basic information about the Company viz. the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time.

The quarterly and annual audited financial results of the Company are sent to the Stock Exchanges immediately after they had been approved by the Board. The results are normally published in *Business Standard/Financial Express* in English and *Rajasthan Patrika / Dainik Bhaskar* in Hindi.

The results are hosted on the website of the company at [www.silinvestments.in](http://www.silinvestments.in)

A Management Discussion and Analysis Report forms part of this Annual Report.

Further, the company disseminates to the stock exchanges that is BSE, CSE and NSE wherein the equity shares of the Company are listed, all mandatory information and price sensitive /such other information which in its opinion are material and/or have a bearing on its performance /operations and issue press releases wherever necessary for the information the public at large. For the benefit of the shareholders a separate email id has been created for shareholder correspondence viz. [investor\\_grievance@sutlej-rtm.co.in](mailto:investor_grievance@sutlej-rtm.co.in)

**(ii) Annual General Body Meetings of The Company**

Details of the last three Annual General Meetings of the company are as under:

AGM	Financial	Date	Time	Venue	Special resolution/s If any, passed
79th	2012-2013	August 10, 2013	10.30 a.m.	Registered Office: Pachpahar Road Bhawanimandi (Raj)	None
78th	2011-2012	August 11, 2012	10.30 a.m.	Registered Office: Pachpahar Road Bhawanimandi (Raj)	None
77th	2010-2011	August 06, 2011	10.30 a.m.	Registered Office: Pachpahar Road Bhawanimandi (Raj)	None

The 80th Annual General Meeting of the Company is proposed to be held on 23rd August, 2014 at 10.30 a.m. at the Registered Office of the company.

**Postal Ballot:** No resolution by way of Postal Ballot was passed during the year 2013-2014.

**(iii) Disclosures regarding Directors seeking re-appointment**

Mr. C.S.Nopany, Director of the Company retire by rotation at this Annual General Meeting and eligible for re-appointment. Brief particulars of the director being re-appointed, nature of his expertise in specific functional areas, names of companies in which he hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under clause 49 of the listing agreement with the stock exchanges in India, are provided in the notes to the notice of the annual general meeting.

**(iv) General Shareholders' information**

**(i) 80th Annual General Meeting:**

Date	23/08/2014
Day	Saturday
Time	10.30 a.m.
Venue	At Registered Office Pachpahar Road, Bhawanimandi 326 502 (Raj.)

**(ii) Last date for receipt of Proxies**

Thursday, 21st August, 2014 (before 10.30 a.m. at the Registered Office of the Company)

**(iii) Record date:** 12th July, 2014 for entitlement of dividend.

**(iv) Book closure**

The register of members and share transfer books of the company shall remain closed from 16th August, 2014 to 23rd August, 2014 (both days inclusive) for the purpose of the AGM.

**(v) Tentative financial calendar:**

Audited Annual Results (2013-2014)	15 <sup>th</sup> May, 2014
Publication of Audited Results (2013-2014)	16 <sup>th</sup> May, 2014
Mailing of Annual Report	10 <sup>th</sup> July, 2014
First Quarter Results & Limited Review	End July, 2014
Second Quarter Results & Limited Review	End Oct., 2014
Third Quarter Results & Limited Review	End January, 2015
Audited Annual Results (2014-2015)	Mid May, 2015

**(vi) Dividend**

Payment date (tentative): 26<sup>th</sup> August, 2014.

The Board of Directors at their meeting held on 15<sup>th</sup> May, 2014, have recommended a Dividend of Rs. 1.25 per share for the year ended 31<sup>st</sup> March, 2014, subject to shareholders' approval at the forthcoming Annual General Meeting. If approved, the dividend will be paid to the shareholders within 30 days from the date of Annual General Meeting. The Company will continue to use NECS/ECS or any other electronic mode for payment of dividend to the shareholders located in places where in such facilities/system is in existence.

**(vii) Listing on Stock Exchanges and stock codes:**

The names of the Stock Exchanges on which the Company's equity shares are listed with the respective stock codes are as under:

S.No.	Name of the Stock Exchange	Stock Code
1.	National Stock Exchange of India Ltd., Mumbai	SILINV
2.	Bombay Stock Exchange Ltd., Mumbai	521194
3	The Calcutta Stock Exchange Association Ltd., Kolkata* (*Applied for delisting, confirmation awaited)	29783

Listing fees for the year 2014-15 have been paid to the Stock Exchanges within the stipulated time.

**(viii) Corporate Identification Number**

Corporate Identification Number of the Company allotted by the Ministry of Corporate Affairs, Government of India is L17301RJ1934PLC002761.

**(ix) Market price data**

High/low market price of the company's equity share traded on stock exchanges where the company's shares are listed during the last financial year are as follows:

Month	Bombay Stock Exchange Ltd., Mumbai		National Stock Exchange of India Ltd., Mumbai	
	High	Low	High	Low
April, 2013	64.45	51.75	60.00	51.00
May, 2013	60.50	51.60	58.05	48.70
June, 2013	49.80	42.60	45.40	43.00
July, 2013	47.90	41.15	46.40	43.00
August, 2013	42.00	39.00	NA	NA
September, 2013	44.40	38.85	NA	NA
October, 2013	46.20	37.20	NA	NA
November, 2013	46.85	42.00	NA	NA
December, 2013	47.50	45.10	NA	NA
January, 2014	54.00	40.90	51.05	40.90
February, 2014	45.85	41.15	44.85	39.00
March, 2014	47.70	41.05	46.30	40.05



**(x) Distribution of shareholding:**

The distribution of shareholding as on 31st March, 2014 was as follows:

S.No.	No. of Equity Shares	No. of Shareholders	% of total Shareholders	No. of Shares held	% of total shares
1.	1 to 100	2148	54.74	105228	0.99
2.	101 to 500	1215	30.96	323686	3.05
3.	501 to 1000	252	6.42	195976	1.85
4.	1001 to 5000	237	6.04	527523	4.98
5.	5001 to 10000	28	0.71	195761	1.85
6.	10001 to 100000	32	0.82	847423	8.00
7.	100001 to 500000	5	0.13	1037951	9.80
8.	500001 to above	7	0.18	7362312	69.48
	<b>TOTAL</b>	<b>3924</b>	<b>100.00</b>	<b>10595860</b>	<b>100.00</b>

**(xi) Details of shareholding as on 31st March, 2014 was as under:**

S. No.	Category	No. of Folios	% of Folios	No. of Shares Held	% of Share-Holding
1.	Promoters	10	0.25	6648160	62.74
2.	Financial Institutions, Banks and Mutual funds	11	0.28	6059	0.06
3.	Private Corporate Bodies/ Associates	139	3.54	1998558	18.86
4.	Indian Public	3688	93.99	1924882	18.17
5.	FII's	-	-	-	-
6.	NRI, Foreign Nationals and OCBs	76	1.94	18201	0.17
	<b>TOTAL</b>	<b>3924</b>	<b>100.00</b>	<b>10595860</b>	<b>100.00</b>

**(xii) Dematerialization of shares and liquidity:**

The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) Calcutta Stock Exchange Limited and National Stock Exchange of India Limited (NSE). The Company has applied for delisting of its shares at Calcutta Stock Exchange Ltd, Kolkata and the confirmation of the same is awaited. The Company entered into an agreement with National Securities Depository Ltd. and Central Depository Services (India) Ltd. As a result, 96.91% of the total equity share capital of the company was held in a dematerialized form with NSDL and CDSL as on 31.03.2014.

The Company has paid the requisite fees to all these authorities for the year 2014-15

**(xiii) Share transfer system**

Share transfers were registered and returned normally within 15 days from the date of receipt if the documents were clear in all respects. The Secretary of the company was authorized to approve the transfer of shares in addition to the Shareholders' / Investors Grievance Committee.

**(xiv) Address for Shareholders' Correspondence**

Shareholders are requested to correspond with the Registrar and Share Transfer Agents at the below given address on all matters relating to transfers, dematerialization of shares, payment of dividend and any other query relating to the equity shares of the Company.

**(xv) Registrar and Transfer Agent**

The Company appointed M/s. Sharepro Services (India) Pvt.Ltd. as its Registrar & Share Transfer Agent (RTA) for handling share registry (physical and electronic modes). Accordingly, all correspondence, shares for transfer, transmission, demat/ remat requests and other communication in relation thereto should be mailed/hand delivered to the said RTA directly at the following address:

Sharepro Services (India) Pvt.Ltd.  
Samhita Complex,  
Gala No. 52 to 56, Building No. 13A-B  
Near Sakinaka Telephone Exchange,  
Andheri – Kurla Road, Sakinaka,  
Mumbai 400072  
Tel. 022-67720300/400; Fax: 022-28591568

**(xvi) Compliance Officer's Details:**

Mr. Brajmohan Prasad  
Company Secretary & Compliance Officer  
Seated at Registered Office at:  
Pachpahar Road ,  
Bhawanimandi-326502,  
Rajasthan.  
Tel : 07433-222052 / 82 / 90  
Fax : 07433-222354/222916  
E-mail ID: hoffice@sutlej-rtm.co.in

**(xvii) Investor Relations:**

In order to facilitate investor servicing, the Company has designated an e-mail id- investor\_grievance@sutlej-rtm.co.in mainly for registering complaints by investors.

**H. COMPLIANCE****(i) Statutory Compliance, Penalties and Strictures**

The Company has continued to comply with the requirements of the stock exchanges, SEBI, RBI and other statutory authorities on all the relevant matters during the last three years. There were no cases of penalties or strictures imposed on the Company by any Stock Exchange, SEBI, RBI or any other statutory authorities for any violation related to the Capital market / any other related matter or relating to conditions of Licensing by the RBI, during the last three years.

**(ii) Listing Agreement Compliance**

The Company complies with all the requirements of the Listing Agreement including the mandatory requirements of the clause 49 of the Agreement.

**(iii) Insider trading**

The Company adopted the code of internal procedures and conduct framed under the SEBI (Prohibition of Insider Trading) Regulation, 1992 which, inter alia, prohibited the trading in shares by an 'insider' when in possession of unpublished price sensitive information.

**(iv) Code of conduct and ethics**

The Company laid down a Code of Conduct for the entire Board of Directors and senior management to avoid a conflict of interest. The Directors and senior management have affirmed compliance with Code of Conduct for the year 2013-2014. A declaration to this effect is attached to this report. The Code of Conduct is available on the Company's website [www.silinvestments.in](http://www.silinvestments.in).

There was no material, financial and commercial transactions in which the senior management had a personal interest, leading to a potential conflict of interest during the year under review.

**(v) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity:**

As on date there are no outstanding warrants or any convertible instruments. The company has not issued GDR/ADR.

**(vi) Adoption of Non-Mandatory requirements**

The Company has not adopted any non-mandatory requirements except relating to the maintenance of the office of the Non-executive Chairman by sharing the common expenses with other entities and constitution of the Nomination-cum-Remuneration Committee.

**(vii) Auditors' Certificate on Corporate Governance**

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement, which together with this Report on Corporate Governance is annexed to the Director's Report and shall be sent to all the shareholders of the Company and the Stock Exchanges along with the Annual Report of the Company.

**(viii) Auditors' Certificate on Compliance with the Prudential Norms under Non Banking Finance (Non-Deposit Accepting) Directions, 2007**

The Company has obtained a Certificate from its Statutory Auditors about the adequacy of the Net Owned Fund and the compliance with the Prudential Norms as applicable to non-deposit taking NBFCs and that the company is not accepting /not holding public deposits under Non Banking Finance (Non-Deposit Accepting) Directions, 2007.

**(ix) Disclosure Under Clause 53 of the Listing Agreement regarding certain Agreements with the Media Companies.**

Pursuant to the requirement of Clause 53 of the Listing Agreement, the Company would like to inform that no agreement(s) have been entered into with media companies and /or their associates which has resulted in/will result in any kind of shareholding in the Company and consequently any other related disclosures viz. details of nominee(s) of the media companies on the Board of the Company, any management control or potential conflict of interest arising out of such agreements, etc. are not applicable. Nor has the company entered into any other back to back treaties/contracts/agreements / MoUs or similar instruments with media companies and/or their associates.

**I. INVESTOR SAFEGUARDS AND OTHER INFORMATION****(i) Dematerialization of Shares**

Shareholders are requested to convert their physical holdings to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc and also to ensure safe and speedy transaction in respect of the shares held.

**(ii) National Electronic Clearing Services (NECS)/ Electronic Clearing Services (ECS) mandate**

NECS/ECS facility ensures timely remittance of dividend without possible loss/delay in postal transit. Shareholders/ Members holding shares in electronic form may register their NECS/ECS details with the respective DPs and Shareholders/Members holding shares in physical form may register their NECS/ECS details with Registrar and Share Transfer Agents to receive dividends, if declared, via the NECS/ECS mode.

**(iii) Timely Encashment of Dividends**

In respect of the shareholders who have either not opted for NECS/ECS mandate or do not have such a facility with their banker, are requested to encash dividends promptly to avoid the inconvenience of writing to Company's Share Transfer Agents thereafter for revalidation of dividend warrants and failing their encashment for a period of seven years, they stand to lose the right to claim such dividends owing to transfer of unclaimed dividends beyond seven years to Investor Education and Protection Fund.

**(iv) Transfer of unclaimed dividend to Investor Education and Protection Fund (IEPF)**

Under the Companies Act, 1956, dividends which remain unclaimed for a period of seven years are required to be transferred to Investor Education and Protection Fund (IEPF) administered by the Central Government. Dates of declaration of dividends since 2006-2007 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the table below:

Financial Year Ended	Date of Declaration of Dividend	Amount remaining unclaimed /unpaid as on 31.03.2014	Last date for claiming unpaid Dividend amount (on or before)	Last date for transfer to IEPF
31.03.2007	28.09.2007	145726.00	27.09.2014	27.10.2014
31.03.2008	27.09.2008	165288.00	26.09.2015	26.10.2015
31.03.2009	28.08.2009	161496.00	27.08.2016	27.09.2016
31.03.2010	06.08.2010	186020.00	05.08.2017	05.09.2017
31.03.2011	06.08.2011	264797.00	05.08.2018	05.09.2018
31.03.2012	11.08.2012	338392.50	10.08.2019	10.09.2019
31.03.2013	10.08.2013	290191.25	09.08.2020	09.09.2020

Members are once again requested to utilize this opportunity and get in touch with Company's Registrar and Share transfer Agents M/s Sharepro Services (India) Pvt. Ltd. at their communication address for encashing the unclaimed dividends standing to the credit of their account.

Members are further requested to note that after completion of 7 years, no claims shall lie against the said funds or Company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claim.

**(v) Update Address/Bank Details**

To receive all communications/corporate actions promptly, shareholders holding shares in dematerialized form are requested to please update their address/bank details with the respective DPs and in case of physical shares, the update details have to be intimated to the Registrar and Share Transfer Agents.

**(vi) Consolidate Multiple Holdings (in respect of physical holdings)**

Members are requested to consolidate their shareholdings under multiple folios to eliminate receipt of multiple communications and this would ensure that future correspondence / corporate benefits could be sent to consolidated folio.

**(vii) Register email address**

As you all may be aware, Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing Circulars 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, whereby Companies are permitted to send Notice/ documents including Annual Report comprising Balance Sheet, Statement of Profit and Loss, Directors Report, Auditors Report etc in electronic mode (hereinafter 'documents'), provided the Company has obtained email address of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email addresses and changes therein from time to time with the Company.

Accordingly, shareholders holding shares in physical form are requested to register their email addresses and changes therein from time to time, by directly sending the relevant email addresses along with the details such as name, address, folio no, no of shares held to the Registrar and Share transfer Agents, M/s Sharepro Services (India) Pvt Ltd.

In respect of shares held in electronic form, the email address along with DP ID/Client ID and other shareholder details as mentioned above, should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company proposes to send notices and documents, in electronic form to such shareholders.

**(viii) Addresses for Correspondence:**

**SIL Investments Limited**  
Pachpahar Road  
Bhawanimandi-326 502 (Rajasthan)  
Telephones: 07433-222052/222082/222090  
Fax: 07433-222354  
E-mail: cs@silinvestments.in;  
investor\_grievance@sutlej-rtm.co.in;  
hoffice@sutlej-rtm.co.in

**Sharepro Services (India) Pvt.Ltd.**  
Samhita Complex, Gala No. 52 to 56,  
Building No. 13A-B Near Sakinaka Telephone Exchange,  
Andheri – Kurla Road, Sakinaka,  
Mumbai 400 072  
Tel. 022-67720300/400; Fax: 022-28591568  
E-mail: sharepro@shareproservice.com

**DECLARATION OF COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT**

To  
SIL Investments Limited  
Pachpahar Road  
Bhawanimandi-326 502  
(Rajasthan)

The Company has framed a specific Code of Conduct for the members of the Board of Directors and the Senior Management Personnel of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to further strengthen corporate governance practices in the Company.

All the members of the Board and Senior Management Personnel of the Company have affirmed due observance of the said Code of Conduct in so far as it is applicable to them and there is no non-compliance thereof during the year ended 31st March, 2014.

Place: Mumbai  
Dated: 28<sup>th</sup> April, 2014

**S. K. Khandelia**  
Director-In-Charge

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**AUDITORS' CERTIFICATE**

**TO**

**THE MEMBERS OF SIL INVESTMENTS LIMITED**

We have examined the compliance of conditions of Corporate Governance by M/s SIL Investments Ltd. for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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 with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the directors and the management, we certify that the Company has complied, in all material respects, with the conditions of 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 Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

Camp: Kolkata  
Dated: 15<sup>th</sup> May, 2014

**B. K. Sipani**  
Partner  
Membership No.88926

## INDEPENDENT AUDITOR'S REPORT

To the Members of SIL Investments Limited,

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view

in conformity with the accounting principles generally accepted in India;

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

### Report on the other legal and regulatory requirements

- As required by the Companies ( Auditor's Report) order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statements on the matters specified in the paragraphs 4 and 5 of the Order.
- As required by section 227(3) of the Act, we report that:
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 and
  - On the basis of written representations received from the directors as on 31st March, 2014, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B.K Sipani**  
Partner  
Membership No. 88926

Camp: Kolkata  
Dated: 15<sup>th</sup> May, 2014

**Annexure referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re: SIL Investments Limited)**

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. Fixed Assets of the Company have been physically verified by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- c. There was no substantial disposal of fixed assets during the year.
- (ii) The Company has no inventory. Accordingly clause 4(ii) of the Order is not applicable.
- (iii) a. The Company has granted in earlier years, unsecured loan to eight Companies covered in the register maintained under Section 301 of the Companies Act, 1956 against which outstanding balance as on 31st March, 2014 was Rs.12,538.75 Lakhs and maximum balance during the year was Rs.15,135.75 Lakhs. The rate of interest and other terms & condition of such loan are prima facie, not prejudicial to the interest of the Company. The receipt of the principal amount & interest thereon are generally regular.
- b. The Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the order are not applicable to the Company.
- (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 investments and fixed assets and for the sale of investments. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) a. According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 have been so entered.
- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposit from the public. Accordingly clause 4(vi) of the Order is not applicable.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956. Accordingly clause 4(viii) of the Order is not applicable.
- (ix) a. According to the records of the Company, the Company is regular in depositing undisputed statutory dues including Investor Education and Protection Fund, Income-Tax, Service Tax, Cess and other statutory dues applicable to it with the appropriate authorities. There was no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable. The clause relating to Provident Fund, Employees' State Insurance, Wealth Tax, Custom Duty and Excise Duty is not applicable to the Company.
- b. According to the records of the Company, there are no dues outstanding of Sales tax, Income tax, Service Tax, Custom duty, Wealth tax, Excise duty and Cess on account of any dispute.
- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash loss in the current and immediately preceding financial year.
- (xi) The Company has no dues to financial institutions and banks and did not have any debenture

- outstanding during the year. Accordingly clause 4(xi) of the Order is not applicable.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the clause 4 (xiii) of the Order is not applicable.
- (xiv) In our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein in respect of investment in shares and other investments. As informed to us, all the shares and other investments are held by the Company in its own name.
- (xv) According to the information and explanations given to us, the Company has not given any guarantees in favour of financial institution or bank for loans taken by others.
- (xvi) According to the information and explanations given to us, the Company has not obtained any term loan during the year. Accordingly clause 4(xvi) of the Order is not applicable.
- (xvii) According to the information and explanation given to us, on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year. Accordingly, clause 4 (xix) of the Order is not applicable.
- (xx) The Company has not raised any money through a public issue during the year. Accordingly, clause 4 (xx) of the Order is not applicable
- (xxi) Based on our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B.K.Sipani**  
Partner  
Membership No. 88926

Camp: Kolkata  
Dated: 15<sup>th</sup> May, 2014



## BALANCE SHEET AS AT 31ST MARCH, 2014

(Rs. in lakhs)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	1	1060.65	1060.65
Reserves and Surplus	2	15430.59	14403.88
		<b>16491.24</b>	<b>15464.53</b>
<b>Non-Current Liabilities:</b>			
Deferred Tax Liabilities (Net)	3	46.22	48.93
Other Long-term Liabilities	4	3.45	3.58
Long-term Provisions	5	6.35	6.30
		<b>56.02</b>	<b>58.81</b>
<b>Current Liabilities :</b>			
Short-term Borrowings	6	9000.00	11100.00
Other Current Liabilities	7	52.68	112.64
Short-term Provisions	5	186.94	190.81
		<b>9239.62</b>	<b>11403.45</b>
<b>TOTAL</b>		<b>25786.88</b>	<b>26926.79</b>
<b>ASSETS</b>			
<b>Non-Current Assets :</b>			
Fixed Assets - Tangible Assets	8	211.32	217.75
Non-Current Investments	9	12566.12	12078.81
Long-term Loans & Advances	10	0.04	0.04
		<b>12777.48</b>	<b>12296.60</b>
<b>Current Assets:</b>			
Current Investments	11	3.22	59.45
Cash and Bank balances	12	34.93	48.52
Short-term Loans and Advances	10	12717.93	14215.98
Other Current Assets	13	253.32	306.24
		<b>13009.40</b>	<b>14630.19</b>
<b>TOTAL</b>		<b>25786.88</b>	<b>26926.79</b>
Contingent Liabilities and Commitments	14		
Summary of significant accounting policies and other notes on accounts	22		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

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

		(Rs. in lakhs)	
Particulars	Note No.	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
<b>REVENUE :</b>			
Revenue from Operations and Investments	15	2754.11	3053.79
Other Income	16	55.34	71.09
<b>TOTAL REVENUE</b>		<b>2809.45</b>	<b>3124.88</b>
<b>EXPENSES :</b>			
Finance Costs	17	1311.62	1649.91
Employee Benefits Expense	18	23.98	24.94
Other Expenses	19	80.46	388.78
<b>TOTAL</b>		<b>1416.06</b>	<b>2063.63</b>
<b>Profit before tax and depreciation</b>		<b>1393.39</b>	<b>1061.25</b>
Depreciation	20	6.43	6.43
<b>Profit before tax</b>		<b>1386.96</b>	<b>1054.82</b>
<b>Tax Expense</b>			
Current Tax	21	208.00	187.22
Deferred Tax		(2.71)	1.30
<b>Profit after Tax</b>		<b>1181.67</b>	<b>866.30</b>
Basic & Diluted Earnings Per Equity Share (of Rs. 10 each) (Refer Note No.22.07)		<b>11.15</b>	<b>8.18</b>
Summary of significant accounting policies and other notes on accounts	22		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For Singhi & CO.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

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

(Rs. In lakhs)

PARTICULARS	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>a. Net Profit before Tax</b>	<b>1386.96</b>	<b>1054.82</b>
<b>Adjustment for :</b>		
Depreciation	6.43	6.43
Contingent Provision made / (written back) against standard assets	(3.87)	(3.61)
Dividend on Long Term / Current Investments	(776.46)	(786.25)
Loss / (Profit) on Sale of Long Term / Current Investments	(5.42)	256.89
Excess provision / Liabilities written back	(0.01)	(0.01)
<b>b. Operating Profit before working capital changes</b>	<b>607.63</b>	<b>528.27</b>
<b>Adjustment for :</b>		
Trade and other Receivables	46.18	(5.71)
Trade Payables	(60.03)	13.09
Loans to Subsidiary Companies (Net)	997.00	59.00
Loans to Bodies Corporate (Net)	500.00	1400.00
Borrowing from Bodies Corporate (Net)	(2100.00)	(2900.00)
<b>c. Cash Generated from Operations</b>	<b>(9.22)</b>	<b>(905.35)</b>
Direct Taxes (paid) / Refund (Net)	(201.46)	(6.90)
<b>Net Cash (used in)/from Operating Activities (A)</b>	<b>(210.68)</b>	<b>(912.25)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Long Term / Current Investments	74.90	798.50
Dividend on Long Term / Current Investments	776.46	786.25
Purchase of Investments	(505.99)	(270.23)
(Loss) / Profit on sale of Long Term / Current Investments	5.42	(256.89)
<b>Net Cash used in Investing Activities (B)</b>	<b>350.79</b>	<b>1057.63</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid and Tax on Distributed Profits	(154.96)	(153.93)
<b>Net cash (used in) from Financing Activities (C)</b>	<b>(154.96)</b>	<b>(153.93)</b>
<b>Net increase/(decrease) in cash and cash Equivalents [(A)+(B)+(C)]</b>	<b>(14.85)</b>	<b>(8.55)</b>
Cash and Cash Equivalents (Opening Balance)	34.11	42.66
<b>Cash and Cash Equivalents (Closing Balance)*</b>	<b>19.26</b>	<b>34.11</b>
(For components of cash & cash Equivalents - refer note - 12)		
* Break-up as under :-		
Cash Balance in hand	0.01	0.01
Balance with Banks		
i) Current Account	19.25	31.54
ii) Cheque in Hand	-	2.56
<b>Total</b>	<b>19.26</b>	<b>34.11</b>
Other bank Balances shown under appropriate activities	15.67	14.41
<b>Cash &amp; Bank Balances as per note - 12</b>	<b>34.93</b>	<b>48.52</b>

## Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard- 3 on "Cash Flow Statement".
- Previous year figure have been regrouped/restated wherever necessary.

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For Singhi & CO.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

## NOTES FORMING PART OF BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	(Rs. in lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note No.1 : Share Capital</b>		
<b>Authorised</b>		
1,20,00,000 (Previous year 1,20,00,000) Equity Shares of Rs 10 each	<b>1200.00</b>	1200.00
	<b>1200.00</b>	1200.00
<b>Issued, subscribed and fully paid-up shares</b>		
1,05,95,860 (Previous year 1,05,95,860 ) Equity Shares of Rs. 10/- each fully paid-up.	<b>1059.59</b>	1059.59
Add: Forefited shares (No.of shares 35390)(Amount originally paid up)	<b>1.06</b>	1.06
	<b>1060.65</b>	1060.65

**Terms/ Rights attached to Equity Shares**

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However same is subject to the approval of the shareholders in the Annual General Meeting.

**Reconciliation of the number of Equity Shares outstanding:**

Equity shares outstanding at the beginning of the year	<b>10595860</b>	10595860
Equity shares allotted during the year	-	-
Equity shares outstanding at the end the of the year	<b>10595860</b>	10595860

**Shareholder holding more than 5 percent equity shares of the Company:**

Sl. No.	Name of shareholder	As at 31st March, 2014		As at 31st March, 2013	
		Number of Shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Uttar Pradesh Trading Co.Ltd.	<b>2019339</b>	<b>19.06</b>	2019339	19.06
2	New India Retailing and Investment Ltd.	<b>1156550</b>	<b>10.92</b>	1156550	10.92
3	Hargaon Investment & Trading Co., Ltd.	<b>1140931</b>	<b>10.77</b>	1140931	10.77
4	Yashovardhan Investment & Trading Co., Ltd.	<b>991224</b>	<b>9.35</b>	991224	9.35
5	Birla Institute of Technology and Science	<b>752439</b>	<b>7.10</b>	752439	7.10
6	Earthstone Holding (Two) Pvt. Ltd.	<b>653580</b>	<b>6.17</b>	-	-
7	Ronsan Traders Ltd.	<b>648249</b>	<b>6.12</b>	648249	6.12

(Rs. in lakhs)

Particulars	(Rs. in lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note No.2 : Reserves and Surplus</b>		
<b>(i) Securities Premium Reserve</b>		
Balance as per last financial statement	<b>2817.31</b>	2817.31
<b>(ii) Reserve Fund</b>		
Balance as per last financial statement	<b>1284.00</b>	1110.00
Add :Additions during the year	<b>237.00</b>	174.00
<b>Closing Balance</b>	<b>1521.00</b>	1284.00
<b>(iii) General Reserve</b>		
Balance as per last financial statement	<b>5016.88</b>	4995.22
Add: Additions during the year	<b>29.60</b>	21.66
<b>Closing Balance</b>	<b>5046.48</b>	5016.88

(Rs. in lakhs)

Particulars	As at	
	31st March, 2014	31st March, 2013
<b>Note No.2 : Reserves and Surplus (Contd.)</b>		
<b>(iv) Statement of Profit &amp; Loss - Balance</b>		
Balance as per last financial statement	5285.69	4770.01
Add: Profit for the year	1181.67	866.30
	<b>6467.36</b>	<b>5636.31</b>
Less: Allocation & Appropriation		
Proposed Dividend @	132.45	132.45
Corporate Dividend Tax	22.51	22.51
Transfer to Reserve Fund	237.00	174.00
Transfer to General Reserve	29.60	21.66
<b>Total</b>	<b>421.56</b>	<b>350.62</b>
<b>Closing Balance</b>	<b>6045.80</b>	<b>5285.69</b>
<b>Total Reserve and Surplus (i to iv)</b>	<b>15430.59</b>	<b>14403.88</b>

@ The Board of Directors have recommended dividend of Rs.1.25(Previous year Rs.1.25) per Equity Share of Rs.10 each for the year ended 31st March, 2014. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**Note No.3: Deferred Tax Liabilities (Net)****Deferred Tax Liability on account of:**

Depreciation	48.28	51.07
	<b>48.28</b>	<b>51.07</b>

**Deferred Tax Assets on account of:**

Accrued expenses deductible on payment basis	2.06	2.14
	<b>2.06</b>	<b>2.14</b>

<b>Deferred Tax Liability/(Assets) (Net)</b>	<b>46.22</b>	<b>48.93</b>
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**Note No.4: Other Long Term Liabilities**

Security Deposit	3.45	3.58
	<b>3.45</b>	<b>3.58</b>

**Note No.5: Provisions**

(Rs. in lakhs)

Particulars	Long- term		Short - term	
	As at	As at	As at	As at
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Provision for Employee Benefits	6.35	6.30	-	-
Proposed Dividend	-	-	132.45	132.45
Corporate Dividend Tax	-	-	22.51	22.51
Contingent Provisions against Standard Assets	-	-	31.98	35.85
	<b>6.35</b>	<b>6.30</b>	<b>186.94</b>	<b>190.81</b>

(Rs. in lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>Note No.6: Short-term Borrowings</b>		
<b>Secured (Short-term Loan)</b>		
<b>From Bodies Corporate(Repayable on demand)</b>	<b>9000.00</b>	11100.00
Secured by Pledge of 3,14,80,000 Equity Shares (Previous year 3,11,65,000 Equity Shares) of Chambal Fertilizers & Chemicals Ltd., 29,75,000 Equity Shares (Previous year 30,60,040 Equity Shares) of Zuari Global Ltd.; 2850000 Equity Shares (Previous year 30,62,000 Equity Shares) of Zuari Agro Chemicals Ltd.; 12,000 Equity Shares (Previous year NIL Equity Shares) of ITC Limited; 10,000 Equity Shares (Previous year NIL Equity Shares) of Reliance Industries Ltd., and 3000 Equity Shares (Previous year NIL Equity Shares) of State Bank of India (Rate of Interest @ 11.40% to 13.25% p.a.)	<u><b>9000.00</b></u>	<u>11100.00</u>

**Note No.7:Other Current Liabilities**

Interest Accrued but not due on borrowings	<b>27.89</b>	79.48
Unpaid Dividend	<b>15.52</b>	14.27
Statutory dues	<b>3.99</b>	10.45
Directors' Commission	<b>2.25</b>	2.56
Others	<b>3.03</b>	5.88
	<u><b>52.68</b></u>	<u>112.64</u>

**Note No. 8 - Fixed Assets**

(Rs.in lakhs)

Description	GROSS BLOCK COST / BOOK VALUE			DEPRECIATION				NET BLOCK		
	As at 31st March, 2013	Addition	Deduction	As at 31st March, 2014	As at 31st March, 2013	For the Year ended 31st March, 2014	Deduction	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
<b>Tangible Assets</b>										
- Buildings	252.56	-	-	<b>252.56</b>	68.23	<b>4.12</b>	-	<b>72.35</b>	<b>180.21</b>	184.33
- Office Equipments	2.86	-	-	<b>2.86</b>	0.26	<b>0.13</b>	-	<b>0.39</b>	<b>2.47</b>	2.60
- Furniture & Fixtures	34.55	-	-	<b>34.55</b>	3.73	<b>2.18</b>	-	<b>5.91</b>	<b>28.64</b>	30.82
<b>Total</b>	<b>289.97</b>	-	-	<b>289.97</b>	<b>72.22</b>	<b>6.43</b>	-	<b>78.65</b>	<b>211.32</b>	<b>217.75</b>
Previous Year	289.97	-	-	<b>289.97</b>	65.79	<b>6.43</b>	-	<b>72.22</b>	<b>217.75</b>	224.19

**Note:** Buildings include cost of ownership premises in co-operative Housing Societies.

(Rs. in lakhs)

Particulars	Shares	Face Value	As at	As at
	(Nos.)	Shares (Rs.)	31st March, 2014	31st March, 2013

**Note No.9: Non-Current Investments**

(Valued at Cost)

**Long Term Investment ( Non-Trade)****A QUOTED (Fully paid-up)**

Zuari Global Ltd.	3208000 *	10	<b>362.40</b>	362.40
	(3208000)			
Chambal Fertilisers & Chemicals Ltd.	31813455*	10	<b>5223.44</b>	5223.44
	(31813455)			
Digjam Limited	45	10	<b>0.06</b>	0.06
	(45)			
Upper Ganges Sugar Inds. Ltd.	1547016	10	<b>1816.72</b>	1816.72
	(1547016)			
Sutlej Textiles and Industries Ltd.	75000**	10	<b>5.01</b>	5.01
	(50000)			
CIMMCO Limited	658	10	<b>0.59</b>	0.59
	(658)			
Zuari Agro Chemicals Ltd.	3208000*	10	<b>434.96</b>	434.96
	(3208000)			
Balrampur Chini Mills Limited	30000	1	<b>13.12</b>	13.12
	(30000)			
Chennai Petroleum Corporation Limited	0@	10	-	5.27
	(4500)			
Electrosteel Steels Ltd.	215000	10	<b>10.35</b>	10.35
	(215000)			
ITC Limited	15000*	1	<b>46.00</b>	46.00
	(15000)			
JSW Steel Limited	0@	10	-	13.41
	(2250)			
Reliance Industries Limited	11250*	10	<b>86.68</b>	86.68
	(11250)			
Shree Renuka Sugars Limited	35000	1	<b>7.62</b>	7.62
	(35000)			
State Bank of India	4250*	10	<b>87.05</b>	87.05
	(4250)		<b>8094.00</b>	<b>8112.68</b>

\*Refer Note No.6 for Pledge of Shares.

\*\*25000 equity shares received during the year as Bonus 2:1

@Equity shares sold during the year

Particulars	Shares (Nos.)	Face Value Shares (Rs.)	(Rs. in lakhs)	
			As at 31st March, 2014	As at 31st March, 2013

**Note No.9: Non-Current Investments (Contd.)**

**B. UNQUOTED (Fully paid-up)**

**i) In Equity Shares of Subsidiary Companies:**

RTM Investment & Trading Co.Ltd.*	19516787** (14456881)	10	<b>2190.83</b>	1684.84
SCM Investment & Trading Co.Ltd.	15509199 (15509199)	10	<b>1870.07</b>	1870.07
SIL Properties Limited	1978597 (1978597)	10	<b>197.86</b>	197.86
RTM Properties Limited*	1978597 (1978597)	10	<b>197.86</b>	197.86

\*Wholly owned

\*\* 5059906 equity shares received on right basis @ 10/- each

**4456.62**      **3950.63**

**ii) In Equity Shares of other Companies:**

Birla Buildings Limited	15000 (15000)	10	<b>1.50</b>	1.50
Eastern Economic Limited	400* (400)	100	<b>0.20</b>	0.20
Mackenzies Limited	1* (1)	100	-	-
Mafatlal Engg. & Inds. Ltd.	700* (700)	100	<b>0.61</b>	0.61
GMB Investments Pvt. Ltd.	140000 (140000)	10	<b>14.00</b>	14.00

\* Less: Provision for diminution in value

**16.31**      16.31

**(0.81)**      (0.81)

**15.50**      15.50

**iii) 6% Redeemable Non-Cummulative Non-Convertible**

<b>Preference Shares of Nirma Limited</b>	112**	1	-	-
** Received earlier year as per Modified Rehabilitation Scheme in the form of Amalgamation of Saurashtra Chemicals Ltd. with Nirma Ltd.			<b>4472.12</b>	3966.13

**AGGREGATE VALUE OF INVESTMENTS**

**12566.12**      12078.81

Aggregate of:

Quoted Investments      **8094.00**      8112.68

Unquoted Investment      **4472.12**      3966.13

**12566.12**      12078.81

**Aggregate Market Value of Quoted Investments**

**20165.05**      23854.90

Note: Figures in brackets represents previous year's no. of shares.



**SIL INVESTMENTS LIMITED**
**(Rs. in lakhs)**

Particulars	Long- term		Short - term	
	As at 31st March,2014	As at 31st March,2013	As at 31st March,2014	As at 31st March,2013
<b>Note No.10: Loans And Advances</b> (Unsecured, Considered Good unless otherwise stated)				
<b>Loan to Subsidiary Companies</b>	-	-	<b>4638.75</b>	5635.75
<b>Loan to Bodies Corporate*</b>	-	-	<b>7900.00</b>	8400.00
Security Deposit	<b>0.04</b>	0.04	-	-
<b>Advance Recoverable in Cash or in kind</b>				
Considered Good	-	-	<b>12.34</b>	0.53
<b>Others Loan and Advances</b>				
Income Tax Refund Receivable	-	-	<b>32.94</b>	32.94
Advance Tax (Net of provisions for Taxation)	-	-	<b>133.90</b>	140.44
Prepaid Expenses	-	-	-	6.32
<b>Total</b>	<b>0.04</b>	0.04	<b>12717.93</b>	14215.98

\*including to related party Rs.1500 lakhs (Previous year Rs.400 lakhs)

**(Rs. in lakhs)**

Particulars	Units	NAV Unit (Rs.)		
			As at 31st March, 2014	As at 31st March,2013
<b>Note No.11: Current investments</b>				
<b>Unquoted (Fully paid-up) (Non-Trade)</b>				
<b>Investments in Mutual Fund</b> (at cost or Fair Value, whichever is lower)				
UTI Mutual Fund - Treasury Advantage Fund	321.085	1002.3211	<b>3.21</b>	49.44
Institutional Plan (Daily Dividend) Reinvest option	(4943.168)	(1000.2141)		
SBI - Dynamic Bond Fund - Dividend	-*	-	-	10.00
	(88880.9884)	(11.2510)		
HDFC Liquid Fund Premium Plan Growth	24.191	25.7260	<b>0.01</b>	0.01
	(24.191)	(23.4757)		
<b>Aggregate Market value of Unquoted Investments</b>			<b>3.22</b>	59.45

\*Redemption during the year

**(Rs. in lakhs)**

Particulars		
	As at 31st March, 2014	As at 31st March,2013
<b>Note No.12: Cash &amp; Bank Balances</b>		
<b>a) Cash and Cash equivalents</b>		
Cash Balance on Hand	<b>0.01</b>	0.01
Balance with Banks		
i) in Current Account	<b>19.25</b>	31.54
ii) Cheques in Hand	-	2.56
<b>b) Earmarked Balances with Bank</b>		
i) Unpaid Dividend	<b>15.52</b>	14.27
ii) Employees Security Deposit	<b>0.15</b>	0.14
	<b>34.93</b>	48.52

**Note No.13: Other Current Assets**

Interest accrued and due on Intercompany Deposit (including from subsidiary co's Rs.164.24 lakhs & related party Rs.16.91 lakhs - previous year from subsidiary co's Rs.199.93 lakhs & related party Rs.16.11 lakhs)	<b>253.32</b>	306.24
	<b>253.32</b>	306.24

**Note No.14: Contingent Liabilities and Commitments**

- -

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

Particulars	(Rs. in lakhs)	
	For the Year ended 31st March,2014	For the Year ended 31st March, 2013
<b>Note No.15: Revenue from Operations and Investments</b>		
Interest on Loans and Deposits to subsidiaries	747.21	846.26
Interest on Loans to Bodies Corporate, etc.	1225.02	1421.28
Dividend on Non-Current Investments - other than trade	772.52	774.58
Dividend on Current Investments	3.94	11.67
Profit on sale of Current Investments (Previous year Rs. 48/-)	0.14	
Profit on Sale of Non-Current Investments (Net)	5.28	-
	<u>2754.11</u>	<u>3053.79</u>

**Note No.16:Other Income**

Rent	38.46	42.71
Interest from Income Tax Department	12.94	24.76
Interest from Bank Deposit	0.01	0.01
Adjustment relating to previous year (Net)	0.05	-
Contingent Provisions against Standard Assets written back	3.87	3.61
Excess Provision & Liabilities written back (previous year Rs.494/-)	-	
Miscellaneous Income (previous year Rs.4/-)	-	
Sundry Credit balance written back	0.01	-
	<u>55.34</u>	<u>71.09</u>

**Note No.17: Finance costs**

Interest Expenses	1269.53	1572.19
Other Borrowing costs	42.09	77.72
	<u>1311.62</u>	<u>1649.91</u>

**Note No.18: Employee Benefits Expense**

Salaries, etc.	23.23	24.53
Staff welfare expenses	0.75	0.41
	<u>23.98</u>	<u>24.94</u>

(Rs. in lakhs)

Particulars	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
<b>Note No.19: Other Expenses</b>		
Insurance	0.39	0.29
Rates and Taxes	0.11	-
<b>Repairs and Maintenance:</b>		
Buildings	4.37	5.75
Others	0.06	-
Travelling Expenses	42.72	78.12
Miscellaneous Expenses	28.01	40.95
<b>Auditors Remuneration:</b>		
As Auditors	0.39	0.39
In other Capacity, for Certifications and other matters	0.14	0.11
Adjustment Relating to previous year (Net)	-	0.94
Directors' Commission & Fees	4.27	5.34
Loss on Sale of Non-Current Investments - Other than Trade	-	256.89
	<u>80.46</u>	<u>388.78</u>

**Note No.20: Depreciation**

Depreciation of tangible assets (Refer Note No.8 )	6.43	6.43
	<u>6.43</u>	<u>6.43</u>

**Note No.21: Current Tax**

Current Tax for the year	208.00	189.00
Current Tax adjustments for earlier year (Net)	-	(1.78)
	<u>208.00</u>	<u>187.22</u>

**Note No. 22 : Summary of significant accounting policies and other notes on accounts:****22.01 Nature of Operations**

The main business of the Company is of investments and financing activities.

**22.02 Summary of significant accounting policies****(A) Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued under the Accounting Standard Rules, 2006 notified by the Central Government and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis except claims/refund which are accounted for on receipt basis due to uncertainties. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

**(B) Revenue Recognition**

Income from Investments and financing activities is taken into account when it become accrue to the Company.

**(C) Fixed Assets**

Fixed assets are stated at cost of acquisition inclusive of duties, taxes, incidental expenses and erection commissioning expenses etc.

**(D) Depreciation**

- i) Depreciation on the fixed assets is provided on Straight Line method at the rates specified in the Schedule XIV of the Companies Act, 1956.
- ii) Depreciation on the fixed assets disposed off during the year is provided on pro-rata basis with reference to the date of disposal.

**(E) Investments**

Non-Current Investments are stated at cost. The Company provides for diminution, other than temporary, in the value of Non-Current Investments. Current Investments are valued at lower of cost or fair value.

**(F) Retirement Benefits**

- a) Retirement benefits in the form of Provident Fund is not applicable to the Company as the total number of employees are below the minimum required number of employees under payment of Employees Provident Fund (Misc. Provisions) Act, 1952.
- b) Gratuity has not been provided as the Payment of Gratuity Act is not applicable to the Company as total number of employees are below the minimum required number of employees under Payment of Gratuity Act, 1972.
- c) Year end leave encashment benefit is provided for on accrual basis.

**(G) Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**22.03** As there is only one segment in the Company, hence Segment Reporting (AS-17) is not applicable.

**22.04** There is shortfall in the market value of certain long term investments in shares. However, the Company has not made provision in respect of such shortfall aggregating to Rs.1376.04 lakhs (Previous year Rs.1217.76 lakhs) as the same in the opinion of the management is not permanent in nature. However, there is no diminution in the overall market value of the quoted/unquoted investments and break-up value of unquoted investments.

**22.05 RELATED PARTY DISCLOSURE**

- A Subsidiaries**  
 - SCM Investment & Trading Co.Ltd.  
 - RTM Investment & Trading Co.Ltd.  
 - SIL Properties Ltd.  
 - RTM Properties Ltd.
- B Key Management Personnel and their relatives**  
 Mrs. Shalini Nopany (Managing Director)
- C Enterprise owned or significantly influenced by Key Management Personnel and their relatives**  
 The Oudh Sugar Mills Limited
- D Transactions with Related Parties during the year:**

				(Rs. in lakhs)
Particulars	Subsidiaries	Key Management personnel and their relatives	Enterprise owned or significantly influenced by Key Management Personnel and their relatives	
<b>(a)</b> Intercorporate Loan placed				
<b>1</b>				
- The Oudh Sugar Mills Ltd.				1100.00
- RTM Investment & Trading Co.Ltd.	500.00			(-)
<b>2</b> Intercorporate Loan received back				
- SCM Investment & Trading Co.Ltd.	322.00			
- RTM Investment & Trading Co.Ltd.	1175.00			
- The Oudh Sugar Mills Ltd.	(-)			-
<b>3</b> Remuneration to Managing Director		18.00		(1200.00)
<b>4</b> Interest income on Intercorporate Loan				
- SCM Investment & Trading Co.Ltd.	256.41			
- RTM Investment & Trading Co. Ltd.	(293.63)			
- The Oudh Sugar Mills Ltd.	490.80			220.81
	(552.63)			(224.27)
<b>(b)</b> Balance outstanding as on 31.03.2014				
Incorporate Loan receivable				
- SCM Investment & Trading Co.Ltd.	1614.00			
- RTM Investment & Trading Co.Ltd.	(1936.00)			
- The Oudh Sugar Mills Ltd.	3024.75			1500.00
	(3699.75)			(400.00)
<b>(c)</b> Interest receivable on Intercorporate Loan as on 31.03.2014.				
- SCM Investment & Trading Co. Ltd.	18.21			
- RTM Investment & Trading Co.Ltd.	(21.83)			
- The Oudh Sugar Mills Ltd.	146.03			16.91
	(178.10)			(16.11)

Note : 1. The above information has been identified on the basis of information available with the Company and relied upon by the Auditors.  
 2. Figures in bracket represent previous year's amounts.

**22.06 DISCLOSURES AS PER CLAUSE 32 OF THE LISTING AGREEMENT**

Particulars	(Rs. in lakhs)	
	Balance as on 31.03.2014 (31.03.2013)	Maximum outstanding amount of loan during the year (Previous year)
Loan to Subsidiaries:		
- SCM Investment & Trading Co.Ltd.	1614.00	1936.00
	<b>(1936.00)</b>	(1995.00)
- RTM Investment & Trading Co.Ltd.	3024.75	3699.75
	<b>(3699.75)</b>	(3699.75)

**22.07 Earnings per Share (EPS)**

The numerators and denominators used to calculate Basic and Diluted Earnings Per Share :

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Profit attributable to the Equity Shareholders (A) (Rs. in lakhs)	1181.67
Number of Equity Shares (B)	10595860	10595860
Nominal Value of Equity Share (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.) A/B	11.15	8.18

**22.08 EXPENDITURE IN FOREIGN CURRENCY (On Accrual Basis)**

Particulars	(Rs. in lakhs)	
	2013-14	2012-13
Director Travelling	6.29	42.26

**22.09 REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS**

Particulars	(Rs. in lakhs)	
	Year ended 31st March, 2014	Year ended 31st March, 2013
Amount of Dividend related to 2012-13 remitted in Foreign Exchange (Rs.)#	-	-
Number of Non-Resident Shareholders	75	76
Number of Shares held by such Non-Resident Shareholders	18101	19071

# Deposited in Indian Rupees in the Bank Accounts maintained by the shareholders in India.

**22.10 Previous year figures have been reclassified/regrouped to conform current year figures.**

Signature to Notes 1 to 22.10  
In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

**SCHEDULE TO THE BALANCE SHEET OF NON -BANKING FINANCIAL COMPANY**  
(As required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding)  
Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs. in lakhs)

Particulars	Amount Outstanding		Amount Overdue	
	As at	As at	As at	As at
	31.03.2014	31.03.2013	31.3.2014	31.3.2013
<b>Liabilities Side</b>				
<b>1) Loans and Advances availed by the NBFC'S inclusive of interest accrued thereon but not paid</b>				
(a) Debentures: Secured	Nil	Nil	Nil	Nil
Unsecured (Other than falling within the meaning of Public Deposits)	Nil	Nil	Nil	Nil
(b) Deferred Credits	Nil	Nil	Nil	Nil
(c) Term Loans	Nil	Nil	Nil	Nil
(d) Inter-Corporate Loans and Borrowings (including interest accrued & due thereon)	9027.89	11179.48	Nil	Nil
(e) Commercial Paper	Nil	Nil	Nil	Nil
(f) Other Loans (specify nature)	Nil	Nil	Nil	Nil
<b>Assets Side</b>				
<b>2) Break-up of Loans and Advances including Bills receivables (other than those included in (3) below)</b>				
(a) Secured	Nil	Nil		
(b) Unsecured (including Interest accrued thereon)	12792.07	14341.99		
<b>3) Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities</b>				
(i) Lease Assets including lease rentals under sundry debtors:	Nil	Nil		
(a) Financial Lease				
(b) Operating Lease				
(ii) Stock on hire including hire charges under sundry debtors				
(a) Assets on Hire	Nil	Nil		
(b) Repossessed Assets	Nil	Nil		
(iii) Other Loans counting towards AFC activities				
(a) Loans where assets have been repossessed	Nil	Nil		
(b) Loans other than (a) above	Nil	Nil		
<b>4) Break-up of Investments:</b>				
<b>Current Investments:</b>				
<b>1. Quoted:</b>				
(i) Shares (a) Equity	Nil	Nil		
(b) Preference	Nil	Nil		
(ii) Debentures and Bonds	Nil	Nil		
(iii) Units of Mutual Funds	Nil	Nil		
(iv) Government Securities	Nil	Nil		
(v) Others (please specify)	Nil	Nil		
<b>2. Unquoted</b>				
(i) Shares (a) Equity	Nil	Nil		
(b) Preference	Nil	Nil		
(ii) Debentures and Bonds	Nil	Nil		
(iii) Units of Mutual Funds (UTI)	3.22	59.45		
(iv) Government Securities	Nil	Nil		
(v) Others (please specify)	Nil	Nil		

**Long Term Investments**

**1. Quoted:**

(i) Shares (a) Equity	<b>8094.00</b>	8112.68
(b) Preference	<b>Nil</b>	Nil
(ii) Debentures and Bonds	<b>Nil</b>	Nil
(iii) Units of Mutual Funds	<b>Nil</b>	Nil
(iv) Government Securities	<b>Nil</b>	Nil
(v) Others (please specify)	<b>Nil</b>	Nil

**2. Unquoted**

(i) Shares (a) Equity	<b>4472.12</b>	3966.13
(b) Preference	<b>Nil</b>	Nil
(ii) Debentures and Bonds	<b>Nil</b>	Nil
(iii) Units of Mutual Funds	<b>Nil</b>	Nil
(iv) Government Securities	<b>Nil</b>	Nil
(v) Others (please specify)	<b>Nil</b>	Nil

**5) Borrower group-wise classification of Assets financed as in (2) and (3) above**

Category	Amount net of provisions (Rs. in lakhs)					
	Secured		Unsecured		Total	
	As at 31.3.2014	As at 31.3.2013	As at 31.3.2014	As at 31.3.2013	As at 31.3.2014	As at 31.3.2013
1. Related Parties						
(a) Subsidiaries	<b>Nil</b>	Nil	<b>4802.99</b>	5835.68	<b>4802.99</b>	5835.68
(b) Companies in the same group	<b>Nil</b>	Nil	<b>Nil</b>	Nil	<b>Nil</b>	Nil
(c) Other related parties	<b>Nil</b>	Nil	<b>1516.91</b>	416.11	<b>1516.91</b>	416.11
2. Other than related parties	<b>Nil</b>	Nil	<b>6472.17</b>	8090.20	<b>6472.17</b>	8090.20
<b>Total</b>	<b>Nil</b>	Nil	<b>12792.07</b>	14341.99	<b>12792.07</b>	14341.99

**6) Investor group-wise classification of all investments**

(current and long term) in shares and securities both quoted and unquoted)

(Rs. in lakhs)

Category	Market Value/Break up or Fair Value of NAV		Book Value (Net of Provisions)	
	As at 31.3.2014	As at 31.3.2013	As at 31.3.2014	As at 31.3.2013
	1. Related Parties			
(a) Subsidiaries	<b>6703.81</b>	6171.68	<b>4456.62</b>	3950.63
(b) Companies in the same group	<b>Nil</b>	Nil	<b>Nil</b>	Nil
(c) Other related parties	<b>Nil</b>	Nil	<b>Nil</b>	Nil
2. Other than related parties	<b>20307.76</b>	24051.84	<b>8112.72</b>	8187.63
<b>Total</b>	<b>27011.57</b>	30223.52	<b>12569.34</b>	12138.26

Certain unquoted investments value Rs.15.50 lakhs (breakup value Rs.142.71 lakhs) (previous year Rs.137.49 lakhs) being long term in nature have been valued at cost.

**7) Other Information**

Particulars	Amount (Rs. in lakhs)
i) Gross Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
ii) Net Non-Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors



**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

The entire subscribed capital of RTM Investment & Trading Company Ltd. and 80.53% subscribed capital of SCM Investment & Trading Company Ltd. as on 31st March, 2014 was held by the Company. The entire subscribed capital of SIL Properties Ltd. and RTM Properties Ltd. as on 31st March, 2014 was held by SCM Investment & Trading Company Ltd. and RTM Investment & Trading Company Ltd. respectively, subsidiaries of the Company:

**(Rs. in lakhs)**

Name of the Subsidiary Company	Net Aggregate of subsidiaries profits/ (losses) not dealt with profits/(losses) dealt with in		Net Aggregate of subsidiaries in holding Company's accounts holding Company's accounts	
	Current Year	Previous years since became subsidiaries	Current Year	Previous years since became subsidiaries
SCM Investment & Trading Co. Ltd.	72.30	1197.56 (27.66)	-	53.18
RTM Investment & Trading Co.Ltd.	(39.29)	1037.02 (173.54)	-	47.62
SIL Properties Ltd.	(12.98)	18.95 (58.34)	-	-
RTM Properties Ltd.	(12.57)	27.28 (64.16)	-	-

Place : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

**FINANCIAL PERFORMANCE OF SUBSIDIARIES DURING THE PERIOD 1ST APRIL, 2013 TO 31ST MARCH, 2014**

S. No.	Particulars	<b>(Rs.in lakhs)</b>			
		SCM Investment & Trd. Co.Ltd.	RTM Investment & Trading Co.Ltd.	SIL Properties Limited	RTM Properties Limited
(a)	Share Capital	1925.92	1951.68	840.90	840.90
(b)	Reserves	2219.15	1043.92	(61.53)	(45.92)
(c)	Total Assets	5793.48	6185.67	811.94	798.35
(d)	Total Liabilities	1648.41	3190.07	32.57	3.37
(e)	Details of Investment (Except in case of investment in Subsidiary Companies)	2764.52	2962.48	34.82	43.67
(f)	Turnover/Total Revenue	125.61	62.41	20.28	20.38
(g)	Profit/(loss) before taxation	122.33	(35.54)	(11.67)	(8.95)
(h)	Provision for taxation	32.55	3.75	3.59	3.62
(i)	Profit/(loss) after taxation	89.78	(39.29)	(15.26)	(12.57)

**Notes:** The Ministry of Corporate Affairs has notified exemption under Section 212(8) of the Companies Act, 1956 from attaching the documents that are required to be attached with the Balance Sheet of the Company in respect of Subsidiary Companies upon fulfillment of certain conditions. As the company complies with the same, documents pertaining to subsidiary companies of this Company namely, SCM Investment & Trading Co.Ltd., RTM Investment & Trading Co.Ltd., SIL Properties Ltd. and RTM Properties Ltd., are not being attached with the Balance Sheet. However, annual accounts of the subsidiary companies and the related detailed information will be made available to the holding and subsidiary company investors seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept by any investor at Registered Office of the Company and that of the subsidiary companies situated at 9/1, R.N. Mukherjee Road, Kolkata 700 001.

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of SIL Investments Limited,

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of SIL Investments Limited, ("the Company"), and its subsidiaries, which comprise the consolidated Balance Sheet as at 31st March, 2014 and the Consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India; this includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

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

the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statement of the subsidiaries as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India;

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

### Other Matter

We did not audit the financial statements of certain subsidiaries, whose financial statements reflect total assets (net) of Rs.13589.44 lakhs as at March 31, 2014, total revenues of Rs.228.68 lakhs and net cash outflow amounting to Rs.14.25 lakhs for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion is based solely on the reports of the other auditors. Our opinion is not qualified in respect of this matter.

**For Singhi & Co.**  
Chartered Accountants  
Firm Reg. No. 302049E

**B.K. Sipani**  
Partner  
Membership No. 088926

Camp : Kolkata  
Dated: 15<sup>th</sup> May, 2014

SIL INVESTMENTS LIMITED (CONSOLIDATED)

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(Rs. in lakhs)

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	1	1060.65	1060.65
Reserves and Surplus	2	17605.00	16570.83
		<b>18665.65</b>	<b>17631.48</b>
<b>Minority Interest</b>		<b>797.93</b>	<b>782.72</b>
<b>Non-Current Liabilities:</b>			
Deferred Tax Liabilities (Net)	3	46.22	48.93
Other Long-term Liabilities	4	3.45	3.58
Long-term Provisions	5	6.35	6.30
		<b>56.02</b>	<b>58.81</b>
<b>Current Liabilities :</b>			
Short-term Borrowings	6	9000.00	11100.00
Other Current Liabilities	7	73.31	149.38
Short-term Provisions	5	201.76	205.63
		<b>9275.07</b>	<b>11455.01</b>
<b>TOTAL</b>		<b>28794.67</b>	<b>29928.02</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets:</b>			
- Tangible Assets	8.1	1704.53	1741.97
- Intangible Assets	8.2	0.02	0.02
Non-Current Investments	9	13914.98	13436.77
Long-term Loans & Advances	10	4.35	4.17
		<b>15623.88</b>	<b>15182.93</b>
<b>Current Assets:</b>			
Current Investments	11	3.22	59.45
Trade Receivable	12	20.39	25.33
Cash and Bank balances	13	43.64	71.48
Short-term Loans and Advances	10	12955.21	14412.32
Other Current Assets	14	148.33	176.51
		<b>13170.79</b>	<b>14745.09</b>
<b>TOTAL</b>		<b>28794.67</b>	<b>29928.02</b>
Contingent Liabilities and Commitments	15		
Summary of significant accounting policies and other notes on accounts	23		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

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

(Rs. in lakhs)

Particulars	Note No.	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
<b>REVENUE :</b>			
Revenue from Operations and Investments	16	<b>2846.42</b>	3124.42
Other Income	17	<b>98.37</b>	110.07
<b>TOTAL REVENUE</b>		<b>2944.79</b>	3234.49
<b>EXPENSES :</b>			
Finance Costs	18	<b>1311.62</b>	1649.91
Employee Benefits Expense	19	<b>23.98</b>	24.94
Other Expenses	20	<b>118.61</b>	408.51
<b>TOTAL</b>		<b>1454.21</b>	2083.36
<b>Profit before tax and depreciation</b>		<b>1490.58</b>	1151.13
Depreciation	21	<b>37.44</b>	36.49
<b>Profit before tax</b>		<b>1453.14</b>	1114.64
<b>Tax Expense</b>			
Current Tax	22	<b>251.51</b>	227.72
Deferred Tax		<b>(2.71)</b>	1.30
<b>Profit after Tax</b>		<b>1204.34</b>	885.62
<b>Share of Minority Interest</b>		<b>(15.21)</b>	(14.99)
<b>Profit after Tax (After adjustment of Minority Interest)</b>		<b>1189.13</b>	870.63
Basic & Diluted Earnings Per Equity Share of Rs. 10 each) (Refer Note No.23.05)		<b>11.22</b>	8.22
Summary of significant accounting policies and other notes on accounts	23		

The accompanying notes are an integral part of the financial statements.  
In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalani Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelia**  
**S.S. Maheshwari**  
Directors

SIL INVESTMENTS LIMITED (CONSOLIDATED)

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

PARTICULARS	(Rs. In lakhs)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
a. <b>Net Profit before Tax</b>	1453.14	1114.64
<b>Adjustment for :</b>		
Depreciation	37.44	36.49
Contingent Provision made / (written back) against standard assets	(3.87)	(3.61)
Dividend on Long Term / Current Investments	(851.28)	(832.71)
Loss / (Profit) on Sale of Long Term / Current Investments	(5.42)	256.89
Excess provision / Liabilities written back	(0.01)	(0.04)
<b>b. Operating Profit before working capital changes</b>	<b>630.00</b>	<b>571.66</b>
<b>Adjustment for :</b>		
Trade and other Receivables	58.62	11.38
Trade Payables	(76.13)	16.62
Loans to Bodies Corporate (Net)	1362.50	1417.50
Borrowing from Bodies Corporate (Net)	(2100.00)	(2900.00)
<b>c. Cash Generated from Operations</b>	<b>(125.01)</b>	<b>(882.84)</b>
Direct Taxes (paid) / Refund (Net)	(183.85)	(31.17)
<b>Net Cash (used in)/from Operating Activities (A)</b>	<b>(308.86)</b>	<b>(914.01)</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of long term / current Investments	56.22	798.50
Dividend on Long term / Current Investments	851.28	832.71
Purchase of Fixed Assets	-	(41.99)
(Loss) / Profit on sale of Long Term / Current Investments	5.42	(256.89)
Purchase of Investments	(478.21)	(270.23)
<b>Net Cash used in Investing Activities (B)</b>	<b>434.71</b>	<b>1062.10</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid and Tax on Distributed Profits	(154.96)	(153.93)
<b>Net cash (used in) from Financing Activities (C)</b>	<b>(154.96)</b>	<b>(153.93)</b>
<b>Net increase/(decrease) in cash and cash Equivalents [(A)+(B)+(C)]</b>	<b>(29.11)</b>	<b>(5.84)</b>
Cash and Cash Equivalents (Opening Balance)	57.08	62.92
<b>Cash and Cash Equivalents (Closing Balance)*</b>	<b>27.97</b>	<b>57.08</b>
(for components of cash & cash equivalent - refer note - 12)		
* Break-up as under :-		
Cash Balance in hand	1.12	1.64
Balance with Banks		
i) Current Account	26.85	48.58
ii) Fixed Deposit (maturity within 3 months)	-	4.30
iii) Cheque in Hand	-	2.56
<b>Total</b>	<b>27.97</b>	<b>57.08</b>
Other bank Balances shown under appropriate activities	15.67	14.40
<b>Cash &amp; Bank Balance as per note - 12</b>	<b>43.64</b>	<b>71.48</b>

Notes :

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard- 3 on "Cash Flow Statement".
- Previous year figure have been regrouped/restated wherever necessary.

In terms of our Report of even date attached.

**For Singhi & Co.**

Chartered Accountants  
Firm Reg. No. 302049E

**B. K. Sipani**

Partner  
Membership No. 088926

**Camp : Kolkata**

Dated : 15th May, 2014

**Brajmohan Prasad**

Secretary

**Shalani Nopany**

Managing Director

**C.S. Nopany**

Chairman

**Sanjay Goenka**

**Subroto Lahiri**

**S.K. Khandelia**

**S.S. Maheshwari**

Directors

# SIL INVESTMENTS LIMITED (CONSOLIDATED)

## NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2014

(Rs. in lakhs)

	As at 31st March, 2014	As at 31st March, 2013
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Particulars

### Note No. 1 : Share Capital

#### Authorised

1,20,00,000 (Previous year 1,20,00,000) Equity Shares of Rs 10 each	1200.00	1200.00
	1200.00	1200.00

#### Issued, subscribed and fully paid-up shares

1,05,95,860 (Previous year 1,05,95,860 ) Equity Shares of Rs. 10/- each fully paid-up.	1059.59	1059.59
Add: Forefited shares (No.of shares 35390)(Amount originally paid up)	1.06	1.06
	1060.65	1060.65

#### Terms/ Rights attached to Equity Shares

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However same is subject to the approval of the shareholders in the Annual General Meeting.

#### Reconciliation of the number of Equity Shares outstanding:

Equity shares outstanding at the beginning of the year	10595860	10595860
Equity shares allotted during the year	-	-
Equity shares outstanding at the end the of the year	10595860	10595860

#### Shareholder holding more than 5 percent equity shares of the Company:

S. No.	Name of shareholder	As at 31st March, 2014		As at 31st March, 2013	
		Number of Shares held	Percentage of holding	Number of Shares held	Percentage of holding
1	Uttar Pradesh Trading Co.Ltd.	2019339	19.06	2019339	19.06
2	New India Retailing and Investment Ltd.	1156550	10.92	1156550	10.92
3	Hargaon Investment & Trading Co., Ltd.	1140931	10.77	1140931	10.77
4	Yashovardhan Investment & Trading Co., Ltd.	991224	9.35	991224	9.35
5	Birla Institute of Technology and Science	752439	7.10	752439	7.10
6	Earthstone Holding (Two) Pvt. Ltd.	653580	6.17	-	-
7	Ronsan Traders Ltd.	648249	6.12	648249	6.12

(Rs. in lakhs)

	As at 31st March, 2014	As at 31st March, 2013
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Particulars

### Note No. 2 : Reserves and Surplus

(i) <b>Securities Premium Reserve</b>		
Balance as per last financial statement	3057.15	3057.15
(ii) <b>Reserve Fund</b>		
Balance as per last financial statement	1742.81	1552.01
Add :Additions during the year	255.00	190.80
<b>Closing Balance</b>	1997.81	1742.81

**SIL INVESTMENTS LIMITED (CONSOLIDATED)**
**(Rs. in lakhs)**

Particulars	As at	
	31st March, 2014	31st March, 2013
<b>Note No. 2 : Reserves and Surplus (Contd.)</b>		
(iii) <b>General Reserve</b>		
Balance As per last financial statement	5169.35	5147.69
Add :Additions during the year	29.60	21.66
<b>Closing Balance</b>	<b>5198.95</b>	<b>5169.35</b>
(iv) <b>Statement of Profit &amp; Loss - Balance</b>		
Balance as per last financial statement	6601.52	6098.31
Add: Profit for the year	1189.13	870.63
	<b>7790.65</b>	<b>6968.94</b>
Less: Allocation & Appropriation		
Proposed Dividend @	132.45	132.45
Corporate Dividend Tax	22.51	22.51
Transfer to Reserve Fund	255.00	190.80
Transfer to General Reserve	29.60	21.66
<b>Total</b>	<b>439.56</b>	<b>367.42</b>
<b>Closing Balance</b>	<b>7351.09</b>	<b>6601.52</b>
<b>Total Reserve and Surplus (i to iv)</b>	<b>17605.00</b>	<b>16570.83</b>

@ The Board of Directors have recommended dividend of Rs.1.25 (Previous year Rs.1.25) per Equity Share of Rs.10 each for the year ended 31st March, 2014. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**Note No. 3 : Deferred Tax Liabilities (Net)**
**Deferred Tax Liability on account of:**

Depreciation	48.28	51.07
	<b>48.28</b>	<b>51.07</b>

**Deferred Tax Assets on account of:**

Accrued expenses deductible on payment basis	2.06	2.14
	<b>2.06</b>	<b>2.14</b>

**Deferred Tax Liability/(Assets) (Net)**

	<b>46.22</b>	<b>48.93</b>
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**Note No. 4 : Other Long Term Liabilities**

Security Deposit	3.45	3.58
	<b>3.45</b>	<b>3.58</b>

**Note No. 5 : Provisions**
**(Rs. in lakhs)**

Particulars	Long- term		Short - term	
	As at	As at	As at	As at
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
Provision for Employee Benefits	6.35	6.30	-	-
Proposed Dividend	-	-	132.45	132.45
Corporate Dividend Tax	-	-	22.51	22.51
Contingent Provisions against Standard Assets	-	-	46.80	50.67
	<b>6.35</b>	<b>6.30</b>	<b>201.76</b>	<b>205.63</b>

# SIL INVESTMENTS LIMITED (CONSOLIDATED)

(Rs. in lakhs)

	As at 31st March, 2014	As at 31st March, 2013
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Particulars

## Note No. 6 : Short-term Borrowings

### Secured (Short-term Loan)

#### From Bodies Corporate (Repayable on demand)

Secured by Pledge of - 3,14,80,000 Equity Shares (Previous year 3,11,65,000 Equity Shares) of Chambal Fertilizers & Chemicals Ltd.,; 2975000 Equity Shares (Previous year 30,60,040 Equity Shares) of Zuari Global Ltd.; 28,50,000 Equity Shares (Previous year 30,62,000 Equity Shares) of Zuari Agro Chemicals Ltd.; 12,000 Equity Shares (Previous year NIL Equity Shares) of ITC Limited; 10,000 Equity Shares (Previous year NIL Equity Shares) of Reliance Industries Ltd., and 3,000 Equity Shares (Previous year NIL Equity Shares) of State Bank of India (Rate of Interest @ 11.40% to 13.25% p.a.)	<b>9000.00</b>	11100.00
	<b>9000.00</b>	11100.00

## Note No. 7 : Other Current Liabilities

Interest Accrued but not due on borrowings	27.89	79.48
Unpaid Dividend	15.52	14.27
Statutory dues	19.12	28.63
Directors' Commission	2.25	2.57
Others	8.53	24.43
	<b>73.31</b>	149.38

## Note No. 8.1 & 8.2 : Fixed Assets

(Rs. in lakhs)

Description	GROSS BLOCK COST/BOOK VALUE			DEPRECIATION				NET BLOCK		
	As at 31st March, 2013	Addition	Deduction	As at 31st March, 2014	As at 31st March, 2013	For the Year ended 31st March, 2014	Deduction	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013
<b>Note No.8.1</b>										
<b>Tangible Assets</b>										
Land	806.59	-	-	806.59	-	-	-	806.59	806.59	806.59
Buildings	800.75	-	-	800.75	135.42	13.05	-	148.47	652.28	665.33
Plant & Machinery	126.34	-	-	126.34	43.82	6.00	-	49.82	76.52	82.52
Office Equipments	2.86	-	-	2.86	0.26	0.14	-	0.40	2.46	2.60
Furniture & Fixtures	288.45	-	-	288.45	103.52	18.25	-	121.77	166.68	184.93
<b>Total</b>	<b>2024.99</b>	<b>-</b>	<b>-</b>	<b>2024.99</b>	<b>283.02</b>	<b>37.44</b>	<b>-</b>	<b>320.46</b>	<b>1704.53</b>	<b>1741.97</b>
<b>Note No.8.2</b>										
<b>Intangible Assets</b>										
Goodwill	0.02	-	-	0.02	-	-	-	-	0.02	0.02
<b>Total</b>	<b>2025.01</b>	<b>-</b>	<b>-</b>	<b>2025.01</b>	<b>283.02</b>	<b>37.44</b>	<b>-</b>	<b>320.46</b>	<b>1704.55</b>	<b>1741.99</b>
Previous Year	1983.02	41.99	-	2025.01	246.53	36.49	-	283.02	1741.99	1736.49

Note : Buildings include cost of Ownership premises in Co-operative Housing Societies.



# SIL INVESTMENTS LIMITED (CONSOLIDATED)

Particulars	(Rs. in lakhs)	
	As at 31st March, 2014	As at 31st March, 2013
<b>Note No. 9 : Non-Current Investments</b>		
(Valued at Cost) ( Non-Trade)		
A. <b>QUOTED (Fully paid-up)</b>	<b>13869.44</b>	13391.23
B. <b>UNQUOTED (Fully paid-up) In Equity Shares of other Companies</b>	<b>18.47</b>	18.47
Less: Provision for diminution in value	<b>(2.93)</b>	(2.93)
	<b>15.54</b>	15.54
C. <b>UNQUOTED (Partly paid-up) In Equity Shares of other Companies</b>	<b>30.00</b>	30.00
<b>AGGREGATE VALUE OF INVESTMENTS</b>	<b>13914.98</b>	13436.77
Aggregate of:		
Quoted Investments	<b>13869.44</b>	13391.23
Unquoted Investment	<b>45.54</b>	45.54
	<b>13914.98</b>	13436.77
<b>Aggregate Market Value of Quoted Investments</b>	<b>23772.83</b>	26665.89

## Notes :

- 1 SCM Investment & Trading Co.Ltd. has given an undertaking to Darbhanga Mansion Co-operative Housing Society Limited not to transfer, create any charge, pledge or encumbrance or otherwise dispose of 67500 Equity Shares held by it in Manavta Holdings Ltd. without their written consent.
- 2 SCM Investment & Trading Co.Ltd. has given undertaking to a Bank not to transfer, assign, pledge, hypothecate or otherwise dispose of its shareholding in The Oudh Sugar Mills Ltd. and Upper Ganges Sugar & Industries Ltd. without their prior approval in writing till the respective loan of the Financial Institution to the said companies remain outstanding.
- 3 RTM Investment & Trading Co.Ltd. has given undertaking to a Bank not to transfer, assign, pledge, hypothecate or otherwise dispose of its shareholding in The Oudh Sugar Mills Ltd. and Upper Ganges Sugar & Industries Ltd. without their prior approval in writing till the respective loan of the Financial Institution to the said companies remain outstanding.
- 4 RTM Investment & Trading Co.Ltd. has pledged 23,46,169 Equity Shares of The Oudh Sugar Mills Ltd. to certain lenders on pari-passu basis.

Particulars	(Rs. in lakhs)			
	Long- term		Short - term	
	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2014	As at 31st March, 2013
<b>Note No. 10 : Loans and Advances</b>				
(Unsecured, Considered Good unless otherwise stated)				
<b>Loan to Bodies Corporate*</b>	-	-	<b>12725.00</b>	14087.50
Security Deposit	<b>4.35</b>	4.17	-	-
<b>Advance Recoverable in Cash or in kind</b>				
Considered Good	-	-	<b>13.09</b>	16.29
<b>Others Loan and Advances</b>				
Balance with Statutory/Govt. Authorities	-	-	<b>8.02</b>	25.45
Income Tax refund Receivable	-	-	<b>32.95</b>	32.94
Advance Tax (Net of provisions for Taxation)	-	-	<b>175.91</b>	243.58
Prepaid Expenses			<b>0.24</b>	6.56
<b>Total</b>	<b>4.35</b>	4.17	<b>12955.21</b>	14412.32

\*including to related party Rs.6325.00 lakhs(Previous year Rs.6087.50 lakhs)

## SIL INVESTMENTS LIMITED (CONSOLIDATED)

(Rs. in lakhs)

Particulars	Unit (Nos.)	NAV Unit (Rs.)	As at 31st March, 2014	As at 31st March, 2013
<b>Note No. 11 : Current Investments</b>				
Unquoted (Fully paid-up) (Non-Trade)				
Investments in Mutual Fund(at cost or Fair Value whichever is lower)				
UTI Mutual Fund - Treasury Advantage Fund Institutional Plan (Daily Dividend) Reinvest option	321.085 (4943.168)	1002.3211 (1000.2141)	3.21	49.44
SBI - Dynamic Bond Fund - Dividend*	-	-	-	10.00
	(88880.9884)	(11.2510)		
HDFC Liquid Fund Premium Plan Growth	24.191 (24.191)	25.7260 (23.4757)	0.01	0.01
Aggregate Market value of Unquoted Investments			<u>3.22</u>	<u>59.45</u>
* Redemption during the year.				

(Rs. in lakhs)

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>Note No. 12 : Trade Receivable</b>		
(Unsecured, considered Good)		
Other Debts	20.39	25.33
	<u>20.39</u>	<u>25.33</u>

### Note No. 13 : Cash & Bank Balances

<b>a) Cash and Cash equivalents</b>		
Cash Balance on Hand	1.12	1.63
Balance with Banks		
i) in Current Account	26.85	48.58
ii) in Fixed Deposit (maturity within 3 months)	-	4.30
ii) Cheque in Hand	-	2.56
<b>b) Earmarked Balances with Bank</b>		
i) Unpaid Dividend	15.52	14.27
ii) Employees Security Deposit	0.15	0.14
	<u>43.64</u>	<u>71.48</u>

### Note No. 14 : Other Current Assets

Interest accrued and due on Intercompany Deposit	148.33	176.51
	<u>148.33</u>	<u>176.51</u>

# SIL INVESTMENTS LIMITED (CONSOLIDATED)

Particulars	(Rs. in lakhs)	
	As at 31st March, 2014	As at 31st March, 2013

## Note No. 15 : Contingent Liabilities and Commitments

a) In case of RTM Properties Limited, an appeal is pending before Deputy Commissioner of Sales Tax in respect of refundable Sales Tax. Considering the merit of the case, the Company is hopeful of recovering the entire amount. Hence, no provision against the amount is considered necessary.	3.95	3.95
b) Contingent liability (not provided for) in respect of: Uncalled capital on partly paid shares held as investment	120.00	120.00

## NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

Particulars	(Rs. in lakhs)	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013

## Note No. 16 : Revenue from Operations and Investments

Interest on Loans to Bodies Corporate, etc.	1989.71	2291.71
Dividend on Non-Current Investments - other than trade	847.34	821.04
Dividend on Current Investments	3.94	11.67
Profit on sale of Non-Current investments	5.28	-
Profit on sale of Current Investments (Previous year Rs. 48/-)	0.15	-
	<b>2846.42</b>	<b>3124.42</b>

## Note No. 17 : Other Income

Rent	74.46	78.71
Interest from Income Tax Department	19.58	27.12
Interest on Advance, Deposits etc.	0.39	0.56
Sundry Credit Balance w/back	0.01	-
Adjustment relating to Previous year (Net)	0.05	-
Contingent Provisions against Standard Assets written back	3.87	3.61
Excess Provision & Liabilities written back	0.01	0.04
Miscellaneous Income	-	0.03
	<b>98.37</b>	<b>110.07</b>

## Note No. 18 : Finance costs

Interest Expenses	1269.53	1572.19
Other Borrowing costs	42.09	77.72
	<b>1311.62</b>	<b>1649.91</b>

# SIL INVESTMENTS LIMITED (CONSOLIDATED)

(Rs. in lakhs)

	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
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Particulars

**Note No. 19 : Employee Benefits Expense**

Salaries, etc.	23.23	24.53
Staff welfare expenses	0.75	0.41
	23.98	24.94

**Note No. 20 : Other Expenses**

Insurance	0.79	0.68
Rates and Taxes	3.29	2.65
<b>Repairs and Maintenance:</b>		
Buildings	16.51	11.52
Others	0.06	-
Travelling Expenses	42.84	79.25
Miscellaneous Expenses	49.76	50.03
<b>Auditors Remuneration:</b>		
As Auditors	0.84	0.79
In other Capacity, for Certifications and other matters	0.25	0.32
Tax Audit	-	0.06
Adjustment Relating to previous year (Net)	-	0.94
Directors' Commission & Fees	4.27	5.39
Loss on Sale of Non-Current Investments - Other than Trade	-	256.88
	118.61	408.51

**Note No. 21 : Depreciation**

Depreciation of tangible assets (Refer Note No. 8.1)	37.44	36.49
	37.44	36.49

**Note No. 22 : Current Tax**

Current Tax for the year	251.49	229.45
Current Tax adjustments for earlier year (Net)	0.02	(1.73)
	251.51	227.72

**Note No. 23 : Summary of significant accounting policies and other notes on accounts:**

**23.01 Summary of significant accounting policies**

**(A) Basis of Accounting**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued under the Accounting Standard Rules, 2006 notified by the Central Government and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis except claims/refund which are accounted for on receipt basis due to uncertainties. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year.

**(B) Principles of Consolidation**

(a) The consolidated financial statements related to the Company, M/s. SIL Investments Limited and its Subsidiary Companies and two other subsidiary companies (which became subsidiary of the company by virtue of their having become subsidiary of subsidiary companies). The consolidated financial statements have been prepared on the following basis :

- (i) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard (AS-21) - "Consolidated Financial Statements" notified under the Accounting Standard Rules, 2006 issued by the Central Government.
- (ii) The financial statements of the Parent Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions.
- (iii) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.
- (iv) The difference in the investment cost of the Parent Company and Equity Share Capital & Securities Premium in the accounts of subsidiaries, to the extent not eliminated, is recognised in the financial statement as goodwill.
- (v) SCM Investment & Trading Co. Ltd. became from a wholly owned Subsidiary Company to not wholly owned Subsidiary Company during the year 2009-10. Accordingly minorities' interest in net profit of not wholly owned subsidiaries for the year is identified of Rs.15.21 lakhs (Previous Year Rs.14.99 lakhs) and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Minorities shares of net assets is identified of Rs.797.93 lakhs (Previous Year Rs.782.72 lakhs) and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding Company.

(b) The Subsidiary Companies (incorporated in India) considered in the consolidated financial statements are :

Name of Company	% voting power held as at 31st March, 2014
SCM Investment & Trading Company Ltd. (SCMIT)	80.53
RTM Investment & Trading Company Ltd. (RTMIT)	100
SIL Properties Ltd.	100 \$
RTM Properties Ltd.	100 #
\$ Held by SCMIT and Parent Company.	
# Held by RTMIT and Parent Company.	

**(C) Revenue Recognition**

Income from Investments and financing activities is taken into account when it become accrue to the Company.

**(D) Fixed Assets**

Fixed assets are stated at cost of acquisition inclusive of duties,taxes,incidental expenses and erection/commissioning expenses etc.

**(E) Depreciation**

- i) Depreciation on the fixed assets is provided on Straight Line method at the rates specified in the Schedule XIV of the Companies
- ii) Depreciation on the fixed assets disposed off during the year is provided on pro-rata basis with reference to the date of disposal.

**(F) Investments**

Non-current investments are stated at cost. The Company provides for diminution, other than temporary, in the value of non-current investments. Current investments are valued at lower of cost or fair value.

**(G) Retirement Benefits**

- a) Retirement benefits in the form of Provident Fund is not applicable to the Company as the total number of employees are below the minimum required number of employees under payment of Employees Provident Fund (Misc. Provisions) Act, 1952.
- b) Gratuity has not been provided as the Payment of Gratuity Act is not applicable to the Company as total number of employees are below the minimum required number of employees under Payment of Gratuity Act, 1972.
- c) Year end leave encashment benefit is provided for on accrual basis.

**(H) Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**23.02** As there is only one segment in the Company, hence Segment Reporting (AS-17) is not applicable.

**23.03** There is shortfall in the market value of certain non-current investments in shares. However, the Company has not made provision in respect of such shortfall aggregating to Rs.4543.95 lakhs (Previous Year Rs.4532.82 lakhs) as the same in the opinion of the Management, is not permanent in nature. However, there is no diminution in the overall market value of the quoted/unquoted investments and break-up value of unquoted investments.

**23.04 Related Party Disclosure**

<b>A</b>	<b>Key Management Personnel and their relatives</b>	Mrs. Shalini Nopany (Managing Director)
<b>B</b>	<b>Enterprise owned or significantly influenced by Key Management Personnel and their relatives</b>	The Oudh Sugar Mills Limited

**C Transactions with Related Parties during the year: (Rs. in lakhs)**

	Particulars	Key Management personnel and their relatives	Enterprise owned or significantly influenced by Key Management Personnel and their relatives
<b>(a)</b>			
<b>1</b>	Intercompany Loan placed - The Oudh Sugar Mills Ltd.		1100.00 (400.00)
<b>2</b>	Intercompany Loan received back - The Oudh Sugar Mills Ltd.		862.50 (1200.00)
<b>3</b>	Remuneration to Managing Director	18.00 (18.00)	
<b>4</b>	Interest income on Intercompany Loan - The Oudh Sugar Mills Ltd.		985.50 (690.06)
<b>(b)</b>	Balance outstanding as on 31.03.2014		
	Intercompany Loan receivable - The Oudh Sugar Mills Ltd.		6325.00 (6087.50)
<b>(c)</b>	Interest receivable on Intercompany Loan as on 31.03.2014 - The Oudh Sugar Mills Ltd.		75.93 (55.53)

- Note 1. The above information has been identified on the basis of information available with the Company and relied upon by the Auditors
2. Figures in bracket represent previous year's amounts.

## SIL INVESTMENTS LIMITED (CONSOLIDATED)

### 23.05 Earnings per Share (EPS)

The numerators and denominators used to calculate Basic and Diluted Earnings Per Share :

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
Profit attributable to the Equity Shareholders(A) (Rs. in lakhs)	1189.13	870.63
Number of Equity Shares (B)	105.96	105.96
Nominal Value of Equity Share (Rs.)	10.00	10.00
Basic and Diluted Earnings per Share (Rs.) A/B	11.22	8.22

### 23.06 Expenditure In Foreign Currency

		(Rs. in lakhs)
	2013-14	2012-13
Director Travelling (On accrual basis)	6.29	42.26

23.07 Previous year figures have been reclassified/regrouped to conform current year figures.

### Signature to Notes 1 to 23.07

In terms of our Report of even date attached.

#### For Singhi & Co.

Chartered Accountants  
Firm Reg. No. 302049E

#### B. K. Sipani

Partner  
Membership No. 088926

Camp : Kolkata  
Dated : 15th May, 2014

**Brajmohan Prasad**  
Secretary

**Shalini Nopany**  
Managing Director

**C.S. Nopany**  
Chairman

**Sanjay Goenka**  
**Subroto Lahiri**  
**S.K. Khandelua**  
**S.S. Maheshwari**  
Directors







