

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED

70TH ANNUAL REPORT 2010 - 2011

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED

70TH ANNUAL REPORT 2010 – 2011

DIRECTORS

Ms. Nandini PIRAMAL
Mr. Chandrakant Khetan
Mr. C.M. Hattangdi
Mr. V.C. Vadodaria
Mr. Khushru B. Jijina

AUDIT COMMITTEE MEMBER

Mr. Chandrakant Khetan
Mr. C.M. Hattangdi
Mr. Khushru B. Jijina

BANKER

HDFC Bank Limited

AUDITORS

M/s. Kulkarni & Khanolkar
Chartered Accountants

REGISTERED OFFICE

4th Floor, Piramal Tower Annexe
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013.

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED

Regd. Office :

4th Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.

NOTICE

TO THE MEMBERS

NOTICE is hereby given that the 70th Annual General Meeting of the members of the Company will be held on the day, date, time and place mentioned hereunder, to transact the following business :

Day, Date & Time : Monday, the 26th September, 2011 at 11.30 a.m.

Place : 4th Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400 013.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for year ended on that date together with Reports of the Directors and Auditors thereon.
2. To declare dividend.
3. To appoint Director in place of Mr. V.C. Vadodaria, who retires by rotation and is eligible for re-appointment.
4. To appoint Director in place of Ms. Nandini Piramal, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

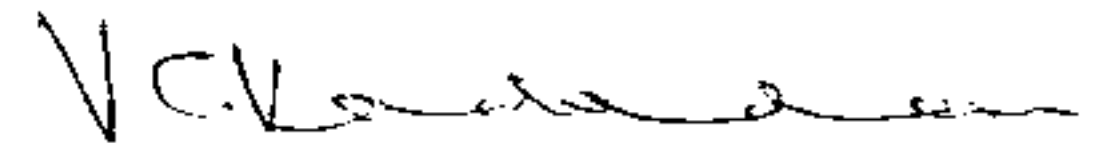
NOTES :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.**
2. The Register of Members and Share Transfer Books of the Company have been declared closed from Thursday, the 22nd September, 2011 to Monday, the 26th September, 2011 (both days inclusive).

: 2 :

3. Dividend on equity shares as recommended by the Directors for the financial year ended 31st March, 2011 when declared at the Meeting, will be paid within 5 days from date of declaration.

By Order of the Board



**V.C. VADODARIA
DIRECTOR**

Registered Office :

4th Floor, Piramal Tower Annexe
Ganpatrao Kadam Marg,
Lower Parel
Mumbai 400 013.

Dated : 27th June, 2011

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THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED

Regd. Office :

4th Floor, Piramal Tower Annexe, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.**DIRECTORS' REPORT****TO THE SHAREHOLDERS**

The Directors present their 70th Annual Report on the affairs of the Company for the year ended 31st March, 2011 together with the Audited Statement of Accounts.

	Current Year	Previous Year
	-----	-----
	(31-03-2011)	(31-03-2010)
	(Rs.)	(Rs.)
1. WORKING RESULTS		
The year's working after meeting all expenses resulted in Profit after tax of :	21,32,728	9,56,51,189
Add : Extra-Ordinary Items :		
Prior Period Tax adjustments	11,47,396	7,43,446
Balance of Profit brought forward	9,67,15,145	6,00,372
	-----	-----
Disposable Profit	9,99,95,269	9,69,95,007
	=====	=====

Total Profit amounting to **Rs.9,99,95,269/-** is appropriated as under :

APPROPRIATION		
Reserve under Section 45 IC(1) of Reserve Bank of India Act, 1934	4,26,546	-
Proposed dividend	2,40,000	2,40,000
Tax on Proposed Dividend	38,935	39,862
Balance carried to Balance Sheet	9,92,89,789	9,67,15,145
	-----	-----
	9,99,95,269	9,69,95,007
	=====	=====

2. DIVIDEND

The Directors have recommended a Dividend of Re.1/- per share (previous year Re.1/- per share) on 2,40,000 Equity Shares of Rs.10/- each which will be paid to eligible members within 5 days of the approval by the shareholders at the forthcoming Annual General Meeting.

3. WORKING OF THE COMPANY

The Directors are making efforts to improve the performance of the Company in the current year.

4. SUBSIDIARY COMPANIES

During the year under review, pursuant to Scheme of Amalgamation Nandini Piramal Investments Pvt.Limited and Savoy Finance & Investments Pvt.Limited, Wholly Owned Subsidiaries of the Company stood merged with the Company. The Appointed dated under the Scheme was 1st April, 2010 and effective date of the Scheme was 7th January, 2011.

5. PARTICULARS OF EMPLOYEES

There was no employee during the year in receipt of remuneration as prescribed under Section 217(2A) of the Companies Act, 1956.

6. DIRECTORS

In accordance with the provisions of the Companies Act, 1956, Mr. V.C. Vadodaria and Ms. Nandini Piramal retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

The Audit Committee constituted by the Board consist of Mr. Khushru B. Jijina, Mr. C.M. Hattangdi and Mr. Chandrakant Khetan.

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and its Profit for the year ended on that date;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the annual accounts on a going concern basis.

8. **"GROUP" as defined in MRTP Act, 1969**

As per the intimation from the Promoters, the persons and entities comprising the 'Group' as defined in Monopolies and Restrictive Trade Practices Act, 1969 ('MRTP') which exercises, or is established to be in a position to exercise, control, directly or indirectly, over the Company, include the following:

1. Mr. Ajay G. Piramal
2. Dr. (Mrs.) Swati A. Piramal
3. Mrs. Lalita G. Piramal
4. Ms. Nandini Piramal
5. Mr. Anand Piramal
6. Ajay G. Piramal (HUF)
7. Gopikisan Piramal (HUF)
8. Adelwise Investments Pvt. Ltd.
9. Akshar Fincom Pvt. Ltd.
10. Alpex Holdings Pvt. Ltd.
11. Alpex Power Pvt. Ltd.
12. Assable Buildcon LLP.
13. BMK Laboratories Pvt. Ltd.
14. Cavaal Fininvest Pvt. Ltd..
15. Glass Engineers Pvt. Ltd.
16. Gliders Buildcon LLP
17. Gopikishan Piramal Pvt. Ltd.
18. INDIAREIT Fund Advisors Pvt. Ltd.
19. IndiaVenture Advisors Pvt. Ltd.
20. Nicholas Piramal Pharma Pvt. Ltd.
21. Oxygen Bio Research Pvt.Ltd.
22. Paramount Pharma Pvt. Ltd.
23. PDL Realty Pvt.Ltd.
24. PEL Fininvest Pvt.Ltd.
25. PEL Management Services Pvt. Ltd.
26. PEL Infraconstructions & Developers Pvt.Ltd.
27. PHIL Capital Pvt.Ltd.
28. PHL Fininvest Private Ltd.
29. Piramal Architects & Engineers Pvt.Ltd.
30. Piramal Commercial Estates LLP
31. Piramal Developers Pvt.Ltd.
32. Piramal Enterprises Ltd.
33. Piramal Glass Limited.
34. Piramal Healthcare Ltd.
35. Piramal International Pvt. Ltd.
36. Piramal Life Sciences Limited.
37. Piramal Management Services Pvt. Ltd.
38. Piramal Pharmaceutical Development Services Pvt. Ltd.
39. Piramal Projects and Constructions Pvt.Limited.
40. Piramal Realty Pvt.Ltd., (Formerly known as Alpex International Ltd.).
41. Piramal Residences Pvt.Ltd.

42. Piramal Systems & Technologies Pvt.Ltd.
43. Piramal Texturising Pvt. Ltd.
44. Piramal Water Pvt. Ltd.
45. PRL Developers Pvt.Limited.
46. Propiedades Realities Pvt. Ltd.
47. The Ajay G. Piramal Foundation
48. The Sri Gopikrishna Trust
49. The Sri Govinda Trust
50. The Sri Hari Trust
51. The Sri Krishna Trust
52. Topzone Mercantile LLP
53. Vulcan Investments Pvt. Ltd.

The above disclosure has been made, inter-alia, for the purpose of Regulation 3(1)(e) of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 1997

9. SECRETARIAL COMPLIANCE CERTIFICATE

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

10. AUDITORS

The Auditors, M/s. Kulkarni & Khanolkar, Chartered Accountants, Mumbai, retire as Auditors of the Company at the ensuing Annual General Meeting and are eligible for re-appointment.

For and on behalf of the Board


KHUSHRUJIJINA
DIRECTOR


V.C. VADODARIA
DIRECTOR

Mumbai

Dated : 27th June, 2011.

**KULKARNI & KHANOLKAR (REGISTERED)
CHARTERED ACCOUNTANTS**

13/14, Bell Building,
Sir Pheroza Shah Mehta Road,
Fort, MUMBAI - 400 001.
Tel No: (022) 22874113 & 22874043
Fax No. : (022) 22043011.
E-mail: kulkarniandkhanolkar@gmail.com

Auditor's Report to the

Members of the Swastik Safe Deposit & Investments Ltd.

1. We have audited the attached balance sheet of Swastik Safe Deposit & Investments Ltd., as at 31st March 2011, the profit and loss account and the Cash Flow Statement for the year ended on 31st March, 2011 annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

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E-mail: kulkarniandkhanolkar@gmail.com

4. Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) 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.
- (iii) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of accounts.
- (iv) In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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- (a) in the case of the balance sheet, of the state of affairs of the company as at 31st March 2011
- (b) in the case of the profit and loss account, of the profit for the year ended on 31st March 2011, and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on 31st March, 2011.

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

P. D. Joshi



P.D.Joshi
Partner
M. No.15279

Place : Mumbai
Date : 30th May 2011

Annexure

**Re : Swastik Safe Deposit & Investments Ltd.
Referred to in paragraph- 3 of our report of even date**

- (i) The Company does not have any fixed assets.
- (ii) The company did not have any inventory & hence the question of maintenance of book records & its physical verification did not arise.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- (iv) The company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act .
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase and sale of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) We are informed that the Company has not entered into any transaction with the companies in which directors are interested.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public in terms of the RBI directives.
- (vii) The company did not have formal internal audit system.

- (viii) Maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 pursuant to the Rules made by the Central Government is not applicable.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income tax and other Statutory dues applicable to it.
- (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) The company does not have accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- (xii) We are informed that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in, or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.

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- (xv) We are informed that the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) The Company has borrowed Short Term funds by way of loans whose outstanding balance as on 31 March, 2011 is Rs.75 Crores. The Company has invested a part of the funds in Long Term Investments. However, the exact quantum of use of Short term funds for Long Term Investments cannot be quantified.
- (xvii) According to the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xviii) According to the information and explanations given to us, during the period covered by our audit report, the company has not issued any debentures.
- (xix) The company has not raised money by way of public issue.
- (xx) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

P. D. Joshi



P.D.Joshi
Partner
M. no.15279

Place : Mumbai
Date : 30th May, 2010

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule Number	Current Year (Rs.)	Previous Year (Rs.)
SOURCES OF FUNDS :			
1. Shareholders' Fund:			
Capital	1	2,400,000	2,400,000
Reserves & Surplus	2	6,331,210,651	143,902,818
2. Loan Funds :			
Unsecured loans	3	780,823,542	791,279,972
		<u>7,114,434,193</u>	<u>937,582,790</u>
APPLICATION OF FUNDS :			
1. Investments	4	6,311,303,710	758,351,938
2. Current Assets, Loans and Advances	5	843,528,676	221,389,349
Less: Current Liabilities & Provisions	6		
Current Liabilities		894,258	1,742,152
Provisions		39,503,935	40,416,345
		<u>40,398,193</u>	<u>42,158,497</u>
Net Current Assets		803,130,483	179,230,852
TOTAL		<u>7,114,434,193</u>	<u>937,582,790</u>
NOTES TO ACCOUNT	10		

Schedules referred to above and notes attached thereto form an integral part of Profit & Loss Account.
This is the Profit & Loss referred to in our report of even date.

M/S KULKARNI & KHANOLKAR

Chartered Accountants

P. D. Joshi

P. D. Joshi
Partner

Mumbai, 30th May, 2011



For and on Behalf of the Board of Directors

Khushru Jijina

Khushru Jijina
Mumbai, 30th May, 2011

V. C. Vadodaria

V. C. Vadodaria

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule Number	Current Year (Rs.)	Previous year (Rs.)
INCOME :			
Interest Received		8,235,813	5,042,524
Dividend		83,347,139	30,475,094
Other Income	7	134,124,534	149,999,999
		225,707,486	185,517,617
EXPENDITURE :			
Administrative Expenses	8	2,381,646	272,807
Financing Cost	9	112,980,846	55,593,621
Loss on Sale of Shares		102,987,266	-
		218,349,758	55,866,428
PROFIT BEFORE DEPRECIATION AND TAXATION			
		7,357,728	129,651,189
Provision for Income Tax		5,225,000	34,000,000
PROFIT AFTER TAX			
		2,132,728	95,651,189
Prior Period Items		1,147,396	743,446
Balance of Profit (loss) Brought Forward		96,715,145	600,372
DISPOSABLE PROFIT			
		99,995,269	96,995,007
APPROPRIATION :			
Section 45 IC(1) of Reserve Bank of India Act ,1934		426,546	-
Proposed dividend		240,000	240,000
Tax on Proposed Dividend		38,935	39,862
Balance carried to Balance Sheet		99,289,789	96,715,145
		99,995,269	96,995,007

Notes to accounts :

10

Schedules referred to above and notes attached thereto form an integral part of Profit & Loss Account.
This is the Profit & Loss referred to in our report of even date.

M/S KULKARNI & KHANOLKAR
Chartered Accountants

P. D. Joshi

P. D. Joshi
Partner

Mumbai, 30th May, 2011



For and on Behalf of the Board of Directors

Khushru Jijina

Khushru Jijina
Mumbai, 30th May, 2011

V. C. Vadodaria

V. C. Vadodaria

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED
Schedules Attached To And Forming Part Of Balance Sheet For The Year Ended 31.3.2011

	Current Year (Rs.)	Previous Year (Rs.)
SCHEDULE 1 : SHARE CAPITAL :		
Authorised :		
250,000 (2,50,000) Equity Shares of Rs.10/- each fully paid up	<u>2,500,000</u>	<u>2,500,000</u>
Issued, Subscribed and paid up :		
240,000 (2,40,000) Equity Shares of Rs.10/- each fully paid up	<u>2,400,000</u>	<u>2,400,000</u>
SCHEDULE 2 : RESERVES & SURPLUS :		
Capital Reserve:		
Balance as per last Balance Sheet	870,485	870,485
Add: Transferred during the year pursuant to merger	<u>2,875,840</u>	<u>-</u>
	3,746,325	870,485
Capital redemption reserve :	-	-
Add: Transferred during the year pursuant to merger	<u>9,500</u>	<u>-</u>
	9,500	-
General reserve		
Balance as per last Balance Sheet	18,740,529	18,740,529
Add: Transferred during the year pursuant to merger	<u>6,123,575,652</u>	<u>-</u>
	6,142,316,181	18,740,529
Reserve Fund Under RBI :		
Balance as per last Balance Sheet	27,576,659	27,576,659
Add: Transferred during the year pursuant to merger	<u>12,904,292</u>	<u>-</u>
	40,480,951	27,576,659
Profit & Loss Account		
Balance as per last Balance Sheet	96,715,145	600,372
Add: Transferred during the year	<u>47,942,549</u>	<u>96,114,773</u>
	144,657,694	96,715,145
	<u>6,331,210,651</u>	<u>143,902,818</u>
SCHEDULE 3 : UNSECURED LOANS :		
Loan from Others	<u>- 780,823,542</u>	<u>791,279,972</u>

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED

SCHEDULE "4": INVESTMENTS (LONG TERM) ATTACHED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011

No. of Shares/Deb	Previous Year (Rs)	Sr. No.	Name of the Company	Face value	No. of Shares/Deb.	Current Year (Rs.)
7,221,124	729,623,108	I.	QUOTED:			
			1) Equity shares (Fully paid up) :			
			a) Piramal Healthcare Ltd.	2	-	-
767,031	16,978,546		b) Piramal Glass Ltd.	10	-	-
583,111	-		c) Piramal Life Sciences Ltd.	10	4,960	793,600
	746,601,654					793,600
		II.	UNQUOTED			
			1) Equity Shares (Fully Paid up) :			
50,000	1,343,799		a) The Travancore Cements Ltd	10	50,000	1,343,800
10,000	100,000		b) Nandini Piramal Investments Pvt. Ltd. (A wholly Owned Subsidiary Company)		-	-
10,000	100,000		c) Savoy Finance & Investments Pvt. Ltd. (A wholly Owned Subsidiary Company)		-	-
112	860		b) Piloni Investments Corporation Ltd	10	112	860
			2) Preference Shares			
95,715	9,165,450		a) 15% Non-Cumulative Pref. shares (Fully paid) Piramal Enterprises Ltd	10	95,715	9,165,450
450	1,040,175		b) 5% Cumulative redeemable Pref. shares of Piramal International Pvt. Ltd.	10	-	-
			c) 6% Non Cumulative Redeemable Pref. Shares of Paramount Pharma Pvt. Ltd.	10	252,000	6,300,000,000
	11,750,284					6,310,510,110
	758,351,938		TOTAL			6,311,303,710

	Current Year		Previous Year	
	Book Value	Market Value	Book Value	Market Value
Quoted Investments	7,93,600	5,30,720	746,601,654	3,206,865,263

SCHEDULE 5 : CURRENT ASSETS, LOANS & ADVANCES:

a) Current Assets :

With Scheduled banks in
Current Accounts

205,524 48,229

b) Loans and Advances :

(Unsecured, considered good)

Advance Tax (2008-09)

- 3,400,000

Advance Tax (2009-10)

33,449,000 33,449,000

Advance Tax (2010-11)

900,000 -

Tax Deducted at Source/Self Asst Tax

1,023,174 29,625,621

Income Tax Refund Receivable

50,200,806 26,761,175

Interest on Income tax refund receivable

3,900,172 2,237,913

Advance Share Application Money

753,850,000 125,867,411

843,528,676 221,389,349

SCHEDULE 6 : CURRENT LIABILITIES & PROVISIONS:

a) Current Liabilities:

Liabilities for Expenses

101,509 324,448

Unpaid Dividend

17,753 25,715

Tax Deducted at Source Payable

774,996 1,391,989

894,258 1,742,152

b) Provisions:

Provision for Income Tax (A.Y.06-07)

- 736,483

Provision for Income Tax (A.Y.2009-10)

- 5,400,000

Provision for Income Tax (A.Y.2010-11)

34,000,000 34,000,000

Provision for Income Tax (A.Y.2011-12)

5,225,000 -

Proposed Dividend

240,000 240,000

Tax on Proposed Dividend

38,935 39,862

39,503,935 40,416,345

SCHEDULE 7 : OTHER INCOME:

Profit on Sale of Shares

134,124,534 -

Profit on Sale of Trademark

- 149,999,999

134,124,534 149,999,999

SCHEDULE 8 : ADMINISTRATIVE EXPENSES :

Directors Fees

17,250 12,250

DP Charges

21,034 5,386

Advertisement Expenses

439,674 100,601

Auditors Remuneration:

Audit fees

33,090 33,090

Tax Audit fees

5,515 2,758

Miscellaneous Expenses

50,228 37,852

Legal & Professional Charges

1,814,855 80,870

2,381,646 272,807

SCHEDULE 9 : FINANCING COST

Interest Paid

112,980,846 55,593,621

112,980,846 55,593,621

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LTD.

SCHEDULE 10 : NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2011

1 Significant Accounting Policies:

i) Basis of Accounting:

Financial Statements are prepared on accrual basis of accounting.

ii) Fixed Assets:

All the fixed assets are stated at cost of acquisition less accumulated depreciation.

iii) Investments:

a) Quoted Investments (Long Term) are stated at their fair market value in accordance with the accounting treatment prescribed in the scheme of amalgamation as approved by the bombay high court vide its order dated 26-11-10.

b) Unquoted Investments are valued at cost.

iv) Interest on Demand/Call loans:

Interest on demand/call loans are accounted as on year end or on date of repayment of demand/call loans whichever is earlier.

v) Deferred Tax Liabilities/ Assets:

There are no deferred tax assets / liabilities.

vi) Prior Period Items:

Prior period adjustments represent excess provision for tax / demands for earlier years.

2 Pursuant to the Scheme of Amalgamation sanctioned by the Honourable Bombay High Court of the judicature at Bombay vide its order dated 26/11/2010, the following companies merged with the Company effective from 1 st April, 2010.

Savoy Finance & Investments Pvt. Ltd.

Nandini Piramal Investments Pvt. Ltd.

i) Pursuant to the scheme all the assets & liabilities of the aforesaid amalgamating companies as on 1st April, 2010 alongwith assets & liabilities of the Amalgamated company are recorded at fair value on 23/08/2010 (when the scheme of the merger was approved by the board).

ii) Inter company balances have been cancelled. Investments in the equity share capital of the aforesaid companies have also been cancelled.

iii) The net value of assets transferred & recorded in the books of the Company & appreciation in the value of assets of the company after considering adjustments in (ii) above has been credited to general reserve account.

iv) Profit or Loss on sale of shares have been calculated based on the fair market value, at which the same was recorded pursuant to the scheme of amalgamation.

3 Contingent Liability:

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

4 As the Company is not a manufacturing company, the information required under clause 4C of Part II of Schedule VI of the Companies Act, 1956 has not been given.

5 Earnings Per Share [Accounting Standered 20]

	[Amounts in lacs]	
	Current Year	Previous Year
Net Profit as per P&L A/c before interest and tax	1203.39	1852.45
Less : Interest	1129.81	555.94
Net Profit after Interest , before Tax	73.58	1,296.51
Less : Tax Provision	52.25	340.00
Net Profit after Tax	21.33	956.51
Less : Preference dividend	-	-
Earnings available to Equity Shareholders (Before extra-ordinary item)	21.33	956.51
Less : Extra Ordinary Item	(11.47)	(7.43)
Earnings available to Equity Shareholders	32.80	963.95
Equity Shares	2.40	2.40
Earnings Per Share (Before extra-ordinary Items)	8.89	398.55
Earnings Per Share (After extra-ordinary Items)	13.67	401.64

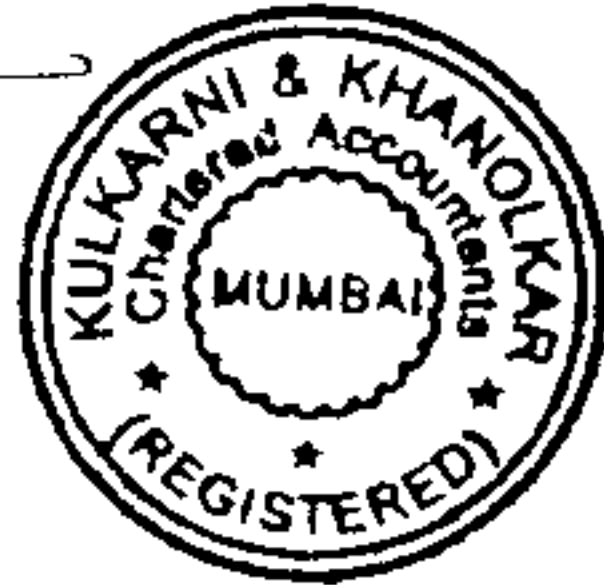
- 6 The company has been advised that as there is no tax effect of timing difference based on the estimated computation for a reasonable period, there is no provision for deferred tax in terms of Accounting Standard (AS 22) on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
- 7 The company has not received information from vendor regarding their status under the Micro Small Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid at the year end together with interest paid or payable under this act have not been given
- 8 The figures for the year ended March 31,2011 are strictly not comparable since they includes the merger of Savoy Finance & Investments Pvt. Ltd. & Nandini Piramal Investments Pvt. Ltd. w.e.f. 1st April,2010.
- 9 Figures for the previous year are regrouped or rearranged wherever necessary.

Signatures to schedule 1 to 10

M/S KULKARNI & KHANOLKAR
Chartered Accountants

P. D. Joshi

P. D. Joshi
Partner
Mumbai, 30th May,2011



For and on behalf of the Board of Directors

K. Jijina

Khushbu Jijina
Mumbai, 30th May,2011

V.C. Vadodaria

V.C. Vadodaria

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED
F.Y.2010-11

Groupings for Balancesheet :

Unsecured Loan	31.3.2011	
	(Rs.)	
HDFC Ltd	750,000,000	
Nozaki Finance & Investments Pvt. Ltd.	20,323,542	
V.C.Vadodaria	10,500,000	
	780,823,542	
Current Liabilities :		
<u>Liabilities For Expenses</u>		
Directors Sitting Fees	7,250	
Audit Fees/ Tax Audit Fees Payable	34,744	
Professional Fees Payable	59,515	
<u>Unpaid dividend</u>		
F.Y. 2007-08	5,443	
F.Y. 2008-09	7,159	
F.Y. 2009-10	5,151	
<u>TDS Payable</u>		
On Interest	765,135	
On Professional Fees	9,861	
	894,258	
Current Assets :		
<u>Advance Share Application Money</u>		
Paramount Pharma Pvt. Ltd.	753,850,000	
	753,850,000	
<u>Bank Balances</u>		
HDFC Bank Ltd.	187,863	
Balance in Dividend Account	17,661	
	205,524	
<u>TDS & Advance Taxes</u>		
Advance Tax (A.Y.2010-11)	33,449,000	
Advance Tax (A.Y.2011-12)	900,000	
	34,351,630	
TDS A.Y. 2009-10	603,119	
TDS A.Y. 2010-11	280,461	
TDS A.Y. 2011-12	136,965	
S.A. Tax (A.Y.2010-11)	2,630	
	1,023,175	
Income Tax Refund Receivable	50,200,806	
	50,200,806	
Interest on IT Refund Receivable	3,900,172	
	3,900,172	

89,473,153

THE SWASTIK SAFE DEPOSIT & INVESTMENTS LTD.

Groupings for Profit & Loss A/c

31.03.2011

Interest Income

Interest received from Nozaki	1,369,653
Interest on Income Tax refund	6,866,160
	<u>8,235,813</u>

Dividend Received

From Piramal Healthcare Ltd.	82,148,456
From Piramal Glass Ltd.	1,055,111
From Piramal Enterprises Ltd. (Pref. Dividend)	143,573
	<u>83,347,139</u>

Other Income

Profit on sale of shares	134,124,534
	<u>134,124,534</u>

Miscellaneous Expenses

Filing Fees	48,230
Bank Charges	1,997
	<u>50,227</u>

Legal & Professional Fees

Professional Fees	1,803,825
Listing fees	11,030
	<u>1,814,855</u>

Financing Cost

Interest paid on unsecured loan	112,980,846
	<u>112,980,846</u>

5 **Break-up of Investments :**

Current Investments :

1. Quoted :

(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (please specify)	Nil

2. Unquoted :

(i) Shares : (a) Equity	Nil
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

Long Term investments :

1. Quoted :

(i) Shares : (a) Equity	7.94
(b) Preference	Nil
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

2. Unquoted :

(i) Shares : (a) Equity	13.45
(b) Preference	63,091.65
(ii) Debentures and Bonds	Nil
(iii) Units of mutual funds	Nil
(iv) Government Securities	Nil
(v) Others (Please specify)	Nil

6 Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

Category	Amount net of provisions		Total
	Secured	Unsecured	
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil

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

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil

8 Other information

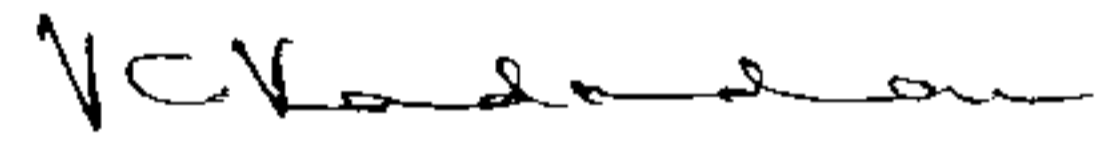
Particulars	Amount
i) Gross Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
ii) Net Non-Performing Assets	
(a) Related parties	Nil
(b) Other than related parties	Nil
iii) Assets acquired in satisfaction of debt	Nil

For and on behalf of the Board of Directors



Khushbu Jijina

Mumbai, 30th May, 2011



V.C. Vadodaria

---SURENDRA KANSTIYA ASSOCIATES
COMPANY SECRETARIES

A/304, RAHUL SOCIETY,
OPP. POINSUR GYMKHANA,
NEW SAI BABA NAGAR,
KANDIVLI (WEST),
MUMBAI 400067

COMPLIANCE CERTIFICATE

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

To,
The Members,
The Swastik Safe Deposit & Investments Limited,
4th Flr., Piramal Tower Annexe,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai 400013

We have examined the registers, records, books and papers of The Swastik Safe Deposit & Investments Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2011 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder except the Forms mentioned at S.No. 4 and 5, where the Forms have been filed with the additional fee. The Company was not required to file any form or return with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company, being a public limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 15 times respectively on 20.04.2010, 20.05.2010, 27.05.2010, 02.06.2010, 12.08.2010, 18.08.2010, 23.08.2010, 27.08.2010, 03.09.2010, 30.09.2010, 28.10.2010, 07.01.2011, 11.02.2011, 09.03.2011 and 30.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 16th September 2010 to 20th September 2010 however the previous notice by advertisement in the newspaper has not been given in this regard.
6. The annual general meeting for the financial year ended on 31st March 2010 was held on 20th September 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.



---SURENDRA KANSTIYA ASSOCIATES
COMPANY SECRETARIES

A/304, RAHUL SOCIETY,
OPP. POINSUR GYMKHANA,
NEW SAI BABA NAGAR,
KANDIVLI (WEST),
MUMBAI 400067

COMPLIANCE CERTIFICATE

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

To,
The Members,
The Swastik Safe Deposit & Investments Limited,
4th Flr., Piramal Tower Annexe,
Ganpatrao Kadam Marg,
Lower Parel,
Mumbai 400013

We have examined the registers, records, books and papers of The Swastik Safe Deposit & Investments Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March 2011 (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, within the time prescribed under the Act and the rules made thereunder except the Forms mentioned at S.No. 4 and 5, where the Forms have been filed with the additional fee. The Company was not required to file any form or return with Regional Director, Central Government, Company Law Board or other authorities.
3. The Company, being a public limited Company, has the minimum prescribed paid up capital.
4. The Board of Directors duly met 15 times respectively on 20.04.2010, 20.05.2010, 27.05.2010, 02.06.2010, 12.08.2010, 18.08.2010, 23.08.2010, 27.08.2010, 03.09.2010, 30.09.2010, 28.10.2010, 07.01.2011, 11.02.2011, 09.03.2011 and 30.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 16th September 2010 to 20th September 2010 however the previous notice by advertisement in the newspaper has not been given in this regard.
6. The annual general meeting for the financial year ended on 31st March 2010 was held on 20th September 2010 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.



10. The Company has made necessary entries in the Register maintained under section 301 of the Act.

11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government, as the case may be.

12. The Company has not issued any duplicate certificate during the financial year.

13. The Company has:

(i) not made any allotment during the financial year and approved the transfer of securities during the financial year in compliance with the provisions of the Act;

(ii) deposited the amount of dividend declared in a separate bank account with HDFC Bank, Nanik Motwani Marg, Wadia Building, Fort, Mumbai on 21st September 2010 which is within one day from the date of declaration of dividend;

(iii) paid/posted demand drafts issued by the said HDFC Bank for dividends to all the members within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividend has been kept deposited with HDFC Bank, Nanik Motwani Marg, Wadia Building, Fort, Mumbai;

(iv) no amount lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon;

(v) duly complied with the requirements of section 217 of the Act.

14. The Board of directors of the Company is duly constituted. There was no appointment any new director during the financial year.

15. The Company has not appointed any managing director/whole-time director/manager during the financial year.

16. The Company has not appointed any sole selling agents during the financial year.

17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.

18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rule made thereunder.

19. The Company has not issued any shares, debentures or other securities during the financial year.

20. The Company has not bought back any shares during the financial year.

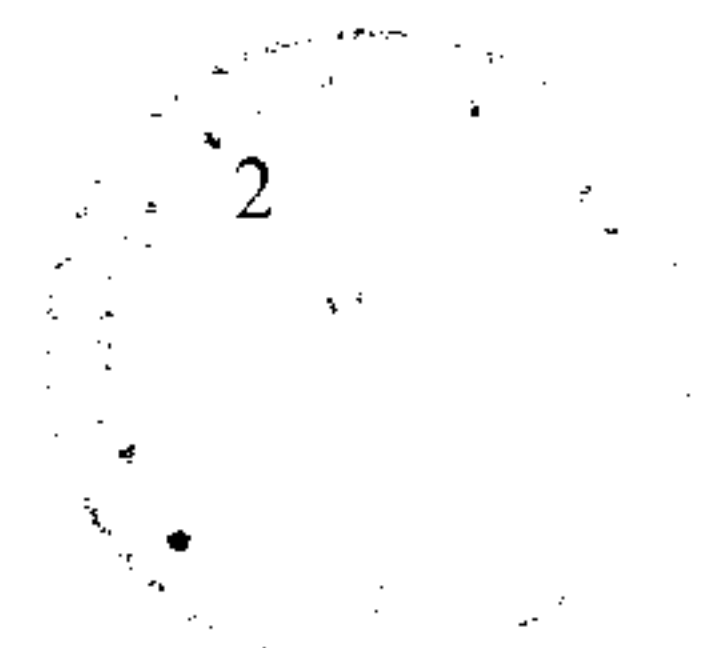
21. As there were no preference shares or debentures issued, there was no redemption of preference shares or debentures during the financial year under review.

22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

24. The amount borrowed by the Company during the financial year ending 31st March 2011 are within the borrowing limits of the Company and that necessary resolution as per section 293(1)(d) of the Act had been passed in duly convened general meeting.

25. The Company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.



26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one State to another during the year under scrutiny.

27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.

28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.

29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.

30. The Company has not altered its articles of association during the financial year.

31. There was no prosecution initiated against or show cause notices received by the company, during the financial year, for offences under the Act.

32. The Company has not received any money as security from its employees during the financial year.

33. The Company has not constituted Provident Fund for its employees and as such, Section 418 of the Act is not applicable to the Company.

Place: Mumbai

Signature: 

Date: 30.05.2011

Name of the Company Secretary: Surendra U. Kanstiya

C.P.No.: 1744



ANNEXURE "A" TO THE COMPLIANCE CERTIFICATE
OF THE SWASTIK SAFE DEPOSIT & INVESTMENTS LIMITED
Registers as maintained by the Company

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

Signature: 

Name of the Company Secretary: Surendra U. Kanstiya

Date: 30.05.2011

C.P.No. : 1744



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

Forms and Returns as filed by the Company during/relating to the financial year ending 31.03.2011

* With Registrar of Companies:

Sr. No.	Form No./ Return	Filed Under Section	For	Date of Filing#	Whether Filed within Prescribed time	If delay in filing Whether requisite additional fees paid Yes/No
1.	Form 23	192	Special Resolution passed by members for keeping of register and index of members and debenture-holders with the share Transfer Agents of the company	04.10.2010	Yes	N.A.
2.	Form No.21	394(1)	Notice of the Order passed by the High Court, Bombay approving the scheme of Amalgamation between the Company and Nandini Piramal Investments Private Limited and Savoy Finance & Investments Private Limited	07.01.2010	Yes	N.A.
3.	Form 20B (Annual Return)	159	A.G.M. held on 20.09.2010	07.10.2010	Yes	N.A.
4.	Form No 66 (Compliance Certificate)	383A	Financial year ended 31.03.2010	03.12.2010	No	Yes
5.	Form 23AC and Form 23ACA (Annual Accounts)	220	Financial year ended 31.03.2010	12.01.2011	No	Yes

Date of uploading of Form

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

Place: Mumbai

Signature: 

Name of the Company Secretary: Surendra U. Kanstiya

Date: 30.05.2011

C.P.No. : 1744

