

**STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LIMITED**



**31<sup>ST</sup>**

**ANNUAL REPORT 2010-2011**

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

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Proxy Form and Attendance Slip		
<b>AUDITORS</b> C. C. CHOKSHI & COMPANY <i>Chartered Accountants</i>		<b>COMPANY SECRETARY</b> SHRI GIRISH R. SHAH
<b>REGISTERED OFFICE</b> POPULAR HOUSE, ASHRAM ROAD AHMEDABAD-380 009 Email: <a href="mailto:info@stanroseinvest.com">info@stanroseinvest.com</a> Website: <a href="http://www.stanroseinvest.com">www.stanroseinvest.com</a>		<b>DEPUTY MANAGER (ACCOUNTS &amp; TAXATION)</b> {CFO as envisaged under Listing Agreement} SHRI HARSHAD V. MEHTA
<b>SHARE TRANSFER AGENT</b> LINK INTIME INDIA PVT. LTD., 211, Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009. Tel. 079 26465179 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Web site: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>		<b>BANKERS</b> HDFC BANK LTD.            IDBI BANK LTD. AXIS BANK LTD.            CITI BANK, N.A.
		<b>CORPORATE OFFICE</b> VIJYALAXMI MAFATLAL CENTRE 57-A, DR. G. DESHMUKH MARG, MUMBAI-400 026
		<b>LISTED ON : BSE</b> <b>DEMAT CODE : ISIN : INE441L01015</b>

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

Thirty-first Annual General Meeting on 3<sup>rd</sup> September, 2011 at 'Banquet Hall', Karnavati Club Limited, S.G.Highway, Ahmedabad - 380 058.

**Important Communication to Members for E-mail registration. See Page No. 33 & 34.**



**DIRECTORS' REPORT**

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

Your Directors have pleasure in presenting the Thirty-first Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2011.

**FINANCIAL RESULTS:**

	<i>(Rupees in Lacs)</i>	
	<b>Current Year</b>	<i>Previous Year</i>
	<b>Rupees</b>	<i>Rupees</i>
Total Income	<b>953.64</b>	<i>1468.79</i>
Gross Profit	<b>729.46</b>	<i>1266.31</i>
Less: Depreciation	<b>20.57</b>	<i>14.73</i>
Profit before Tax	<b>708.89</b>	<i>1251.58</i>
Less: Provision for Taxation	<b>114.67</b>	<i>194.90</i>
Short Provision for taxation in respect of earlier years (Net)	<b>2.96</b>	<i>—</i>
Profit after Tax	<b>591.26</b>	<i>1056.68</i>
Add: Profit brought forward from Previous Year	<b>995.20</b>	<i>498.63</i>
Balance Available for Appropriations	<b>1586.46</b>	<i>1555.31</i>
Transferred to Reserve u/s. 45 IC of RBI Act, 1934	<b>120.00</b>	<i>218.00</i>
Transfer to General Reserve-I	<b>60.00</b>	<i>110.00</i>
Proposed Dividend	<b>198.40</b>	<i>198.40</i>
Tax on Dividend	<b>32.18</b>	<i>33.71</i>
Balance carried forward	<b>1175.88</b>	<i>995.20</i>

**DIVIDEND**

Your Directors recommend a Dividend of Rs.5.00 per share (Previous Year Rs.3.50 + Rs.1.50 Special for higher profits) on 39,67,920 Equity Shares of Rs.10 each aggregating to Rs.230.58 Lacs (inclusive of dividend tax) for the financial year ended on 31st March, 2011. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on 3rd September, 2011, the said dividend will be paid on 19th September, 2011, to (i) those shareholders whose names appear on the Register of Members of the Company on 1st August, 2011 and (ii) those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services Limited, for the purpose.

**MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)****ECONOMIC OVERVIEW**

Despite new risks, the global economic recovery is gaining strength and the IMF has projected a 4.5% world growth in 2011 and 2012. While growth in emerging economies remain strong, that in the US and European region is slowly gaining momentum. Some of the economies of the developed nations are still a concern with the Euro Zone

being the most vulnerable as rating agencies continue to downgrade the sovereign rating of many of the economies in this region. The natural disaster in Japan and sharp increase in oil prices consequent to the turmoil in the Middle East and North Africa is fuelling uncertainty to the pace of global recovery. Globally elevated food and commodity prices accompanied by the spike in oil prices have engendered inflation concerns.

India's economy too continued its smart recovery from the crisis, aided by the inherent strength of India's domestic demand and complemented by Reserve Bank of India's monetary management and the Central Government's fiscal stimulus measures. With its GDP likely to grow at 8.6% in 2010-11, India will be among the fastest growing economies and the average rate of growth for the next five years is estimated to be around 8.4%.

The key growth driver is likely to be the domestic demand fuelled by increasing young earning population, expected household consumption by middle class and upper middle class. The increasing capacity in the savings and vast investment opportunities will also support the growth of the economy. Inflation, however, continues to be a cause for concern. The year on year WPI inflation that started trending up in December, 2009 and continued through the current fiscal has shown signs of moderation by the year end. India's real GDP is estimated to grow by around 8.5% to 9% in 2011-12. Growing inflation, volatile capital inflows and a fragile recovery in advanced economies that can dampen exports, are immediate risks to India's growth prospects. Any unanticipated shocks to the global economic recovery could drive capital outflows from India, which may lead to increased volatility in the Indian Rupee and affect India's economic recovery.

**Financial Review**

The total income for the year was Rs.953.64 Lacs as compared to Rs.1468.79 Lacs in the previous year. Depreciation was higher at Rs.20.57 Lacs (Previous Year Rs.14.73 Lacs). The Provision for Taxation during the year was Rs.117.63 Lacs. Profit after tax was Rs.591.26 Lacs, which is substantially lower as compared to Rs.1056.68 Lacs in the previous year, mainly on account of lower booking of long-term capital gain.

An amount of Rs.120.00 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 IC of RBI Act, 1934 and an amount of Rs.60.00 Lacs was transferred to General Reserve I during the year under review.

The Net Worth of the Company as at 31st March, 2011 stood at Rs.4574.66 Lacs as against Rs.4213.98 Lacs on 31st March, 2010.

**Industry Structure and Developments**

The NBFC industry in private sector in India is represented by a mix of a few large companies with nationwide presence and a large number of small and medium sized companies with regional focus. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and non-retail markets and niche segments.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

NBFCs continue witnessing strong competition in their traditional areas of retail lending from Banks and Financial Institutions. Banks which have innate advantage of lower cost of funds, are taking an increasing share in retail financing and providing a strong competition to NBFCs.

In this scenario, NBFCs are under pressure to cut costs and to develop a focused marketing approach on selected customer segments by offering more personalized services. The entry of strong NBFCs in insurance and banking has been one of the major developments in this sector.

### Business Review

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

#### (i) Investments

The Company's investment portfolio is reviewed from time to time and securities are bought to add to the Portfolio or sold in order to make Capital gains. Details of the Company's investments are given in Schedule 4 of the Balance Sheet of the Company as at 31st March, 2011. The total worth of Company's Quoted and Unquoted Investments (including Stock-in-trade) as at 31st March, 2011 is Rs.7228.39 Lacs (Previous Year Rs. 7786.10 Lacs) which is 124.71% (Previous Year 239.84%) higher than related Book Value. The decrease is mainly on account of decrease in the market value of the shares of Standard Industries Limited and sale of shares from Long-term Investment Portfolio.

During the year under report, the Company has deployed Rs.250.91 Lacs in the Units of Gold Bench-Mark Exchange Traded Scheme (Gold Bees), whereas there was a net divestment of Rs. 113.44 Lacs from other Long-Term Investments against net addition of Rs. 37.16 Lacs in the previous year.

During the year under report, the Company continued to take advantage of the relatively high stock market prices by booking a net profit of Rs.706.65 Lacs on sale of long term investments as against Rs.1260.98 Lacs in the previous year.

During the year, the Company earned income by way of Dividend of Rs.135.11 Lacs against Rs.112.33 Lacs in the previous year which inter alia includes Rs.82.75 Lacs (Previous year Rs.50.64 Lacs) received from Standard Industries Ltd. and Rs.7.79 lacs (Previous Year Rs.1.89 Lacs) on Units of Mutual Funds.

#### (ii) Trading in Securities

During the year under review, the Company concentrated its focus on trading in securities and has made a profit of Rs.52.61 Lacs as against Rs.40.77 Lacs in the previous year. The increase is on account of booking of profit on redemption of Units of Mutual Funds.

#### (iii) Finance

During the year under report the Company earned interest income of Rs.58.89 Lacs as against Rs.52.40 Lacs in the previous year.

During the year under report, the Company provided an interest-free Inter corporate deposit of Rs.465 Lacs to Stan Plaza Limited, a company which has taken exposure in the equity and loan of a Real Estate business company for and on behalf of the Company and Standard Industries Ltd (SIL) as per the mutual understanding between the Company and SIL.

#### Opportunities and Threats

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

#### Outlook

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

#### Risk and Concern

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

#### Adequacy of Internal Control

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

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

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

### Human Resource Development (HRD)

The Company has a team of able and experienced industry professionals and employees. The number of employees stood at 17 as on 31st March, 2011.

### CORPORATE GOVERNANCE

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

### FIXED DEPOSITS

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

### DIRECTORS' RESPONSIBILITY STATEMENT

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

1. In the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed and that there are no material departures from the same;
2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit for the year ended on that date;
3. 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;
4. The annual Accounts for the Financial Year ended 31st March, 2011 have been prepared on a 'going concern' basis.

### SUBSIDIARIES

As the members are aware, Stanrose Mafatlal Lubechem Limited, a substantially owned subsidiary of the Company is in provisional liquidation. In a Winding-up Petition filed by one of the creditors, the Hon'ble Bombay High Court had appointed a Provisional Liquidator on 21st March, 2007, who has initiated the liquidation proceedings. Its Financial Statements/Results thereafter are not prepared/made available.

Thus at the end of the financial year viz. 31st March, 2011 as at which Company's Balance Sheet is made out the Company was not having any subsidiary in operation and hence the question of annexing statements/documents of the subsidiary to the Balance Sheet as at 31st March, 2011 of the Company, as referred under Section 212 of the Companies Act, 1956, does not arise.

### DIRECTORATE

In terms of Article 155 of the Articles of Association of the Company read with Section 256 of the Companies Act, 1956, Shri F. M. Pardiwalla, Shri Russi Jal Taraporevala and Shri Chetan J. Parikh, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment. Their brief resumes, as required under Clause 49 of the Listing Agreement, are covered in the notes of the Notice for 31st AGM of the Company.

None of the Directors of the Company is disqualified from being appointed as a Director as specified under Section 274 of the Companies Act, 1956.

### AUDITORS AND AUDITORS' REPORT

M/s. C. C. Chokshi & Co., Chartered Accountants, the Statutory Auditors of the Company are holding office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment within the meaning of Section 226 of the Companies Act, 1956.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Your Company is not engaged in any manufacturing activity and as such has no particulars to disclose under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, as regards conservation of energy or technology absorption. Further, during the year under review, your Company has neither earned nor made any payment in foreign exchange.

### PARTICULARS OF EMPLOYEES

Your Company has not paid any remuneration attracting the provisions of Companies (Particulars of Employees) Rules, 1975 read with Section 217 (2A) of the Companies Act, 1956, as amended to date. Hence, no information is required to be appended to the Report in this regard.

### ACKNOWLEDGEMENTS

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

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

Mumbai,  
Dated : 30<sup>th</sup> May, 2011.

**REPORT ON CORPORATE GOVERNANCE**

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

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

**Company's Philosophy on Corporate Governance**

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

**1. BOARD OF DIRECTORS:**

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

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

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

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

The category of Directors, their attendance at the Board Meetings during the year 2010-11 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table-1 given at the bottom)

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

Six Board Meetings were held during the year on 23.4.2010, 29.5.2010, 3.6.2010, 13.8.2010, 25.10.2010 and 11.2.2011.

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

**2. CODE OF CONDUCT:**

The Board of Directors has adopted a Code of Conduct for Board Members and Senior Management Personnel of the Company. The said Code has been

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

Name of Director	Category of Director	No. of Other Directorships *	No. of Other Committee Memberships**	Attendance	
				Board Mtgs.	Last AGM
1. Shri Pradeep R. Mafatlal <i>Chairman</i>	Non-Independent Non-Executive	2 (Chairman)	1	2	No
2. Shri Russi Jal Taraporewala	Independent Non-Executive	2	3	2	No
3. Shri Arun P. Patel	Independent Non-Executive	1	—	3	No
4. Shri Rajesh Jaykrishna	Independent Non-Executive	—	—	3	No
5. Shri Chetan J. Parikh	Non-Independent Non-Executive	1	—	-	No
6. Shri Kersi J. Pardiwalla	Non-Independent Non-Executive	3 (Chairman of 1)	1	5	Yes
7. Shri Madhusudan J. Mehta	Non-Independent Non-Executive	2	—	5	Yes
8. Shri F. M. Pardiwalla w. e. f 29-05-2010.	Independent Non-Executive	1	2	3	Yes

\* Excludes Private and Foreign Companies.

\*\* Represents Chairmanship/Membership of Audit Committees and Shareholders'/Investors' Grievance Committees of Public Limited Companies.

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

**3. CEO / CFO CERTIFICATION :**

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

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

**4. COMMITTEES OF THE BOARD:****(a) Audit Committee:**

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

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

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

**(b) Shareholders'/Investors' Grievance Committee**

- i) Name of Non-executive Director heading the Committee: Shri Russi Jal Taraporevala
- ii) Name and Designation of Compliance Officer: Shri Girish R. Shah, Company Secretary.
- iii) Number of shareholders' complaints received: During the year 2010-11, the Company received 8 complaints in the aggregate pertaining to transfer of shares, non-receipt of declared Dividend, non-receipt of balance sheet, etc. and all of them have been resolved by furnishing requisite information/documents.
- iv) Number not solved to the satisfaction of shareholders: NIL
- v) Number of pending share transfers: 27 requests for transfer were pending for approval as on 31st March, 2011, which were approved on 1st April, 2011.
- vi) During the year the Committee met once.

Shri Russi Jal Taraporevala, Shri Pradeep R. Mafatlal and Shri Chetan J. Parikh attended the Meeting.

**5. RISK MANAGEMENT:**

The Company follows the business risk management practices covering the entire spectrum of business operations and the Board has been informed about the risk assessment and risk minimization procedures as required under Clause 49 of the Listing Agreement. Business risk evaluation and management is an ongoing process with the Company.

**6. SUBSIDIARY COMPANIES:**

The Company does not have any Subsidiary Company in operation.

Stanrose Mafatlal Lubechem Limited, a substantially owned subsidiary of the Company is in provisional liquidation. In Company Petition No. 642 of 2006 and Company Application No. 1116 of 2006, the High Court of Bombay admitted the Petition and appointed a Provisional Liquidator on 21st March, 2007, who has initiated the winding-up proceedings for the said subsidiary.

**7. DIRECTORS' REMUNERATION DURING 2010-11:**

The Non-Executive Directors are paid Sitting Fees for attending the Meetings of the Board/Committees (except the Share Transfer Committee) and a commission upto 3% of the net profits as determined under Sections 349 and 350 of the Companies Act, 1956 for the financial year ended 31st March, 2010, in pursuance of General Body Resolution. Within the overall limit, the extent and proportion in which the Commission is to be distributed amongst the Directors is determined by the Board.

The details of remuneration paid during the year 2010-11 to the Directors are given in Table-2 on Pg. No. 8.

**8. GENERAL BODY MEETINGS:**

- i) Location & time, where last three AGMs were held:  
On 13-8-2010 at 11.30 A.M.  
At: Banquet Hall,  
Karnavati Club Ltd.  
S. G. Highway, Ahmedabad – 380 058.  
On 12-9-2009 at 11.30 A.M. &  
On 15-9-2008 at 11.30 A.M.  
At: H.T. Parekh Convention Centre,  
AMA Premises, ATIRA Campus,  
Dr. Vikram Sarabhai Marg, Ahmedabad – 380 015.
- ii) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No postal ballot had been conducted.
- iii) Whether Special Resolutions are proposed to be conducted through postal ballot: No
- iv) Procedure for postal ballot: Not applicable

**9. DISCLOSURES**

- (a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors



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or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large:

During the year 2010-11, the Company had no materially significant related party transactions having potential conflict with the interest of the Company at large. The transactions with the related parties are disclosed in the Notes on Accounts in the Annual Report.

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

### 10. MEANS OF COMMUNICATION

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

### 11. GENERAL SHAREHOLDERS INFORMATION

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

#### (a) 31<sup>st</sup> Annual General Meeting

**Date & Time** : 3rd September, 2011  
at 10.30 A.M.

**Venue** : Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad - 380 058.

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

**Financial Year** :

1st April to 31st March

**Financial Reporting for** :

**Quarter ending 30-06-2011:**

By 14<sup>th</sup> August, 2011.

**Quarter ending 30-09-2011 :**

By 14<sup>th</sup> November, 2011.

**Quarter ending 31-12-2011 :**

By 14<sup>th</sup> February, 2012

**Year ending 31-3-2012 :**

Audited Results by 30<sup>th</sup> May, 2012.

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

1st August, 2011 to 10th August, 2011

(both days inclusive)

#### (d) Dividend Payment Date :

From 19<sup>th</sup> September, 2011

#### (e) Unpaid Dividend :

- (i) The Company has transferred unclaimed dividends for and upto the Financial Year ended on 30th September, 1994 to the General Revenue Account of the Central Government and thereafter upto the financial year ended on 31st March, 2003 to the Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the Companies Act, 1956, within the prescribed time limit. No claim shall lie in respect of dividend transferred to IEPF. The members, therefore, may submit their claims, if any, for unclaimed dividends for and upto the financial year ended 30th September, 1994, to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, AHMEDABAD - 380 013.

During the year under review, the Company has credited Rs.1,26,962/- lying in unpaid/unclaimed dividend account to the IEPF. The cumulative amount transferred to IEPF upto 31st March, 2011 is Rs.8,43,708/-.

- (ii) Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year ended on 31st

**TABLE NO. 2 (Reference : Para 7)**

Name of Director	Remuneration paid during 1-4-2010 to 31-3-2011			No. of Shares held as on 31-3-2011 <sup>@</sup>
	Sitting Fee Rs.	Commission Rs.	Total Rs.	
Shri Pradeep R. Mafatlal	9,000	20,00,000	20,09,000	26,456
Shri Russi Jal Taraporevala	11,000	3,00,000	3,11,000	32
Shri Arun P. Patel	29,000	3,00,000	3,29,000	175
Shri Rajesh Jaykrishna	29,000	3,00,000	3,29,000	156
Shri Chetan J. Parikh	5,000	3,00,000	3,05,000	19,098
Shri Kersi J. Pardiwalla	16,000	3,00,000	3,16,000	300
Shri Madhusudan J. Mehta	16,000	3,00,000	3,16,000	434
Shri F. M. Pardiwalla	24,000	N. A.	24,000	14

<sup>@</sup> Including Joint Holding.

March, 2004 and thereafter which remains unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education & Protection Fund' of the Central Government.

The likely schedule indicating the deadline for claiming the unpaid dividends before its transfer to IEPF is given hereunder:

**TABLE NO. : 3**

Dividend No.	For the Year ended	Date of Declaration	Last Date for Claiming Unpaid Dividend
23rd	31-3-2004	06-9-2004	05-9-2011
24th	31-3-2005	05-9-2005	04-9-2012
25th	31-3-2006	25-9-2006	24-9-2013
26th	31-3-2007	24-9-2007	23-9-2014
27th	31-3-2008	15-9-2008	14-9-2015
28th	31-3-2009	12-9-2009	11-9-2016
29th	31-3-2010	13-8-2010	12-8-2017

Members who have not encashed/received their Dividend Warrants so far for the Financial Year ended on 31st March, 2004, or any subsequent years are requested to make their claim to the Company for obtaining fresh/ duplicate Dividend Payment Instrument/s.

**It may again be noted that once the unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof.**

**(f) NECS Mandate**

Members holding shares in physical form are requested to provide National Electronic Clearing Service (NECS) Mandate or their new and unique bank account number allotted by the banks post implementation of Core Banking Solution (CBS), (if not provided earlier) to the Company/its Registrar in the NECS Mandate Form provided elsewhere in the Annual Report. The NECS Mandate Form can also be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com).

Members holding shares in demat form should ensure that the correct and updated particulars of their Banking Accounts are available with the depository participant. This would facilitate in receiving direct credit of dividends, etc. from the Company and avoid postal delays and loss in transit.

**(g) Rationalisation of Odd Lot Holdings**

As most of the Members are holding shares of the Company in odd lots, the Company shall endeavour to assist them either in disposal of such odd lots or in forming a lot by acquiring the balance number of shares at or near the full market value; even by absorbing some costs associated with its administration. Members desirous of availing the assistance may write or contact Shri Girish R. Shah, Company Secretary, at the Registered Office at Ahmedabad. Members having multiple folios, either in identical name(s) or in different pattern of name(s) at common address or otherwise may also approach him for transfer/

consolidation of all such shareholding into one folio to facilitate better service. Members who have lost their original Share Certificate(s) are also requested to contact or write to him for issue of duplicate Share Certificate(s).

**(h) Nomination Facility**

Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form-2B can be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). Members holding shares in dematerialised form may contact their DP for recording their nomination.

**(i) Share Transfer System**

All the transfers received are processed, approved by the Share Transfer Committee, which normally meets twice in a month; registered and returned between 15 to 30 days from the date of receipt, provided that the documents lodged are valid and complete in all respects.

The Company obtains Half-yearly Certificate of Compliance of the Share transfer formalities from a Practising Company Secretary as required under Clause 47(c) of the Listing Agreement with the Stock Exchanges and files a copy of the certificate with the Stock Exchanges.

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

Securities and Exchange Board of India has mandated the submission of PAN by every participant in securities market. Members holding shares in electronic form, are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts, if not done earlier. Members holding shares in physical form shall register their PAN details by submitting self certified copy of PAN Card to the Company/Registrar and Transfer Agent, Link Intime India Pvt. Ltd.

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

In view of MCA's recent circulars clarifying that the Notices of General Meetings, Balance Sheet, Profit and Loss Account, Directors' Report, Auditors' Report, etc. can be sent to the members in electronic mode instead of physical mode, all the Members holding shares in physical form are requested to get their Email ID registered with the Company or its Registrar and Transfer Agents by sending a simple request there-for, duly signed in the form provided therefor elsewhere in the Annual Report. Members holding shares in demat shall provide their email ID to the DP, if not provided earlier. Email registration can also be made online on Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com).

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

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

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

**(l) Address for Correspondence:**

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

and CDSL both for demat and the ISIN allotted to its Equity Shares is INE441L01015.

The transactions in physical as well as demat are on trade to trade basis in the lot of 50 equity shares. On dematerialization of non-promoters' holding to the extent of 50%, the Bombay Stock Exchange Limited shall consider to transfer it to the Rolling Settlement, where the trades for even a single share in demat will be allowed. Currently 36.08% of non-promoters' holding is in demat mode.

**(m) Listing on the Stock Exchanges and Stock Code:**

Listed on Ahmedabad and Bombay Stock Exchanges. Listing fees for 2011-12 of both these Exchanges have been paid. Scrip Code No. on ASE is 51710 and that of BSE is 506105, [Scrip ID : STANROS] under TFTS (Trade for Trade Segment) Group.

Since long there being no transactions on Ahmedabad Stock Exchange Limited, the Board of Directors has decided to get the shares of the Company delisted from it, by complying with the requisite formalities.

The Company has established connectivity with NSDL

**(n) (i) Distribution of Shareholding by size as on 31st March, 2011 :**

**TABLE NO. 4**

Sr. No.	Number or range of Shares held	Shareholders			Shares held		
		Number	% to total Number	Cumulative %	Number	% to total Number	Cumulative %
1.	1	669	1.91	1.91	669	0.02	0.02
2.	2	8826	25.26	27.17	17,652	0.45	0.47
3.	3	185	0.53	27.70	555	0.01	0.48
4.	4	11044	31.60	59.30	44,176	1.11	1.59
5.	5	69	0.20	59.50	345	0.01	1.60
6.	6 to 10	2956	8.46	67.96	21,213	0.53	2.13
7.	11 to 20	4745	13.58	81.54	72,214	1.82	3.95
8.	21 to 49	2466	7.06	88.60	79,672	2.01	5.96
9.	50	623	1.78	90.38	31,150	0.79	6.75
10.	51 to 100	1552	4.44	94.82	1,21,107	3.05	9.80
11.	101 to 500	1438	4.12	98.94	3,23,233	8.14	17.94
12.	501 to 1000	183	0.52	99.46	1,32,952	3.35	21.29
13.	1001 & more	189	0.54	100.00	31,22,982	78.71	100.00
		34,945	100.00		39,67,920	100.00	

**(ii) Shareholding Pattern as at 31st March, 2011 :**

**TABLE NO. 5**

Category	No. of Share-holders	No. of Shares held	% of Share-holding
<b>A) PROMOTERS' HOLDING :</b>			
- Indian	19	19,35,183	48.77
- Foreign	-	-	-
<b>SUB - TOTAL A</b>	<b>19</b>	<b>19,35,183</b>	<b>48.77</b>
<b>B) PUBLIC HOLDING :</b>			
(i) Institutions	16	4,35,989	10.99
(ii) Non Institutions			
(a) Private Corporate Bodies	71	2,04,440	5.15
(b) Individuals	34,839	13,92,308	35.09
<b>SUB-TOTAL B</b>	<b>34,926</b>	<b>20,32,737</b>	<b>51.23</b>
<b>GRAND TOTAL (A + B)</b>	<b>34,945</b>	<b>39,67,920</b>	<b>100.00</b>

**(o) Stock Market Data :**

(i) The particulars of High-Low prices and the volume during each month of 2010-11 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

Month	High Rs.	Low Rs.	Volume (Nos.)
<b>2010</b>			
April	95.55	83.55	4950
May	100.25	91.00	600
June	113.95	95.00	4250
July	111.00	98.10	1500
August	117.25	102.65	3550
September	148.00	106.00	3300
October	137.80	109.20	900
November	113.00	91.70	1950
December	99.00	80.00	4400
<b>2011</b>			
January	104.75	79.05	2850
February	88.20	76.05	3500
March	89.20	76.55	2700
<b>Fiscal-2011</b>	<b>148.00</b>	<b>76.05</b>	<b>34450</b>

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

During the Financial Year 2010-11, the Company's share price under-performed the benchmark indice. The Company's share price decreased by 15.49% as compared to an increase of 10.94% in BSE Sensex.

There were no transactions in the Equity Shares of any company on the Ahmedabad Stock Exchange Ltd. (ASE) during the year under report.

**(p) Registrar and Share Transfer Agent**

Link Intime India Pvt. Ltd., 211, Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009 Tel. 079-26465179 Email: ahmedabad@linkintime.co.in, is appointed as the Registrar and Share Transfer Agent. The Share Master Data is being organized for transferring to the Registrar. Till then, all correspondence for transfer of shares, demat request and other communication in relation thereto can be either addressed to the Company at its Registered Office or to the Registrar.

**(q) Dematerialisation of Shares**

Sr. No.	Electronic / Physical	No. of Shares	Mode of Holding %
1.	NSDL	654737	16.50 %
2.	CDSL	65485	1.65 %
3.	Physical	3247698	81.85 %
	<b>TOTAL</b>	<b>3967920</b>	<b>100.00 %</b>

18.15% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2011.

On behalf of the Board  
**Pradeep R. Mafatlal**  
Chairman

Mumbai

Dated : 30th May, 2011

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**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To The Members of

**Stanrose Mafatlal Investments and Finance Limited**

We have examined the compliance of conditions of corporate governance by **Stanrose Mafatlal Investments and Finance Limited**, for the year ended on 31st March, 2011, 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 of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

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

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

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

**H.P. SHAH**  
Partner

Ahmedabad  
30th May, 2011

(Membership No. 33331)

## AUDITORS' REPORT

TO THE MEMBERS OF  
STANROSE MAFATLAL INVESTMENTS AND  
FINANCE LIMITED

1. We have audited the attached Balance Sheet of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED ("the Company") as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the 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 (CARO) issued by the Central Government in terms of Section 227(4A) 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.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report as follows:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
  - (e) 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
- (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date and
- (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

5. On the basis of the written representations received from the Directors as on 31st March, 2011 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

Ahmedabad,  
Dated : 30th May, 2011

**H. P. SHAH**  
Partner  
[Membership No. 33331]

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (3) of our Report of even date)

1. Having regard to the nature of the Company's business/activities/result, clauses (ii), (viii), (x) and (xiii) of CARO are not applicable.
2. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) There has not been any substantial disposal of fixed assets during the year.
3. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
4. 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 with regard to purchase of shares, fixed assets and the sale of shares. During the course of our audit, we have not observed any major weakness in such internal control system.
5. In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act, 1956, to the best of our knowledge and belief and according to the information and explanations given to us:

- (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
- (b) Transactions during the year exceeding the value of Rupees Five lacs in respect of any party have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, the Company has not accepted any deposit from the public during the year.
7. In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
8. According to the information and explanations given to us in respect of statutory dues:
- (a) The Company has been regular in depositing undisputed dues, including Provident Fund, Investor Education and Protection Fund, Income-tax, Wealth Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Cess and other material statutory dues in arrears as at 31st March, 2011, for a period of more than six months from the date they became payable.
- (c) Details of dues of Income-tax which have not been deposited as on 31st March, 2011, on account of disputes are given below:

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs.)
Income Tax Act, 1961	Income Tax	ITAT	2004-05 1998-99 & 1990-91	22,29,463
	Income Tax	CIT (Appeals)	2006-07 1996-97 & 1995-96	1,17,97,630

9. During the year the Company had no dues to financial institution or bank or debenture holders.
10. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. Based on our examination of the records and evaluations of the related internal controls, the Company has maintained proper records of the transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities have been held by the Company in its own name.
12. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
13. In our opinion and according to the information and explanations given to us, the Company has not raised any term loan during the year under review and hence question of its application does not arise.
14. In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that the Company has not raised any short term funds.
15. According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
16. During the year, the Company has not raised money by Public Issue and hence question of disclosure and verification of end use of money does not arise;
17. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

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

**H. P. SHAH**

Ahmedabad,  
Dated : 30th May, 2011

Partner  
[Membership No. 33331]

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule No.	Rupees	Rupees	Rupees	As at 31-3-2010 Rupees
<b>I SOURCES OF FUNDS :</b>					
<b>Shareholders' Funds :</b>					
(a) Share Capital .....	1		3,96,79,200		3,96,79,200
(b) Reserves and Surplus .....	2		41,77,86,904		38,17,18,649
				<u>45,74,66,104</u>	<u>42,13,97,849</u>
<b>II APPLICATION OF FUNDS :</b>					
<b>Fixed Assets : .....</b>					
Gross Block .....			2,49,54,155		2,36,94,988
Less: Depreciation .....			1,59,31,598		1,41,31,261
				<u>90,22,557</u>	<u>95,63,727</u>
<b>Investments .....</b>	4			21,48,18,495	20,10,72,092
<b>Deferred Tax Assets .....</b>				8,92,447	6,59,034
<b>Current Assets, Loans and Advances :</b>					
(a) Current Assets .....	5	13,31,95,907			15,62,72,566
(b) Loans and Advances .....	6	13,03,27,884			8,38,47,267
			<u>26,35,23,791</u>		<u>24,01,19,833</u>
<b>Less : Current Liabilities and Provisions :</b>					
(a) Liabilities .....	7	67,60,797			62,59,257
(b) Provisions .....	8	2,40,30,389			2,37,57,580
			<u>3,07,91,186</u>		<u>3,00,16,837</u>
<b>Net Current Assets .....</b>				<u>23,27,32,605</u>	<u>21,01,02,996</u>
<b>Total .....</b>				<u>45,74,66,104</u>	<u>42,13,97,849</u>
Significant Accounting Policies and Notes on Accounts .....	14				

As per our separate Report of even date attached.

For C.C. CHOKSHI & CO.  
Chartered Accountants  
H. P. SHAH  
Partner

Ahmedabad, Dated : 30th May, 2011

For and on behalf of the Board

PRADEEP R. MAFATLAL  
Chairman

K. J. PARDIWALLA  
Director

G. R. SHAH  
Company Secretary

Mumbai, Dated : 30th May, 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Schedule No.	Rupees	Rupees	Previous Year Rupees
<b>INCOME :</b>				
Dividend Income .....			<b>1,35,11,209</b>	1,12,32,993
Profit from Trading in Shares and Securities .....	9		<b>52,61,153</b>	40,77,156
Interest Income .....	10		<b>58,89,466</b>	52,39,586
Profit on Sale of Investments (Net) .....			<b>7,06,65,599</b>	12,60,98,428
Other Income .....	11		<b>36,231</b>	2,31,584
			<b>9,53,63,658</b>	14,68,79,747
<b>EXPENDITURE :</b>				
Payments to and Provisions for Employees .....	12	<b>42,74,938</b>		41,24,775
Administrative and other expenses .....	13	<b>1,81,43,451</b>		1,61,23,342
Depreciation .....		<b>20,56,681</b>		14,73,103
			<b>2,44,75,070</b>	2,17,21,220
Profit before Taxes .....			<b>7,08,88,588</b>	12,51,58,527
Provision for Taxation :				
Current Tax (Including Wealth Tax) .....		<b>1,17,00,000</b>		1,95,00,000
Deferred Tax .....		<b>(2,33,413)</b>		(9,603)
			<b>1,14,66,587</b>	1,94,90,397
Short Provision for Taxation in respect of earlier years (net) .....			<b>2,95,667</b>	-
Profit after Taxes .....			<b>5,91,26,334</b>	10,56,68,130
Balance brought forward from Previous Year .....			<b>9,95,20,649</b>	4,98,63,859
Amount available for appropriation .....			<b>15,86,46,983</b>	15,55,31,989
<b>APPROPRIATIONS :</b>				
Transfer to Reserve U/S.45 IC of RBI Act,1934 .....			<b>1,20,00,000</b>	2,18,00,000
Proposed Dividend .....			<b>1,98,39,600</b>	1,98,39,600
Tax on Dividend .....			<b>32,18,479</b>	33,71,740
Transfer to General Reserve No. I .....			<b>60,00,000</b>	1,10,00,000
Balance carried to Balance Sheet .....			<b>11,75,88,904</b>	9,95,20,649
			<b>15,86,46,983</b>	15,55,31,989
Basic and Diluted EPS (In Rupees) .....			<b>14.90</b>	26.63
Significant Accounting Policies and Notes on Accounts .....	14			

As per our separate Report of even date attached.

For C.C. CHOKSHI & CO.  
Chartered Accountants  
H. P. SHAH  
Partner

Ahmedabad, Dated : 30th May, 2011

For and on behalf of the Board

PRADEEP R. MAFATLAL  
Chairman

K. J. PARDIWALLA  
Director

G. R. SHAH  
Company Secretary

Mumbai, Dated : 30th May, 2011



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Rupees	For the year ended 31st March, 2011 Rupees	Rupees	For the year ended 31st March, 2010 Rupees
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
NET PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS .....		7,08,88,588		12,51,58,527
Adjustments for :				
Depreciation .....	20,56,681		14,73,103	
(Profit)/Loss on Sale of Fixed Assets .....	10,448		(6,584)	
Profit on Sale of Investments .....	(7,06,65,599)		(12,60,98,428)	
		<b>(6,85,98,470)</b>		<b>(12,46,31,909)</b>
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES .....</b>		<b>22,90,118</b>		<b>5,26,618</b>
Adjustments for :				
Trade and Other Receivables .....	(12,67,34,294)		33,58,164	
Trade Payables .....	9,27,610		15,43,170	
Sale of Investments .....	10,15,60,365		15,26,22,235	
Purchase of Investments .....	(4,46,41,169)		(3,02,39,394)	
		<b>(6,88,87,488)</b>		<b>12,72,84,175</b>
<b>CASH GENERATED FROM OPERATIONS</b>		<b>(6,65,97,370)</b>		<b>12,78,10,793</b>
Direct Taxes Paid (Net of refund) .....		<b>(1,17,76,636)</b>		<b>(41,99,726)</b>
<b>CASH FLOW BEFORE EXTRAORDINARY ITEMS</b>		<b>(7,83,74,006)</b>		<b>12,36,11,067</b>
EXTRAORDINARY ITEMS .....		—		—
<b>NET CASH FROM OPERATING ACTIVITIES (A)</b>		<b>(7,83,74,006)</b>		<b>12,36,11,067</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of Investment in Subsidiary .....	—		—	
Purchase of Fixed Assets .....	(15,26,959)		(35,62,393)	
Transfer / Sale of Fixed Assets .....	1,000		1,61,797	
		<b>(15,25,959)</b>		<b>(34,00,596)</b>
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>		<b>(15,25,959)</b>		<b>(34,00,596)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Long Term Borrowings .....		—		—
Repayment of other Borrowings .....		—		—
Dividend Paid (Including Dividend Tax) .....		(2,32,11,340)		(1,62,47,938)
<b>NET CASH USED IN FINANCING ACTIVITIES .....</b> (C)		<b>(2,32,11,340)</b>		<b>(1,62,47,938)</b>
<b>NET CHANGES IN CASH AND CASH EQUIVALENTS .....</b> (A+B+C)		<b>(10,31,11,305)</b>		<b>10,39,62,533</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR .....</b>		<b>12,68,73,927</b>		<b>2,29,11,394</b>
<b>CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR .....</b>		<b>2,37,62,622</b>		<b>12,68,73,927</b>
<b>NET CHANGES AS DISCLOSED ABOVE ....</b>		<b>(10,31,11,305)</b>		<b>10,39,62,533</b>

**Notes :**

1. Cash and cash equivalents as at the end of the Year:				
Cash on hand .....		2,47,743		2,80,504
Balances with Scheduled Banks				
- In Current Accounts .....		2,35,09,879		12,65,88,423
Balances with Other Banks				
- In Fixed Deposit Accounts .....		5,000		5,000
<b>Total</b>		<b>2,37,62,622</b>		<b>12,68,73,927</b>

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

# STANROSE MAFATLAL

3. Previous year's figures have been re-grouped and re-arranged wherever necessary.

As per our separate Report of even date attached.

For C.C. CHOKSHI & CO.  
Chartered Accountants  
H. P. SHAH  
Partner

Ahmedabad, Dated : 30th May, 2011

For and on behalf of the Board

PRADEEP R. MAFATLAL  
Chairman

K. J. PARDIWALLA  
Director

G. R. SHAH  
Company Secretary

Mumbai, Dated : 30th May, 2011

## SCHEDULES 1 TO 14 FORMING PART OF THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

	As at 31-3-2010 Rupees		As at 31-3-2010 Rupees	
<b>Schedule 1 :</b>				
<b>SHARE CAPITAL :</b>				
<b>Authorised :</b>				
50,00,000 Equity Shares of Rs.10 each	<u>5,00,00,000</u>	<u>5,00,00,000</u>		
<b>Issued, Subscribed and Paid-up :</b>				
39,67,920 Equity Shares of Rs.10 each.	<u>3,96,79,200</u>	<u>3,96,79,200</u>		
The above Shares include:				
(1) 6,61,320 Equity Shares of Rs.2.50 each of the aggregate value of Rs.16,53,300 allotted as fully paid Bonus Shares by Capitalisation of General Reserves and consolidated into the then existing 6,61,320 Equity Shares of Rs.7.50 each of the aggregate value of Rs.49,59,900 consequentially raising the nominal and paid-up value of each Equity Share to Rs.10.				
(2) 13,22,640 Equity Shares of Rs.10 each of the aggregate value of Rs.1,32,26,400 allotted as fully paid Bonus Shares by capitalisation of General Reserves.				
<b>Schedule 2 :</b>				
<b>RESERVES AND SURPLUS :</b>				
<b>Share Premium Account :</b>				
Balance as per last Balance Sheet.			<u>9,91,98,000</u>	<u>9,91,98,000</u>
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>				
Balance as per last Balance Sheet.			<u>7,10,00,000</u>	<u>4,92,00,000</u>
Add : Amount transferred from Profit and Loss Account.			<u>1,20,00,000</u>	<u>2,18,00,000</u>
			<u>8,30,00,000</u>	<u>7,10,00,000</u>
<b>General Reserve No. I :</b>				
Balance as per last Balance Sheet.			<u>10,60,00,000</u>	<u>9,50,00,000</u>
Add : Amount transferred from Profit and Loss Account			<u>60,00,000</u>	<u>1,10,00,000</u>
			<u>11,20,00,000</u>	<u>10,60,00,000</u>
<b>General Reserve No. II :</b>				
Balance as per last Balance Sheet.			<u>60,00,000</u>	<u>60,00,000</u>
<b>Surplus in Profit and Loss Account.</b>			<u>11,75,88,904</u>	<u>9,95,20,649</u>
<b>Total.</b>			<u>41,77,86,904</u>	<u>38,17,18,649</u>

### Schedule 3 :

FIXED ASSETS :	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1-4-2010	Additions	Deductions/ Adjust- ments	Total as at 31-3-2011	Total Upto 1-4-2010	For the year	Deductions/ Adjust- ments	Total as at 31-3-2011	Net Value as at 31-3-2011	Net Value as at 31-3-2010
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Buildings .....	55,55,099	—	—	55,55,099	34,59,728	1,04,769	—	35,64,497	<u>19,90,602</u>	<u>20,95,371</u>
Vehicles .....	1,29,24,849	—	11,360	1,29,13,489	70,69,766	15,15,548	10,860	85,74,454	<u>43,39,035</u>	<u>58,55,083</u>
Furniture,Fixtures & Office Equipments. ....	52,15,040	15,26,959	2,56,432	64,85,567	36,01,767	4,36,364	2,45,484	37,92,647	<u>26,92,920</u>	<u>16,13,273</u>
<b>TOTAL .....</b>	<u>2,36,94,988</u>	<u>15,26,959</u>	<u>2,67,792</u>	<u>2,49,54,155</u>	<u>1,41,31,261</u>	<u>20,56,681</u>	<u>2,56,344</u>	<u>1,59,31,598</u>	<u>90,22,557</u>	<u>95,63,727</u>
<i>Previous Year. ....</i>	<i>2,19,06,500</i>	<i>35,62,393</i>	<i>17,73,905</i>	<i>2,36,94,988</i>	<i>1,42,76,850</i>	<i>14,73,103</i>	<i>16,18,692</i>	<i>1,41,31,261</i>	<i>95,63,727</i>	

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

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**Schedule 4 :**  
**INVESTMENTS (LONG TERM) :**

Sr. Particulars No.	Face Value per		At Cost or Book Value Rupees	As at 31-3-2010	
	Share / Warrant / Unit Rupees	Number		Number	At Cost or Book Value Rupees
<b>1. In Equity Shares of Subsidiary Company (At Cost) (Unquoted) :</b>					
Stanrose Mafatlal Lubechem Limited .....	5	43,98,216	—	43,98,216	—
(In Provisional Liquidation)					
<b>Total (1)</b>			—	—	—
<b>2. In Shares of other Companies (At Cost) :</b>					
<b>I. In Equity Shares :</b>					
<b>(a) Quoted (Fully paid) :</b>					
1. Asian Electronics Ltd. ....	5	1,600	3,61,320	1,600	3,61,320
2. Bajaj Auto Ltd. ....	10	—	—	1,140	7,05,952
3. Bajaj Holdings & Investment Limited .....	10	—	—	1,140	18,04,809
4. Bajaj Finserv Limited .....	5	—	—	1,140	6,83,591
5. BASF India Ltd. ....	10	9,200	19,51,644	9,200	19,51,644
6. Bengal & Assam Company Limited .....	10	—	—	291	3,47,932
7. Binani Industries Limited .....	10	2,700	5,04,130	2,700	5,04,130
8. Biocon Limited .....	5	—	—	900	2,15,396
9. Brabourne Enterprises Limited .....	10	—	—	3,000	4,79,602
10. Clariant Chemicals (India) Limited .....	10	—	—	3,900	13,06,717
11. Colgate Palmolive (India) Ltd. ....	1	—	—	9,500	28,18,809
12. Eicher Motors Limited .....	10	1,475	5,67,535	1,725	6,63,729
13. EL Forge Limited. ....	10	—	—	15,000	16,22,968
14. Futura Polyesters Ltd. ....	10	78,300	9,92,940	78,300	9,92,940
15. Finolex Industries Limited .....	10	—	—	20,000	11,46,022
16. Gabriel India Limited .....	1	—	—	30,100	7,15,289
17. GTL Infrastructure Limited .....	10	3,100	2,12,678	3,100	2,12,678
18. Gujarat State Petronet Ltd. ....	10	—	—	4,700	1,70,545
19. GVK Power & Infrastructure Limited .....	1	—	—	1,500	50,394
20. Hindalco Industries Ltd. ....	1	—	—	5,200	8,78,345
21. Hindustan Construction Co. Limited .....	1	—	—	2,500	5,61,750
22. Hindustan Motors Ltd. ....	10	—	—	12,500	5,59,339
23. Housing Development Finance Corp. Ltd.	2(10)	3,25,100	68,72,419	80,800	85,40,318
24. ITC Limited .....	1	47,400	41,51,536	23,700	41,51,536
25. Infrastructure Development Finance Co. Ltd.	10	35,900	25,00,152	35,900	25,00,152
26. Indraprastha Gas Limited .....	10	—	—	8,500	10,80,047
27. Indian Oil Corporation Limited .....	10	540	2,14,466	540	2,14,466
28. J. K. Tyre and Industries Limited .....	10	—	—	3,750	3,02,773
29. J. B. Chemicals & Pharmaceuticals Ltd ....	2	—	—	5,000	5,63,823
30. Jindal Stainless Limited .....	2	1,000	1,42,251	1,000	1,42,251
31. KEC International Limited .....	2(10)	—	—	1,333	6,09,565
32. KPIT Cummins Infosystems Limited .....	2	3,500	6,01,055	3,500	6,01,055
33. Lakshmi Energy and Foods Limited .....	2	26,800	45,91,655	26,800	45,91,655
34. Mahanagar Telephone Nigam Ltd. ....	10	—	—	8,800	14,79,665
35. Manugraph India Limited .....	2	1,000	2,61,177	1,000	2,61,177
36. Maruti Suzuki India Limited .....	5	—	—	1,000	8,47,512
37. National Aluminium Company Limited .....	5(10)	—	—	4,000	10,69,499
38. NTPC Limited .....	10	2,000	5,34,160	2,000	5,34,160
39. Oil and Natural Gas Corporation Limited .	5(10)	—	—	3,175	22,34,953
40. Piramal Life Sciences Limited .....	10	350	35,900	350	35,900
41. Prithvi Information Solutions Limited .....	10	—	—	1,500	5,37,075
42. Reliance Communications Limited .....	5	650	2,07,771	650	2,07,771
43. Reliance Industries Limited .....	10	20,862	47,05,593	20,750	46,01,367
44. RPG Life Sciences Ltd. ....	8	—	—	3,000	95,047
45. Sintex Industries Limited .....	1(2)	2,475	5,97,875	1,200	5,86,322
46. Sonata Software Limited .....	1	—	—	25,000	7,29,654
47. Standard Industries Limited .....	5	1,13,83,756	14,55,03,014	1,10,32,979	12,85,88,953

## STANROSE MAFATLAL

### Schedule 4 : (Contd.)

Sr. Particulars No.	Face Value per		At Cost or Book Value Rupees	As at 31-3-2010	
	Share / Warrant / Unit Rupees	Number		Number	At Cost or Book Value Rupees
48. State Bank of India .....	10	2,000	22,35,147	4,680	52,30,245
49. Summit Securities Limited .....	10	106	4,79,602	—	—
50. Sun Pharma Advance Research Co. Ltd ..	1	1,300	1,19,763	1,300	1,19,763
51. Tata Steel Limited .....	10	8,133	21,94,884	8,133	21,94,884
52. TRF Ltd. ....	10	5,000	25,20,667	4,532	9,56,392
53. Videocon Industries Limited .....	10	—	—	1,000	6,57,810
54. Virat Industries Limited. ....	10	34,250	3,42,500	34,250	3,42,500
55. Wipro Ltd. ....	2	8,167	10,56,019	4,900	10,56,019
56. Zicom Electronics Security Systems Ltd. .	10	10,500	25,40,784	10,500	25,40,784
		<b>Total 2(I)(a)</b>	<b>18,69,98,637</b>		<b>19,69,58,994</b>
<b>(b) Unquoted (Fully Paid) :</b>					
(1) Federal-Mogul Bearings India Limited	10	582	55,290	582	55,290
(2) Innovassynth Investments Limited ....	10	35,589	5,84,908	35,589	5,84,908
(3) Sarju International Limited .....	10	25,000	11,25,000	25,000	11,25,000
(4) SIP Technologies and Exports Ltd. ...	10	3,000	8,64,000	3,000	8,64,000
(5) Stanrose Fund Management Services Limited	100	1,000	1,00,000	1,000	1,00,000
		<b>Total 2(I)(b)</b>	<b>27,29,198</b>		<b>27,29,198</b>
<b>II. In Warrants Quoted (Fully Paid) :</b>					
HDFC Limited - Warrants .....	2(10)	—	—	3330	13,80,900
		<b>Total 2(II)</b>			<b>13,80,900</b>
<b>III. In Other Investment Quoted (Fully Paid) :</b>					
Benchmark Goldbees Units .....	100	12,500	2,50,90,660	—	—
		<b>Total 2(III)</b>	<b>2,50,90,660</b>		<b>—</b>
		<b>Total 2</b>	<b>21,48,18,495</b>		<b>20,10,69,092</b>
<b>3. In Government Securities Unquoted:</b>					
National Savings Certificate .....	—	—	—	—	3,000
		<b>Total 3</b>			<b>3,000</b>
		<b>Total. (1 to 3) .....</b>	<b>21,48,18,495</b>		<b>20,10,72,092</b>
<b>NOTES :</b>					
<b>(a) Aggregate Value of Quoted Investments:</b>					
Cost/Book Value .....			<b>21,20,89,297</b>		<b>19,83,39,894</b>
Market Value .....			<b>60,86,67,145</b>		<b>74,32,58,316</b>
<b>(b) Aggregate Value of Unquoted Investments:</b>					
Cost/Book Value. ....			<b>27,29,198</b>		<b>27,32,198</b>

	Rupees	Rupees	As at 31-3-2010 Rupees
<b>Schedule 5 :</b>			
<b>CURRENT ASSETS :</b>			
1. Stock in Trade (As per Annexure) .....		<b>10,68,64,597</b>	<b>2,80,36,543</b>
2. Cash on hand .....		<b>2,47,743</b>	<b>2,80,504</b>
3. Balances with Scheduled Banks :			
In Current Accounts [Including Rs. 25,75,592/- (Previous Year Rs. 19,59,501/-) in respect of Unpaid Dividend Accounts] ..	<b>2,35,09,879</b>		<b>12,65,88,423</b>
Fixed Deposit Account .....	<b>5,000</b>		<b>5,000</b>
		<b>2,35,14,879</b>	<b>12,65,93,423</b>
4. Sundry Debtors (Unsecured and considered good) :			
Outstanding for a period of less than six months .....		<b>25,68,688</b>	<b>13,62,096</b>
		<b>13,31,95,907</b>	<b>15,62,72,566</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**ANNEXURE TO SCHEDULE 5 : Statement of Stock in Trade as at 31st March, 2011 :**

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock Qty.	Rs.
<b>(a) Equity Shares / IDRs (Quoted) :</b>				
1.	Aban Offshore Limited	2	100	70,889
2.	Ankur Drug & Pharma Limited	5	300	52,138
3.	Everest Kanto Cylinder Limited	2	550	73,896
4.	Financial Techno (I) Limited	2	75	77,154
5.	Hindustan Copper Ltd.	5	400	1,69,366
6.	Hindustan Oil Exploration Company Ltd.	10	6,900	4,26,084
7.	Jaiprakash Associates Ltd.	2	612	92,311
8.	MRF Limited	10	30	2,30,241
9.	Mundra Port & SEZ Limited	2	800	1,34,893
10.	Nestle India Limited	10	147	2,28,791
11.	Reliance Communications Ltd.	5	350	61,110
12.	Reliance Infrastructure Ltd.	10	100	95,799
13.	Reliance Power Ltd.	10	1,137	2,02,564
14.	Standard Chartered PLC	—	100	10,902
15.	Sterlite Technologies Limited	2	1,350	1,14,404
16.	Tata Global Beverages Limited	1	800	1,08,456
17.	Torrent Power Limited	10	250	84,393
18.	Zandu Realty Ltd.	100	165	5,82,213
Total (a)				<b>28,15,604</b>
Market Value				<b>33,92,741</b>
Cost / Book Value as at 31-3-2010				29,31,979
Market Value as at 31-3-2010				46,81,870
<b>(b) Units of Mutual Funds :</b>				
1.	Bharti AXA Liquid Fund - Regular Growth	10	1,735	20,00,139
2.	Bharti AXA Treasury Advt. Fund - Dividend	1,000	897	10,48,889
3.	Bharti AXA Equity Fund Regular - Growth	10	7,438	1,31,321
4.	Birla Sunlife Dynamic Bond Fund - Growth	10	14,34,546	2,34,43,987
5.	Birla Sunlife Cash Manager - Growth	10	54,471	12,98,157
6.	Birla Sunlife MIP 2 Savings 5 Plan Growth	10	4,66,701	52,74,874
7.	Birla Sunlife Dynamic Bond Retail - Dividend	10	3,48,051	36,27,992
8.	HDFC Long Term Equity - Growth Plan	10	3,00,000	22,53,600
9.	ICICI Flexi Income Plan - Growth	10	5,577	10,13,709
10.	ICICI FNP Series 53 1 Year Cumulative - Growth	10	4,00,000	40,00,000
11.	IDFC Money Manager Treasury Plan - Growth	10	1,29,264	20,32,842
12.	IDFC Money Manager Treasury Plan - Dividend	10	2,02,272	20,36,855
13.	J. M. Money Manager - Regular Plan - Dividend	10	8,73,966	1,10,00,000

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock Qty.	Rs.
14.	Kotak Liquid Fund - Regular Plan - Growth	10	75,059	12,89,986
15.	Kotak Equity Arbitrage Fund - Growth	10	67,906	9,93,327
16.	Kotak Floater Long Term - Daily Dividend	10	8,64,410	87,13,083
17.	Reliance Liquid Fund Treasury Plan - Growth	10	29,567	6,53,182
18.	Reliance Money Manager - Regular - Dividend	10	3,659	36,71,112
19.	SBI SHF Ultra Short Term Fund - Growth	10	18,99,971	2,39,65,289
20.	SBI - Magnum Insta Cash Fund - Cash	10	1,88,411	41,00,649
21.	UTI Fixed Income Interval Fund - Growth	10	1,13,647	15,00,000
Total (b)				<b>10,40,48,993</b>
Market Value				<b>10,78,60,667</b>
Cost / Book Value as at 31-3-2010				2,51,04,564
Market Value as at 31-3-2010				2,74,19,480
Lower of Cost / Book Value or Market Value				<b>10,68,64,597</b>
Previous Year				2,80,36,543
Total Cost / Book Value Rs.				<b>10,68,64,597</b>
Total Market Value Rs.				<b>11,12,53,408</b>
Cost / Book Value as at 31-3-2010				2,80,36,543
Market Value as at 31-3-2010				3,21,01,350

As at 31-3-2010

Rupees                      Rupees

**Schedule 6 :**

**LOANS AND ADVANCES :**

**(Unsecured, Considered good)**

1.	Intercompany Deposits	11,65,00,000	7,00,00,000
2.	Advances recoverable in cash or in kind or for value to be received.	32,55,674	30,78,093
3.	Sundry Deposits	85,325	82,325
4.	Advance payment of Income-tax & Tax Deducted at Source. Less : Provision for Taxation (Including Wealth Tax)	4,63,61,885	4,35,30,779
		<b>3,58,75,000</b>	<b>3,28,43,930</b>
		<b>1,04,86,885</b>	<b>1,06,86,849</b>
	Total	<b>13,03,27,884</b>	<b>8,38,47,267</b>

**Schedule 7 :**

**CURRENT LIABILITIES :**

1.	Sundry Creditors : .....	41,85,205	42,99,756
2.	* Investor Education & Protection Fund Unclaimed Dividend * .....	25,75,592	19,59,501
	Total .....	<b>67,60,797</b>	<b>62,59,257</b>

\* There is no amount due and outstanding to be credited to Investor Education and Protection Fund

**STANDROSE MAFATLAL**

	As at 31-3-2010	
	Rupees	Rupees
<b>Schedule 8 :</b>		
<b>PROVISIONS :</b>		
1. Proposed Dividend.....	1,98,39,600	1,98,39,600
2. Distribution Tax on Dividend .....	32,18,479	33,71,740
3. Provision for Employee benefits .....	6,72,310	5,46,240
4. Contingent Provisions against Standard Assets .....	3,00,000	—
Total .....	<u>2,40,30,389</u>	<u>2,37,57,580</u>

	Previous Year	
	Rupees	Rupees

**Schedule 9 :  
PROFIT FROM TRADING IN  
SHARES & SECURITIES:**

Sales .....	20,31,72,936	20,75,62,660
Closing Stock .....	10,68,64,597	2,80,36,543
(A) .....	<u>31,00,37,533</u>	<u>23,55,99,203</u>
Less: Opening Stock. ....	2,80,36,543	12,12,92,663
Purchases .....	27,67,39,837	11,02,29,384
(B) .....	<u>30,47,76,380</u>	<u>23,15,22,047</u>
(A-B) .....	<u>52,61,153</u>	<u>40,77,156</u>

**Schedule 10 :****INTEREST INCOME :**

(1) Interest on Inter-Corporate Deposits and Loans (Gross) (Tax deducted at source Rs. 5,60,000/- Previous Year Rs. 4,98,962/-) .....	58,87,490	51,26,625
(2) Interest From Investments (Gross) (Tax deducted at source Rs. NIL Previous Year Rs. 2,152) .....	—	1,07,880
(3) Other Interest .....	1,976	5,081
Total .....	<u>58,89,466</u>	<u>52,39,586</u>

**Schedule 11 :****OTHER INCOME :**

(1) Profit on Sale of Fixed Assets (Net) .....	—	6,584
(2) Brokerage received on Finance Business .....	99	34,210
(3) Miscellaneous Income. ....	36,132	1,90,790
Total .....	<u>36,231</u>	<u>2,31,584</u>

**Schedule 12 :****PAYMENTS TO AND PROVISIONS FOR  
EMPLOYEES :**

(1) Salaries, Bonus and other Allowances .....	33,69,587	32,68,752
(2) Contribution to Provident, Superannuation & Gratuity Funds .....	4,30,338	5,01,750
(3) Staff Welfare Expenses. ....	4,75,013	3,54,273
Total .....	<u>42,74,938</u>	<u>41,24,775</u>

**Schedule 13 :****ADMINISTRATIVE &  
OTHER EXPENSES :**

(1) Leave & Licence Fees .....	41,57,751	38,95,820
(2) Rates and Taxes .....	38,860	94,320
(3) Repairs and Maintenance : (a) Buildings. ....	1,965	2,69,806
(b) Others. ....	7,12,979	3,82,411
	<u>7,14,944</u>	<u>6,52,217</u>
(4) Insurance .....	84,323	1,49,146
(5) Printing, Stationery, Postage, Telephone & Advertisement .....	9,53,839	9,64,179
(6) Directors' Fees. ....	1,39,000	72,000
(7) Commission to Directors ...	21,50,000	38,00,000
(8) Donations .....	19,15,000	9,50,000
(9) Legal & Professional Charges .....	17,67,633	17,65,367
(10) Motor Car Expenses. ....	15,02,884	11,48,226
(11) Electricity Charges .....	5,97,797	5,47,930
(12) Loss on Fixed Assets Sold / Discarded .....	10,448	—
(13) Provision for Standard Assets .....	3,00,000	—
(14) Travelling Expenses .....	20,91,642	7,80,420
(15) Miscellaneous Expenses ..	17,19,330	13,03,717
Total .....	<u>1,81,43,451</u>	<u>1,61,23,342</u>

**Schedule 14 :****SIGNIFICANT ACCOUNTING POLICIES  
AND NOTES ON ACCOUNTS****I. SIGNIFICANT ACCOUNTING POLICIES****a. BASIS OF PREPARATION OF FINANCIAL  
STATEMENTS:**

The Company has applied provisions of the Companies Act, 1956 for preparation of its financial statements. The Financial statements are prepared and presented under the historical cost convention on accrual basis of accounting,

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

in accordance with the accounting principles generally accepted in India and comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. Accounting policies not specifically referred to otherwise have been followed consistently.

**b. USE OF ESTIMATES:**

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

**c. REVENUE RECOGNITION:**

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

**d. INVESTMENTS:**

Long Term Investments are stated at cost less any provision for diminution in value other than temporary.

**e. STOCK-IN-TRADE:**

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

**f. FIXED ASSETS:**

Fixed Assets are stated at historical cost less accumulated depreciation.

**g. IMPAIRMENT OF FIXED ASSETS:**

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

**h. DEPRECIATION:**

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

**i. RETIREMENT BENEFITS:**

**Gratuity :**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Company. The

Company Accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

**Provident Fund :**

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

**Leave Encashment :**

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

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

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

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

Contingent assets are neither recognized nor disclosed in financial statements.

**k. GENERAL RESERVE II:**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

**l. TAXATION:**

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

**m. OPERATING LEASE:**

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

**II. NOTES FORMING PART OF ACCOUNTS**

1. Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Company is either in appeal or the effect of the Orders in appeal awaited, is of Rs. 1,40,27,093/- (Previous Year Rs. 1,54,14,310/-).

## STANROSE MAFATLAL

<p>2. The Company is not holding and accepting deposits as also not being systemically important, the Prudential Norms on Credit and Investment Concentration as also Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition, Accounting Standards, Assets Classification, Provisioning for Bad and Doubtful Debts as also Standard Assets and other related matters as prescribed under the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, as amended.</p> <p>3. The Company is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing and accordingly there are no separate reportable segments as per Accounting Standard 17 dealing with Segment Reporting.</p> <p>4. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding as at the Balance Sheet date.</p> <p>5. During the year, the Company and Standard Industries Ltd.(SIL) have entered into an understanding with Stanplaza Ltd.(SPL), whereby SPL will take exposure in the loan and an equity of a</p>	<p>Real Estate business company. As per the said understanding, SPL will be facilitating on behalf of the Company and SIL, for which it will charge a lump sum fee @ 5% of the benefits to be received. Further, the benefits and losses, as the case may be, from the said exposure by SPL shall be shared equally between the Company and SIL. Accordingly in terms of the said understanding the Company has provided an interest free Inter Corporate Deposit of Rs. 4,65,00,000/- to SPL.</p>																																																												
<p>7. Payment to Auditors (Including Service-tax) :</p> <p>(a) As Auditors .....</p> <p>(b) For Tax Audit .....</p> <p>(c) For Certification Work .....</p> <p>(d) As Expenses .....</p>	<p>6. <b>Deferred Tax</b></p> <table border="0" style="width: 100%;"> <thead> <tr> <th colspan="2"></th> <th style="text-align: right;"><b>Deferred Tax Asset</b></th> <th></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: right;"><b>Current Year</b></th> <th style="text-align: right;"><i>Previous Year</i></th> </tr> <tr> <th colspan="2"></th> <th style="text-align: right;"><b>Rupees</b></th> <th style="text-align: right;"><i>Rupees</i></th> </tr> </thead> <tbody> <tr> <td colspan="4">Deferred tax Assets / Liabilities at the year end comprise of timing differences on account of:</td> </tr> <tr> <td>Depreciation .....</td> <td style="text-align: right;"><b>5,75,080</b></td> <td></td> <td style="text-align: right;">4,55,618</td> </tr> <tr> <td colspan="4">Provision for :</td> </tr> <tr> <td>Standard Assets .....</td> <td style="text-align: right;"><b>97,335</b></td> <td></td> <td style="text-align: right;">—</td> </tr> <tr> <td>Leave Encashment .....</td> <td style="text-align: right;"><b>2,20,032</b></td> <td></td> <td style="text-align: right;">2,03,416</td> </tr> <tr> <td><b>Total Deferred Tax Assets</b></td> <td style="text-align: right;"><b><u>8,92,447</u></b></td> <td></td> <td style="text-align: right;"><b><u>6,59,034</u></b></td> </tr> <tr> <td colspan="2"></td> <td style="text-align: right;"><b>Current Year</b></td> <td style="text-align: right;"><i>Previous Year</i></td> </tr> <tr> <td colspan="2"></td> <td style="text-align: right;"><b>Rs.</b></td> <td style="text-align: right;"><i>Rs.</i></td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b>1,10,300</b></td> <td style="text-align: right;">66,180</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b>22,060</b></td> <td style="text-align: right;">22,060</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b>49,635</b></td> <td style="text-align: right;">52,393</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b>—</b></td> <td style="text-align: right;">330</td> </tr> </tbody> </table>			<b>Deferred Tax Asset</b>				<b>Current Year</b>	<i>Previous Year</i>			<b>Rupees</b>	<i>Rupees</i>	Deferred tax Assets / Liabilities at the year end comprise of timing differences on account of:				Depreciation .....	<b>5,75,080</b>		4,55,618	Provision for :				Standard Assets .....	<b>97,335</b>		—	Leave Encashment .....	<b>2,20,032</b>		2,03,416	<b>Total Deferred Tax Assets</b>	<b><u>8,92,447</u></b>		<b><u>6,59,034</u></b>			<b>Current Year</b>	<i>Previous Year</i>			<b>Rs.</b>	<i>Rs.</i>			<b>1,10,300</b>	66,180			<b>22,060</b>	22,060			<b>49,635</b>	52,393			<b>—</b>	330
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<p>8. Amount remitted during the year in foreign currency on account of dividend : The Company has not made any remittance in foreign currencies on account of dividends and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>2009-2010</b></th> <th style="text-align: right;"><i>2008-2009</i></th> </tr> </thead> <tbody> <tr> <td>Year to which Dividend relates .....</td> <td style="text-align: right;"><b>2009-2010</b></td> <td style="text-align: right;"><i>2008-2009</i></td> </tr> <tr> <td>Number of Non-Resident Shareholders .....</td> <td style="text-align: right;"><b>25</b></td> <td style="text-align: right;">25</td> </tr> <tr> <td>Number of Equity Shares held by them on which Dividend was due .....</td> <td style="text-align: right;"><b>17,810</b></td> <td style="text-align: right;">17,810</td> </tr> <tr> <td>Amount in rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....</td> <td style="text-align: right;"><b>Rs. 89,050</b></td> <td style="text-align: right;"><i>Rs. 62,335</i></td> </tr> </tbody> </table>		<b>2009-2010</b>	<i>2008-2009</i>	Year to which Dividend relates .....	<b>2009-2010</b>	<i>2008-2009</i>	Number of Non-Resident Shareholders .....	<b>25</b>	25	Number of Equity Shares held by them on which Dividend was due .....	<b>17,810</b>	17,810	Amount in rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....	<b>Rs. 89,050</b>	<i>Rs. 62,335</i>	<p>9. Computation of net profit as per Section 349 read with Section 309[5] and Section 198 of the Companies Act, 1956:</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Current Year</b></th> <th style="text-align: right;"><i>Previous Year</i></th> </tr> <tr> <th></th> <th style="text-align: right;"><b>Rs.</b></th> <th style="text-align: right;"><i>Rs.</i></th> </tr> </thead> <tbody> <tr> <td>Profit before Taxation as per Profit and Loss Account .....</td> <td style="text-align: right;"><b>7,08,88,588</b></td> <td style="text-align: right;">12,51,58,527</td> </tr> <tr> <td>Add:</td> <td></td> <td></td> </tr> <tr> <td>Directors' Fees .....</td> <td style="text-align: right;"><b>1,39,000</b></td> <td style="text-align: right;">72,000</td> </tr> <tr> <td>Commission to Directors .....</td> <td style="text-align: right;"><b>21,50,000</b></td> <td style="text-align: right;">38,00,000</td> </tr> <tr> <td><b>Net Profit</b> .....</td> <td style="text-align: right;"><b><u>7,31,77,588</u></b></td> <td style="text-align: right;"><b><u>12,90,30,527</u></b></td> </tr> <tr> <td>Commission to Non-Executive Directors @ 3 % of Net Profit .....</td> <td style="text-align: right;"><b>21,95,328</b></td> <td style="text-align: right;">38,70,916</td> </tr> <tr> <td>Restricted by the Board of Directors to .....</td> <td style="text-align: right;"><b>21,50,000</b></td> <td style="text-align: right;">38,00,000</td> </tr> </tbody> </table>		<b>Current Year</b>	<i>Previous Year</i>		<b>Rs.</b>	<i>Rs.</i>	Profit before Taxation as per Profit and Loss Account .....	<b>7,08,88,588</b>	12,51,58,527	Add:			Directors' Fees .....	<b>1,39,000</b>	72,000	Commission to Directors .....	<b>21,50,000</b>	38,00,000	<b>Net Profit</b> .....	<b><u>7,31,77,588</u></b>	<b><u>12,90,30,527</u></b>	Commission to Non-Executive Directors @ 3 % of Net Profit .....	<b>21,95,328</b>	38,70,916	Restricted by the Board of Directors to .....	<b>21,50,000</b>	38,00,000																		
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<p>10. The Company has an operating Lease rented facility at Mumbai with lock-in-period of 60 months from the date of its commencement. The future rent payments for the facility are as under:</p> <table border="0" style="width: 100%;"> <thead> <tr> <th></th> <th style="text-align: right;"><b>Current Year</b></th> <th style="text-align: right;"><i>Previous Year</i></th> </tr> <tr> <th></th> <th style="text-align: right;"><b>Rs.</b></th> <th style="text-align: right;"><i>Rs.</i></th> </tr> </thead> <tbody> <tr> <td>Minimum future lease payments</td> <td></td> <td></td> </tr> <tr> <td>– Not later than one year .....</td> <td style="text-align: right;"><b>17,82,000</b></td> <td style="text-align: right;">14,85,000</td> </tr> <tr> <td>– Later than one year and not later than five years .....</td> <td style="text-align: right;"><b>60,26,226</b></td> <td style="text-align: right;">—</td> </tr> <tr> <td></td> <td style="text-align: right;"><b><u>78,08,226</u></b></td> <td style="text-align: right;"><b><u>14,85,000</u></b></td> </tr> </tbody> </table>		<b>Current Year</b>	<i>Previous Year</i>		<b>Rs.</b>	<i>Rs.</i>	Minimum future lease payments			– Not later than one year .....	<b>17,82,000</b>	14,85,000	– Later than one year and not later than five years .....	<b>60,26,226</b>	—		<b><u>78,08,226</u></b>	<b><u>14,85,000</u></b>																																											
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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

11. (a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 (Revised 2005) "Employee Benefits".  
Status of the Gratuity as required under AS 15 (Revised) :

	As at 31-3-2011	As at 31-3-2010
	Rs.	Rs.
<b>I. Components of Employers' Expense recognised in Profit and Loss Account</b>		
(a) Current Service Cost	1,02,911	94,576
(b) Interest Cost	1,76,715	1,67,023
(c) Expected Return on Plan Assets	(2,09,372)	(1,93,476)
(d) Net Actuarial loss (gain) recognised in period.	(13,896)	76,310
<b>Total Expense / (Gain) recognised in Profit and Loss Account</b>	<u>56,358</u>	<u>1,44,433</u>

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

(a) Present value of Obligation	24,10,259	21,84,363
(b) Fair Value of Plan Assets	24,16,119	22,36,581
(c) Present value of Unfunded Obligation	(5,860)	(52,218)
(d) (Asset) / Liability recognised in Balance Sheet	(5,860)	(52,218)

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

(a) Opening Present Value of Obligation	21,84,363	21,35,840
(b) Current Service Cost	1,02,911	94,576
(c) Interest Cost	1,76,715	1,67,023
(d) Actuarial (Gain) / Loss	(39,250)	48,132
(e) Benefit Paid	(14,480)	(2,61,208)
(f) Present Value of Obligation at the year end	<u>24,10,259</u>	<u>21,84,363</u>

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

(a) Opening fair value of plan assets	22,36,581	20,62,883
(b) Expected return	2,09,372	1,93,476
(c) Actuarial Gain / (Loss)	(25,354)	(28,178)
(d) Contributions by employer	10,000	2,69,608
(e) Benefit Paid	(14,480)	(2,61,208)
(f) Fair Value of Plan Assets at the year end	<u>24,16,119</u>	<u>22,36,581</u>

**V. Actuarial Assumptions ....**

(a) Discount Rate (per annum)	8.09%	7.82%
(b) Annual Increase in Salary Cost	6.00%	6.00%
(c) Expected Return on Plan Assets	9.00%	9.00%

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

	2007-08	2008-09	2009-10
Present Value of defined benefit Obligation at the end of the period (By Independent actuary)	26,02,590	21,35,840	21,84,363
Fair Value of Plan assets at the end of the period.	27,95,760	20,62,883	22,36,581
Net (Asset) / Liability at the end of the period	(1,93,170)	72,957	(52,218)

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

Sr. No.	Particulars	Percentage Investments
1.	Insurer Managed Funds	39.86 %
2.	Central Government Securities	16.89 %
3.	State Government Securities	26.78 %
4.	Public Financial Institutions	12.58 %
5.	CBI Special Deposit Scheme	3.89 %
	Total	<u>100.00 %</u>

- (b) The liability for leave encashment and compensated absence as at the year end is Rs. 6,78,170/- (Previous Year Rs. 5,98,458/-).

**12. Related Party Disclosures :**

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

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

**(B) Related Party Transactions:**
**Amount in Rupees**

	Companies with significant holding by SMIFL & Controlling Companies		Enterprises Controlled by the Company		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>(A) Volume of Transactions :</b>						
<b>Expenses:</b> Leave and Licence Fees & Other Services:						
Shanudeep Private Limited	41,57,751	38,95,820	—	—	41,57,751	38,95,820
<b>Sale of Investments:</b>						
SMIFL Employees' P. F.	—	—	2,67,999	2,22,577	2,67,999	2,22,577
SMIFL Officers' P. F.	—	—	3,27,877	7,86,938	3,27,877	7,86,938
SMIFL Officers' S. S.	—	—	1,15,753	2,97,398	1,15,753	2,97,398
SHL Employees' Gratuity Fund	—	—	31,572	1,73,433	31,572	1,73,433
<b>Dividend Received:</b>						
Standard Industries Limited	82,74,735	50,64,300	—	—	82,74,735	50,64,300
<b>Dividend Paid:</b>						
Shanudeep Private Limited	49,00,390	34,30,273	—	—	49,00,390	34,30,273
Sheiladeep Investments Private Ltd.	19,51,485	13,66,040	—	—	19,51,485	13,66,040
Vinadeep Investments Private Ltd.	20,99,350	14,69,545	—	—	20,99,350	14,69,545
Gagalbhai Investments Private Ltd.	2,18,630	1,52,645	—	—	2,18,630	1,52,645
Pradeep Investments Private Ltd.	90,600	63,420	—	—	90,600	63,420
Standard Industries Limited	48,375	—	—	—	48,375	—
<b>(B) Balances at the Year end</b>	—	—	—	—	—	—

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

	Outstanding Balance as on 31-3-2011	Maximum Outstanding during the year
Loans and Advances in the nature of loan where there is:		
(a) No repayment schedule or repayment beyond 7 years	—	—
(b) No Interest or Interest below Section 372A of the Companies Act, 1956:		
Loans to Employees (in ordinary course of business)	2,03,000	2,84,598

**Notes :**

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

**14. The details of the working of Basic and Diluted Earning Per Share :**

		Current Year	Previous Year
Profit after Tax	Rs.	5,91,26,334	10,56,68,130
No. of Equity Shares	No.	39,67,920	39,67,920
Basic and Diluted EPS	Rs.	14.90	26.63
Nominal Value of each Equity Share	Rs.	10	10

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**15. Disclosure of details as required under Para 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.**

*Amount in Rupees*

Particulars	Amount overdue	Amount outstanding
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**LIABILITIES SIDE**

(1) Loans and Advances availed by the Company (Inclusive of interest accrued thereon but not paid) :	—	—
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**ASSETS SIDE**

(2) Break-up of Loans and Advances (Including bills receivable) (Other than those included in (3) below) :		
(a) Secured		—
(b) Unsecured	<b>11,68,93,723</b>	
(3) Break-up of Leased Assets, Stock on hire and other assets counting towards AFC activities :		
(a) Leased Assets		—
(b) Stock on hire		—
(c) Other Loans counting towards AFC activities		—

**As at  
31/03/2011**

(4) Break-up of Investments:		
<b>Current Investments:</b>		
(a) Quoted :		
Equity Shares	<b>28,15,604</b>	
(b) Unquoted :		
Units of Mutual Funds	<b>10,40,48,993</b>	

**Long Term investments :**

(a) Quoted :		
Equity Shares	<b>18,69,98,937</b>	
Other Investment (Units of Goldbees)	<b>2,50,90,660</b>	
(b) Unquoted :		
Equity Shares	<b>27,29,198</b>	
(5) Borrower group-wise classification of assets, financed as in (2) & (3) above :		

*Amount in Rupees*

Category	Amount net of provisions		
	Secured	Unsecured	Total
(a) Related Parties :			
(i) Subsidiaries	—	—	—
(ii) Companies in the same group	—	—	—
(iii) Other related parties	<b>4,65,00,000</b>	<b>4,65,00,000</b>	<b>4,65,00,000</b>
(b) Other than related parties	<b>7,03,93,723</b>	<b>7,03,93,723</b>	<b>7,03,93,723</b>
<b>Total</b>	<b>11,68,93,723</b>	<b>11,68,93,723</b>	<b>11,68,93,723</b>

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

*Amount in Rupees*

Category	Market Value/Break up or Fair Value or NAV		Book Value (Net of Provisions)
	Related Parties :		
(a) Companies in the same group		—	—
(b) Other related parties	<b>29,08,54,966</b>	<b>14,55,03,014</b>	<b>14,55,03,014</b>
Other than related parties	<b>43,19,83,887</b>	<b>17,61,80,078</b>	<b>17,61,80,078</b>
<b>Total</b>	<b>72,28,38,853</b>	<b>32,16,83,092</b>	<b>32,16,83,092</b>

(7) Information about NPA	NIL
---------------------------	-----

16. Previous Years' figures have been regrouped wherever necessary.

Signatures to Schedules 1 to 14

As per our separate Report of even date attached.

For C.C. CHOKSHI & CO.  
Chartered Accountants

H. P. SHAH  
Partner

Ahmedabad, Dated : 30th May, 2011

For and on behalf of the Board

PRADEEP R. MAFATLAL  
Chairman

K. J. PARDIWALLA  
Director

G. R. SHAH  
Company Secretary

Mumbai, Dated : 30th May, 2011

## STANDROSE MAFATLAL

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### BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956. :

#### I. Registration Details

Registration No. (CIN)	:	L65910GJ1980PLC003731
State Code	:	04
Balance Sheet Date	:	31-03-2011

#### II. Capital Raised during the Year

(Amount Rs. in Thousands)

Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	NIL

#### III. Position of Mobilisation and Deployment of Funds

(Amount Rs. in Thousands)

Total Liabilities	:	4,88,257
Total Assets	:	4,88,257

##### Sources of Funds

Paid-up Capital	:	39,679
Reserves and Surplus	:	4,17,787
Secured Loans	:	NIL
Unsecured Loans	:	NIL

##### Application of Funds

Net Fixed Assets	:	9,023
Investments	:	2,14,818
Net Current Assets	:	2,32,733
Accumulated Losses	:	NIL

#### IV. Performance of the Company

(Amount Rs. in Thousands)

Total Income	:	95,364
Total Expenditure	:	24,475
Profit before Tax	:	70,889
Profit after Tax	:	59,126
Earnings Per Share (Rs.)	:	14.90
Dividend Rate :	:	50% i. e. Rs. 5.00 Per Share

#### V. Generic Names of Principal Products/Services of the Company (as per monetary terms)

Item Code No.	:	Not Applicable
Product Description	:	1. Investments, Finance and Capital Market related activities 2. Corporate Lending / Financing

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For and on behalf of the Board

PRADEEP R. MAFATLAL  
*Chairman*

K. J. PARDIWALLA  
*Director*

G. R. SHAH  
*Company Secretary*

Mumbai, Dated : 30th May, 2011

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## NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty-first Annual General Meeting of the Members of the Company will be held on Saturday, the 3<sup>rd</sup> September, 2011 at 10.30 A.M. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and Profit and Loss Account and Cash Flow Statement for the Financial Year ended on that date of the Company and the Reports of the Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares. The Board of Directors has recommended a Dividend of Rs.5/- per Equity Share of Rs.10/- each.
3. To appoint a Director in place of Shri F. M. Pardiwalla, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Shri Russi Jal Taraporevala, who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Shri Chetan J. Parikh, who retires by rotation and is eligible for re-appointment.
6. To re-appoint M/s. C. C. Chokshi & Co., Chartered Accountants - Regn. No. 101876W, Ahmedabad, as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

7. **Payment of Commission to Non-Executive Directors of the Company.**

To consider and if thought fit, to pass with or without modifications, as may be permissible, the following :

#### AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 309 and any other applicable provisions of the Companies Act, 1956 (the Act) or any amendment or modification thereof, Clause no. 49 of the Listing Agreement and such other approvals as may be necessary, the Company be and is hereby authorized to pay to any one or more or all of the existing Non-Executive Directors or Directors to be appointed in future, remuneration by way of commission of an amount not exceeding 1% of the net profits of the Company if the Company has engaged a Managing or a Whole-time Director or a Manager and 3% of the net profits of the Company, in any other case (computed in the manner under Sections 198, 349 and 350 of the Act), for each Financial Year or a part thereof for a period of five years with effect from the Financial Year commencing on 1st April, 2011 to be paid and distributed amongst them or some or any of them in such manner and in such proportion and in all respects as the Board of Directors of the Company may, from time to time, determine and in default of such determination equally."

"RESOLVED FURTHER THAT the aforesaid remuneration shall be exclusive of any fees payable

to a Director for each Meeting of the Board or of a Committee of the Board attended by him."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine the precise quantum of commission payable to each such Director on a year to year basis and to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

### Notes:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The Proxy form, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
- (b) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting . Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
- (c) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (d) Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
- (e) The Dividend on Equity Shares if declared at the Meeting will be paid on 19th September, 2011 to those Members whose names shall appear on the Company's Register of Members on 1st August, 2011; in respect of the shares held in demat form the dividend will be paid to members, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.
- (f) Members holding shares in electronic form may note that the Particulars of their address and Bank Account registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members.
- (g) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate immediately any change in their address or bank mandates to the Company or its Registrar and Transfer Agent.
- (h) The Company has designated an exclusive email ID viz. [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com) to

enable investors to post their grievances, if any, and monitor its redressal.

- (i) The Ministry of Corporate Affairs (MCA) vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively have clarified that a company would be deemed to have complied with the provisions of Sections 53 and 219(1) of the Companies Act, 1956, if documents like Notices, Annual Reports, etc. are sent in electronic form to its Members.

Accordingly, the said documents of the Company for the financial year ended 31st March, 2011 will be sent in electronic form to those Members who have registered their email address with their DP and made available to the Company by their Depositories as well as to those other members who have registered their email ID with the Company for the purpose.

However, in case a Member wishes to have a physical copy of the said documents, he is requested to send an email to [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com), duly quoting his DP ID and Client ID or Folio Number, as the case may be.

Members holding shares in physical form are requested to submit their email address, if not done so far, to the Company or its Registrar duly quoting their folio number and Members holding shares in electronic form, who have not registered their email address with their DP are requested to do so at the earliest, to enable the Company to send the said documents in electronic form and thereby support the green initiative of the MCA. Please refer to the letter annexed to the Annual Report on the subject matter. Email registration can also be done online on Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com).

Please note that the said documents will be uploaded on the website of the Company and will also be made available for inspection at the Registered Office of the Company during business hours.

- (j) Details required to be furnished in terms of Clause no. 49 of the Listing Agreements with the Stock Exchanges relating to the Corporate Governance in respect of the Directors being proposed for appointment at the ensuing Annual General Meeting of the Company, are given hereunder:

**1. Shri Framroz M. Pardiwalla**

Shri Framroz M. Pardiwalla was born on 25th August, 1939. He is a Commerce Graduate from Sydenham College of Commerce & Economics as well as a Law Graduate from H. R. College, Mumbai. He has worked with ICICI Ltd. for 38 years in a Senior executive's capacity, heading Corporate Finance including Indian and Foreign currency treasury, foreign exchange, taxation and EDP Departments. He has vast experience in Accounts, Foreign Exchange and Law.

In recognition to his professional qualifications and experience in banking and finance, the

governing council of Indian Institute of Banking and Finance has conferred on him Associate-ship of the Institute.

He is the Chairman of the Audit Committee of the Company.

He is a Director on the Board of Standard Industries Limited and a Member of its Audit Committee and Shareholders/Investors' Grievance Committee.

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

**2. Shri Russi Jal Taraporevala:**

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

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

He continues to be a Director of various Public and Private Limited Companies viz. Standard Industries Limited, Gabriel India Ltd., D. B. Taraporevala Sons & Co. Private Ltd. and Taraporevala Publishing Industries Pvt. Ltd.

He is the Chairman of the Audit Committee and Remuneration Committee and Member of Shareholders/Investors' Grievance Committee of Standard Industries Limited.

He is the Chairman of the Shareholders'/Investors' Grievance Committee and a Member of the Audit Committee of the Company.

He is also the Chairman of the Shareholders'/Investors' Grievance Committee and a Member of the Remuneration Committee of Gabriel India Ltd.

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

**3. Shri Chetan J. Parikh :**

Shri Chetan J. Parikh, aged 53 years, has done MBA from Wharton School, University of Pennsylvania, USA and is an eminent Financial Analyst and Proprietary Investor. He possesses wide experience and sound background for dealing in Capital Market related activities, the core business of the Company.

He is on the Board of Stanrose Fund Management Services Ltd., Ceeparikh Investments Pvt. Ltd., Cerebrum Online Pvt. Ltd., Discover Investment Advisors Pvt. Ltd., Jeetay Investments Pvt. Ltd., Leasecon Investments Pvt. Ltd., Plastcon Packaging Pvt.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Ltd., Pratijit Investments Pvt. Ltd., Sheilaja Enterprises Pvt. Ltd., Valuideas Online Pvt. Ltd. and Veeparikh Investments Pvt. Ltd.

Shri Chetan J. Parikh is the brother-in-law of Shri Pradeep R. Mafatlal.

He alongwith Shri Percy Jal Pardiwalla and Smt. Pravina R. Mafatlal is holding 19,098 Equity Shares of Rs. 10/- each in the Company.

- (k) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, is annexed herewith.

**Registered Office:**

Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.

Mumbai, Dated: 30th May, 2011

**ANNEXURE TO THE NOTICE:**

**Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.**

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to Item No. 7 contained in the accompanying Notice dated 30th May, 2011.

**In respect of Item No. 7**

A Special Resolution was passed at the Twenty-sixth Annual General Meeting of the Company held on 25th September, 2006, for approving the payment of commission to Directors at a rate not exceeding 3% or 1% as the case may be, of the net profits of the Company for a period of five years commencing from 1st April, 2006.

Since November, 2008 the Company has again become a Board managed Company. Looking to the present day

complex business environment and the increased responsibilities either statutory or otherwise being shouldered by the Directors, it is considered reasonable, fair and justifiable to pay commission to the Directors. Accordingly it is proposed that in terms of Section 309(4) of the Companies Act, 1956 (the Act), the Non-Executive Directors be continued to be paid, for each financial year of the Company upto a period of five years commencing from 1st April, 2011, a remuneration by way of commission, within the limit prescribed under the Act, viz. at a rate not exceeding 1% of the net profits of the Company if the Company has engaged a Managing or a Whole-time Director or a Manager and 3% of the net profits of the Company, in any other case, computed in accordance with the provisions of Sections 198, 349 and 350 of the Act, exclusive of any fees payable to a Director for each Meeting of the Board or of a Committee of the Board attended by him. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Board.

Accordingly, your Directors recommend the Special Resolution as set out under Item no. 7 of the accompanying Notice for approval of the Members.

All the Directors of the Company are concerned or interested in the Resolution at Item No. 7 of the Notice, to the extent of the remuneration that may be received by them.

**Registered Office:**

Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.

Mumbai, Dated: 30th May, 2011

By Order of the Board

**G. R. SHAH**  
Company Secretary

# **STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.**

Regd. Office:- Popular House, 6th Floor, Ashram Road, Ahmedabad - 380 009.  
Tel. No. 079-26580067/96. Email: investorcare@stanroseinvest.com

May 30, 2011

## **IMPORTANT COMMUNICATION FOR DIVIDEND PAYMENT**

**Dear Shareholder(s),**

### **Sub: Payment of Dividend through National Electronic Clearing Services (NECS).**

Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the Electronic Mode of Remittance for payment of dividends. You are aware that as per RBI's Notification, remittance of money through Electronic Clearing Service (ECS) has been replaced by NECS with effect from 1st October, 2009.

The advantages of NECS over ECS include faster credit of remittance to beneficiary's account, wider coverage with no limitations of locations in India besides ease of operations for remitting agencies. NECS essentially operates on the new and unique Bank Account Number allotted by Banks, post implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transactions.

In this regard, you are requested to furnish your Bank details including the new Bank Account Number allotted by the Banks post implementation of CBS, in the NECS Mandate Form printed overleaf, alongwith a blank cancelled cheque or a photocopy of a cheque pertaining to the concerned account; to the Company at its Registered Office in case you hold shares in physical or to the concerned Depository Participant (DP) in case you hold the shares in demat form.

In case you do not furnish the new Account Number as aforesaid, credit of dividend through NECS to your old Bank Account Number may be rejected or returned by the Banking System. However, in such cases the Company would issue physical Dividend Warrant/Demand Draft to the concerned shareholders post-such rejection.

NECS Mandates received after 30th August, 2011 will not be considered for current dividend. However, your updated account information will be used for future dividend payments, unless the same is amended or revoked by you. You can intimate the Company/Depository, as the case may be about the change in your account details in similar manner.

Thanking you, we remain,

Yours faithfully,  
For, **STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LIMITED**

**G. R. SHAH**  
COMPANY SECRETARY



## NECS MANDATE FORM

PLEASE FILL UP THIS FORM AND ARRANGE TO SEND IT TO :

THE FOLLOWING ADDRESS IF THE  
SHARES ARE HELD IN PHYSICAL FORM

OR

TO YOUR DP, IF THE SHARES  
ARE HELD IN DEMAT FORM

Share Department,  
**STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LTD.**

Popular House, 6<sup>th</sup> Floor,  
Ashram Road,  
Ahmedabad - 380 009.

I wish to avail of the National Electronic Clearing Service (NECS) facility towards my dividend payment, etc. I furnish hereunder the required particulars of my Bank to which direct credit is to be given

A. First/Sole Holder's Name	:			
B. Folio No./DP ID & Client ID No.	:			
C. Name of the Bank	:			
D. Name of the Branch	:			
E. Bank Address	:			
F. Account Type with Code No.	:	10 - S. B.	11 - CURRENT	13 - CASH CREDIT
G. Account Number (10 digit or more number only)	:			
H 9 Digit Code number of the Bank & Branch as appearing on the MICR cheque	:			
<b>Please attach photocopy of the cheque/cancelled cheque</b>				
I. Telephone Number (with STD code) of shareholder	:			
J. Email ID of Shareholder	:			

I/We hereby declare that the particulars given above are correct and complete. I/We undertake to inform subsequent changes in the above particulars before the relevant Book Closure Dates.

I/We shall not hold the Company responsible if the NECS mandate could not be implemented because of incomplete or incorrect information or for reasons beyond the control of the Company.

Date : \_\_\_\_\_

\_\_\_\_\_  
**Signature of Sole/First Shareholder**

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

July 15, 2011

Dear Shareholder(s),

## **Sub: Email/E-communication Registration**

As you may be aware, the Ministry of Corporate Affairs (MCA) vide Circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively has clarified that a company will be deemed to have complied with the provisions of Sections 53 and 219(1) of the Companies Act, 1956, in case documents like Notice, Annual Report, etc. are sent to its members in electronic form, subject to compliance with the conditions stated therein. Further, MCA vide its notification dated 30th May, 2011 issued the Companies (Passing of the resolution by Postal Ballot) Rules, 2011 which enables the companies to issue Postal Ballot Notices also through electronic mail to their shareholders.

The Company proposes to send its Notice, Annual Report, Postal Ballot Notices etc. in electronic form to its members in support of said green initiative by the MCA. The Company has accordingly informed those members holding equity shares of the Company in electronic form and whose email address has been made available to it by the depositories, of the said proposal. We are pleased to inform you that the response to the said initiative has been encouraging.

As per our records, we note that most of you have neither registered your email address nor updated the same with your Depository Participant (DP)/the Company. Members who wish to receive the said documents in electronic form, are requested to comply with the following :

1. Members holding shares in physical form are requested to get their email ID registered with the Company or its Registrar and Transfer Agents by sending a simple request therefor in the proforma prescribed on the reverse of this Circular.
2. Members holding equity shares of the Company in electronic form are preferably requested to register their email address with their Depository Participant, which will work for their holding in all the companies under that account. Alternatively they can also use the proforma for email registration provided on the reverse of this circular, which will be valid only for your holding in the Company.

Please note that the said documents will be uploaded on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com) for the ready reference of its members. The Company will notify the date of the AGM and the availability of the said documents by publishing the same in newspapers and uploading it on the website of the Company.

Please note that as a member of the Company, you are always entitled to receive, on request, copy of the said documents, free of cost, in accordance with the provisions of the Companies Act, 1956.

Thanking you for supporting this unique initiative and assuring you of our best attention at all times, we remain,

Yours faithfully,  
For, **STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LIMITED**

**G. R. SHAH**  
COMPANY SECRETARY

## E-MAIL/E-COMMUNICATION REGISTRATION FORM

**STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LTD.**

Popular House, 6th Floor,  
Ashram Road, Ahmedabad - 380 009.

Dear Sir,

To support the green initiative of the Government (MCA) allowing companies to service Notice/ Documents including Annual Report, etc. by email to its members, I hereby agree to receive all communication from the Company in electronic mode and request you to register my email ID, etc. as follows in your records for sending communication through e-mail. I further state that I will keep the Company/Registrar informed about the changes in the said particulars in future, if any.

Name : _____	Folio No. (in case of _____ physical holding) :
Email ID : _____	DP ID : _____
Mobile No. (Optional) _____	Client ID : _____
Address : _____	No. of shares held: _____
_____	
_____	

Place:

Date:

X

-----  
Signature of the Member

Notes:

1. On registration, all the communication will be sent to the email ID registered in the Folio/DP ID & Client ID.
2. Email registration can also be made online on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com)

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

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

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

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

## PROXY FORM

Regd. Folio No. .... No. of Shares held .....

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

I/We .....  
of .....

being a member/members of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

hereby appoint ..... of

..... or failing him ..... of

..... as my/our proxy to vote for me/us and on my/our behalf at the

THIRTY-FIRST ANNUAL GENERAL MEETING of the Company to be held on Saturday, the 3rd September, 2011 at 10.30 A.M. or at any adjournment thereof.

Signed this ..... day of ..... 2011

Signature .....

Affix  
15 Paise  
Revenue  
stamp

**Note :** This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting.

# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

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

## ATTENDANCE SLIP

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

**31st Annual General Meeting - September 3, 2011**

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

I hereby record my presence at the THIRTY-FIRST ANNUAL GENERAL MEETING of the Company held at Banquet Hall, Karnavati Club Ltd. S. G. Highway, Ahmedabad-380 058 at 10.30 A.M.

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

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

Book-Post

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

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