



BOMBAY SWADESHI STORES LIMITED

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*Members are requested to bring their copy of the Annual Report to the Annual General Meeting

BOMBAY SWADESHI STORES LIMITED

108th ANNUAL REPORT 2013-2014

COMPANY DETAILS

BOARD OF DIRECTORS

MR. MILAN DALAL	(Chairman)
MR. ASIM DALAL	(Managing Director)
MR. PRATUL DALAL	(Director)
MR. DEVANSHU DESAI	(Director)
MR. HETAL GANDHI	(Director)
MR. BHARAT PATEL	(Director)

STATUTORY AUDITORS

M/s. M.D. PANDYA & ASSOCIATES
Chartered Accountants

BANKERS

YES Bank Limited

REGISTERED OFFICE

WESTERN INDIA HOUSE,
SIR PHEROZESHAH MEHTA ROAD,
FORT, MUMBAI - 400 001
Tel : 022 40669999 Fax : 022 40318800
CIN: L74999MH1905PLC000223

INVESTOR GRIEVANCES EMAILID

investor@bombaystore.com

CORPORATE OFFICE

1st FLOOR, B - WING, TODI ESTATE,
SUN MILL COMPOUND, LOWER PAREL (WEST),
MUMBAI - 400 013
Tel : 022 40318888

LISTED AT

BOMBAY STOCK EXCHANGE LIMITED



NOTICE

NOTICE is hereby given that the **ONE HUNDRED AND EIGHTH ANNUAL GENERAL MEETING** of the Members of **BOMBAY SWADESHI STORES LIMITED** will be held on Friday, 8th August, 2014 at 10.30 a.m. at Sir Vithaldas Chambers, 6th Floor, 16, Mumbai Samachar Marg, Fort, Mumbai – 400 001, to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account of the Company for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Milan Dalal (DIN 00062453), who retires by rotation at this Annual General Meeting and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, M/s M.D.Pandya & Associates, Chartered Accountants, Mumbai, bearing ICAI Registration No.107325W, be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company on a remuneration as may be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS:

4. To appoint Mr. Bharat Patel (DIN 01100361) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Bharat Patel (DIN 0110036), who was appointed as Director liable to retire and whose term expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 3 (three) consecutive years for a term upto the conclusion of the One Hundred and Eleventh Annual General Meeting in the calendar year 2017.”

5. To re-appoint Mr.Asim Dalal (DIN 00062734) as Managing Director and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution.

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read together with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the Company be and is hereby accorded to the re-appointment of Mr.Asim Dalal (DIN 00062734) as Managing Director of the Company for a period of 5 years from 1st April, 2014 on the terms and conditions, including remuneration, as set out in the statement annexed to the Notice convening this Meeting with liberty to the Board of Directors (hereinafter referred to as the Board) or any Committee thereof which may be constituted in accordance with the applicable provisions of the law(s) in force from time to time, to alter the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr.Asim Dalal, provided that the remuneration to be paid shall not exceed the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

FURTHER RESOLVED THAT the Board be and is hereby authorised to do all such acts, deeds and things and in general to take all such steps as may be considered expedient to give effect to this resolution.”

6. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

BY ORDER OF THE BOARD

Mumbai
Dated: 30th May, 2014

ASIM DALAL
MANAGING DIRECTOR

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto and forms part of this Notice.
4. The instrument appointing the proxy should be deposited with the Company at least 48 hours before the commencement of the Meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed on Friday, 8th August, 2014.
6. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the Meeting.
7. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
8. Members are requested to intimate change of address, if any, to the Company's Registrars & Share Transfer Agents. Link Intime Private Limited, C-13, Panalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400 078.
9. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company from Monday to Friday, during business hours up to the date of the Meeting.
10. Electronic copy of the Notice of the 108th Annual General Meeting of the Company, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email ids are registered with the Company's Registrars and Transfer Agents and/or either of the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email addresses, physical copies of the Notice of 108th Annual General Meeting of the Company, inter alia,

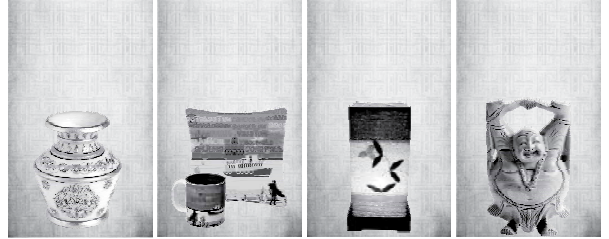
indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

11. Electronic copy of the Annual Report for 2013-14 is being sent to all Members whose email Ids are registered with the Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode.
12. Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its members the facility to exercise their right to vote at the 108th Annual General Meeting by electronic means. Members whose names appear in the Register of Members/List of Beneficial Owners as on Monday, 28th July, 2014 are entitled to vote on the resolutions set forth in the Notice. Members who have acquired shares after the dispatch of the Annual Reports and before the book closure may approach the Company for issuance of the user id and password for exercising their right to vote by electronic means. The e-voting will commence on Friday, 1st August, 2014 at 10.00 a.m. and end at 5.00 p.m. on Saturday, 2nd August, 2014. The Company has appointed Ms. Sheetal Arya, Advocate, to act as the Scrutinizer for conducting the scrutiny of the votes cast. Members desirous of voting through electronic mode may go through the procedure on e-voting detailed hereunder:

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

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select "**BOMBAY SWADESHI STORES LIMITED**" from the drop down menu and click on "**SUBMIT**"
- (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had



logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

DOB Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date in the Dividend Bank details field.**

(vii) After entering these details appropriately, click on **"SUBMIT"** tab.

(viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login

password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the name **"BOMBAY SWADESHI STORES LIMITED"** on which you choose to vote.
- (xi) On the voting page, you will see **"RESOLUTION DESCRIPTION"** and against the same the option **"YES/NO"** for voting. Select the option **YES** or **NO** as desired.

The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.

- (xii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on **"SUBMIT"**. A confirmation box will be displayed. If you wish to confirm your vote, click on **"OK"**, else to change your vote, click on **"CANCEL"** and accordingly modify your vote.
- (xiv) Once you **"CONFIRM"** your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on **Forgot Password &** enter the details as prompted by the system.

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

- A. After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- B. The list of accounts should be mailed to

helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- C. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Friday, 1st August, 2014 at 10.00 a.m. and ends on Saturday, 2nd August, 2014 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 28th July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
13. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
14. The Results of e-voting, physical assent/dissent and poll, if any, shall be aggregated and declared on or after the AGM of the Company by the Chairman or by any other person duly authorised in this regard. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.hccindia.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges.
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities

market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's Registrars and Transfer Agents Company's Registrars & Share Transfer Agents. Link Intime Private Limited, C-13, Panalal Silk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai 400 078.

BY ORDER OF THE BOARD

Mumbai

Dated: 30th May, 2014

Registered Office:

Western India House

Sir Pherozeshah Mehta Road

Fort, Mumbai 400 001

CIN: L74999MH1905PLC000223

Email: investor@bombaystore.com

ASIM DALAL
MANAGING DIRECTOR

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No.4

Mr.Bharat Patel is an Independent Director of the Company and has held this position for more than 5 (five) years.

The provisions of Section 149 of the Companies Act, 2013 stipulate the conditions for appointment of independent directors by a listed company. Accordingly, it is proposed to appoint Mr.Bharat Patel as Independent Director in accordance with the provisions of Section 149 of the Act to hold office for 3 (three) consecutive years for a term beginning from the conclusion of this Annual General Meeting till the conclusion of the One Hundred and Eleventh Annual General Meeting of the Company in the calendar year 2017.

Mr.Bharat Patel is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received a notice in writing from a member in accordance with the provisions of Section 160 of the Act proposing the candidature of Mr.Bharat Patel for the office of Independent Director of the Company. The Company has also received a declaration from Mr.Bharat Patel confirming that he meets with the criteria of independence as prescribed both under Section 149(6) of the Act.

The Board is of the opinion that Mr.Bharat Patel fulfils the conditions as specified in the Act for his appointment as Independent Director and he will be independent of the Management.



Mr.Bharat Patel is widely regarded as one of the most successful equity investors in India. He is a highly respected member of the capital markets fraternity. During the more than two decades of his career in equity broking, he has been instrumental in the growth of his firm's market share and also exponentially increased its net worth. He was a house broker to many preeminent Indian corporate houses.

Over the last several years, Mr.Bharat Patel has been actively managing his own proprietary investments, on which he has successfully managed to generate significant capital appreciation. He is well-reputed for being adept at identifying the "right" under-valued small and mid-cap stocks that have translated into exponential returns.

As an industrialist, Mr.Bharat Patel has acquired control of and successfully turned-around, within a significantly short time span, several companies.

A copy of the draft letter for the appointment of Mr.Bharat Patel as Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

Mr.Bharat Patel is deemed to be interested in the resolutions set out at Item No.4.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

Item No.5

The Board of Directors, at its Meeting held on 30th May, 2014, re-appointed Mr.Asim Dalal, subject to the approval of the shareholders, as Managing Director of the Company, for a period of 5 (five) years from the expiry of his present term on 31st March, 2014 on a remuneration as approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr.Asim Dalal as Managing Director in terms of the applicable provisions of the Act.

The terms of re-appointment, including the remuneration proposed, are as given below:

(1) Tenure: Five years with effect from 1st April, 2014.

(2) Remuneration:

- (a) Rs.1,90,000/- (Rupees One Lac Ninety Thousand only) per month in the scale 1,90,000-40,000-3,50,000 subject to the condition that in the event of absence or inadequacy of profits in any financial year, the Managing Director shall be entitled to payment of only minimum remuneration.

- (b) The Company's contribution to provident fund, superannuation or annuity fund, to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave, as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration.

(3) **Privilege Leave:**

As per Company rules

(4) **Sitting Fees:**

Mr.Asim Dalal will not be entitled to sitting fees for the meetings of the Board or any Committee of the Board attended by him during his tenure as Managing Director.

(5) **Reimbursement of Expenses:**

Expenses incurred for travelling, board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance provided including for their respective family members; and provision of cars for use on the Company's business and telephone expenses at residence shall be reimbursed at actuals and not considered as perquisites.

(6) **Duties:**

Subject to the superintendence of the Board of Directors of the Company, the Managing Director shall be responsible for the day to day management of the Company and shall carry out such duties as may be entrusted to him from time to time by the Board of Directors.

(7) **Notice:**

The office of the Managing Director may be terminated by either party by giving the other party 3 (three) months' prior notice in writing.

(8) **Compensation for loss of office:**

In case of termination of office before the expiry of three months from the date of re-appointment, compensation for loss of office shall be payable to the Managing Director as mutually agreed upon.

(9) **Retirement by rotation:**

Pursuant to the Articles of Association of the Company, Mr.Asim Dalal will not be liable to retire by rotation.

(10) The Board shall, subject to the approval of the shareholders, have the power to revise the terms of re-appointment stated herein.

The Draft Agreement is open for inspection by the members at the Registered Office of the Company from Monday to Friday, during business hours up to the date of the Meeting.

Mr.Asim Dalal (DIN 00062734) holds a Bachelor's Degree in Commerce from Mumbai University and Diploma in Financial Management from London University.

He has been associated with the Company as its Director from October 1991 and as its Managing Director from 1st April, 1994 for 5 year terms and has been re-appointed on the expiry each of such term.

As Managing Director, he is responsible for the day-to-day management of the Company and making strategic decisions for the growth and profitability of the Company.

Mr.Asim Dalal satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The Board is of the opinion that the expertise and experience of Mr.Asim Dalal will benefit the Company immensely and recommends the approval of the resolution.

None of the Directors except Mr.Milan Dalal and Mr.Asim Dalal are interested or concerned in the resolution.

Item No. 6

The present Articles of Association of the Company have been formulated based on the Companies Act, 1913 which

was in vogue when the Company was incorporated in 1936. Subsequently, the Act was replaced by the Companies Act, 1956 and all applicable provisions of the Companies Act, 1956 as also the regulations and all amendments introduced from time to time were duly incorporated.

With the introduction of the Companies Act, 2013 and the notification of 288 sections, several regulations of the existing Articles will require suitable alteration or deletions, to make the Articles in conformity with the provisions of the new Act. Given such a scenario, it is considered expedient to replace the existing Articles by a fresh set of Articles which will be in conformity with the provisions of the new Act. The proposed new Articles are based on Table 'F' of the new Act which sets out the model Articles of Association for a company limited by shares.

The Board commends the Special Resolution set out at Item No.6 of the accompanying Notice for approval by the shareholders.

None of the Directors of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 15 of the Notice.

BY ORDER OF THE BOARD

Mumbai

Dated: 30th May, 2014

Registered Office: Western India House

Sir Pherozeshah Mehta Road, Fort, Mumbai 400 001

CIN: L74999MH1905PLC000223

Email: investor@bombaystore.com

ASIM DALAL
MANAGING DIRECTOR

SINCE 1906

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Your Directors present the **ONE-HUNDRED AND EIGHTH ANNUAL REPORT** of your Company together with the Audited Statements of Accounts for the year ended 31st March, 2014.

The Indian economy has continued to be in a state of flux and uncertainty even with the advent of financial year 2013-2014. The real GDP growth during the financial year continued to be at alarmingly low levels which has hampered the Industrial growth. With the political scenario having undergone a sea change, it is hoped that there will be a favourable impact on the national economy.

FINANCIAL RESULTS

	Amount (₹ lacs)	
	Year ended 31 st March, 2014	Year ended 31 st March, 2013
Profit/(Loss) for the year	23.09	19.84
Less: Provision for Current Tax	7.10	4.10
Total	15.99	15.74
Less: Prior Year Tax adjustments	--	0.55
Add: Balance of Profit brought forward	260.83	245.64
Balance carried to Balance Sheet	276.82	260.83

DIVIDEND

With a view to conserve resources, your Directors do not recommend any dividend for the year under report.

FIXED DEPOSITS

As on 31st March, 2014, there were no fixed deposits remaining overdue.

ALTERATION(S) TO THE ARTICLES OF ASSOCIATION

With the introduction of the Companies Act, 2013 and the notification of 288 sections, several regulations of the existing Articles will require suitable alteration or deletions, to make the Articles in conformity with the provisions of the new Act. Given such a scenario, it is considered expedient to replace the existing Articles by a fresh set of Articles which will be in conformity with the provisions of the new Act. The proposed new Articles are based on Table 'F' of the new Act which sets out the model Articles of Association for a company limited by shares.

A Special Resolution for the purpose forms part of the Notice conveying the Annual General Meeting.

Your Directors recommend the same for approval of the Members.

DIRECTORS

In terms of the Articles of Association of the Company, Mr.Milan Dalal and Mr.Bharat Patel retire at the ensuing Annual General Meeting.

The re-appointment of Mr.Milan Dalal, who is not an Independent Director, as Director liable to retire by rotation, forms part of the Notice convening the One Hundred and Eighth Annual General Meeting.

Further, the Company has received a notice in writing from a member proposing the candidature of Mr.Bharat Patel for appointment as Independent Director. The Company has received declaration from Mr.Bharat Patel confirming that he meets with the criteria of independence as prescribed under of Section 149(6) of the Companies Act, 2013.

Your Directors recommend the re-appointment of Mr.Milan Dalal as Director liable to retire by rotation as also the re-appointment of Mr.Bharat Patel as Independent.

PARTICULARS OF EMPLOYEES

During the year under report, there was no employee of the category mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and hence information in this regard is not required to be furnished.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

1. In the preparation of the Annual Accounts, the applicable accounting standards have been followed;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year covered under this Report and of the profit of your Company for the year;
3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
4. The Annual Accounts have been prepared on a going concern basis.



COMPLIANCE CERTIFICATE

A compliance certificate received from M/s Sanjay Soman & Associates, Practicing Company Secretaries, pursuant to Section 383A(1) of the Companies Act, 1956, read together with the Companies (Compliance Certificate) Rules, 2001 is attached hereto and forms part of this Report.

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

The nature of business being retailing, providing information with regard to conservation of energy and technology absorption as required under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of this Report does not arise for your Company.

The total foreign exchange used during the year was Rs.4,64,163/- (previous year Rs.1,61,344/-) and earned during the year was Rs.2,38,51,961/- (previous year Rs.3,14,04,496/-).

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard (AS) – 21 on Consolidated Financial Statements read with AS – 23 on Accounting for Investments in Associates and AS – 27 on Financial Reporting of Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report, the Consolidated Financial Statements are attached and form part of this Annual Report. These Consolidated Financial Statements provide financial information about the Company and its Subsidiary as a single entity.

The Ministry of Corporate Affairs, Government of India, vide General Circular No:2/2011 dated February 8, 2011, has granted general exemption under Section 212(1) of Companies Act, 1956 to the holding companies, from attaching the specified documents of its subsidiary companies, as referred in Section 212(1) of Act, with its Balance Sheet, on fulfillment of certain conditions. The Company has fulfilled these specified conditions and accordingly, the said documents of its Subsidiary are not attached with the financial statements of the Company. A summary of the financial performance of the Subsidiary is given in this Annual Report. The Annual Accounts of the Subsidiary and the related detailed information are made available to shareholders of the Company as well as the Subsidiary seeking such information. The Annual Accounts of the Subsidiary are also open for inspection by any member at the Registered Office of the Company and of the Subsidiary.

AUDITORS

M/s M.D.Pandya & Associates, Chartered Accountants, Mumbai, hold office as Auditors of your Company upto the conclusion of the forthcoming Annual General Meeting. A certificate has been obtained from them pursuant to Section 224(1-B) of the Companies Act, 1956 to the effect that their appointment, if made, would be within the limits prescribed thereunder.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the co-operation and diligent efforts of the employees of your Company.

For and on behalf of the board

Mumbai
Dated: 30th May, 2014

Asim Dalal
Managing Director

Pratul Dalal
Director