

# ROYAL INDIA CORPORATION LIMITED

30<sup>TH</sup>

## ANNUAL REPORT 2013-2014



: Registered office:

CIN : L45400MH1984PLC032274

62, 6<sup>th</sup> Floor, C-Wing, Mittal Tower, 210, Nariman Point, Mumbai 400 021.

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**NOTICE**

**Notice** is hereby given that the 30th Annual General Meeting of the Members of Royal India Corporation Limited will be held on Tuesday, 30th September, 2014 at 11.30 a.m. at the registered office of the Company at 62, 6th Floor, 'C' Wing, Mittal Tower, Nariman Point, Mumbai- 400 021., to transact the following business:-

**ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Balance Sheet as on March 31<sup>st</sup>, 2014 and the Statement of Profit and Loss Account for the year ended as on that date together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hitesh Jain (DIN No. 05263120), who retires by rotation at this Annual General Meeting and being eligible has offered himself 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, 142 of the Companies Act, 2013 and other applicable provisions, if any, M/s. DMKH & Co., Chartered Accountants, (Firm Registration No. 116886W), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting, at a remuneration to be decided by the Board of Directors in consultation with the Auditors plus applicable service tax, reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

Appointment of Mr. Damodar Hari Pai (holding DIN 00172372), as an Independent Director of the Company.

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement(s), and all other applicable provisions if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Damodar Hari Pai (holding DIN 00172372), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company for five consecutive years with effect from 30<sup>th</sup> September, 2014 upto 29<sup>th</sup> September, 2019 with an option to retire from the office at any time during the term of appointment."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

Appointment of Mr. Ravi Kant Chaturvedi (holding DIN 05198811), as an Independent Director of the Company.

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement(s), and all other applicable provisions if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ravi Kant Chaturvedi (holding DIN 05198811), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the



Company for five consecutive years with effect from 30<sup>th</sup> September, 2014 upto 29<sup>th</sup> September, 2019 with an option to retire from the office at any time during the term of appointment.”

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

Appointment of Mr. Ashokaditya Prakash Dhurandhar (holding DIN 06509031), as an Independent Director of the Company.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement(s), and all other applicable provisions if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Ashokaditya Prakash Dhurandhar (holding DIN 06509031), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Independent Director of the Company for five consecutive years with effect from 30<sup>th</sup> September, 2014 upto 29<sup>th</sup> September, 2019 with an option to retire from the office at any time during the term of appointment.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution.

Appointment of Ms. Manisha Anand (DIN 03497950), as an Independent Director of the Company.

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, Clause 49 of the Listing Agreement(s), and all other applicable provisions if any, (including any statutory modification(s) or

re-enactment thereof for the time being in force), Ms. Manisha Anand (DIN 03497950), a Non-Executive Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as Independent Director of the Company for five consecutive years with effect from 30<sup>th</sup> September, 2014 upto 29<sup>th</sup> September, 2019 with an option to retire from the office at any time during the term of appointment.”

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the earlier resolution passed if any, the consent of the Company be and is hereby accorded under the provisions of Section 180(1) (c) of the Companies Act, 2013, to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof) to borrow from time to time such sum or sums of money as they may deem necessary for the purpose of the business of the Company, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (apart from cash credit arrangement, discounting of bills and other temporary loans obtained from Company’s bankers in the ordinary course of business) and remaining outstanding at any point of time will exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; Provided that the total amount up to which monies may be borrowed by the Board of Directors and which shall remain outstanding at any given point of time shall not exceed the sum of ₹ 80 Crores (Rupees Eighty Crores).”

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the earlier



resolution passed if any, consent of the Company be and is hereby accorded in terms of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) for creating such charges, mortgages and hypothecations in addition to the existing charges, mortgages if any and hypothecations created by the Company, on such movable and immovable properties of the Company wheresoever situate, both present and future, on such terms, at such time, in such form and in such manner as the Board may deem fit, together with power to take over the management of the business and concern of the Company in certain events in favour of all or any of the following, namely: Banks, Financial Institutions, Insurance Companies, Investment Institutions, other investing agencies, Bodies Corporate incorporated under any statute and trustees for the holders of debentures/secured premium notes/bonds/other securities/debt instruments, and other secured lenders (hereinafter referred to as "the Lenders") to secure repayment of any loans (both rupee loans and foreign currency loans) and/or any other financial assistance and/or guarantee facilities already obtained or that may hereafter be obtained from any of the Lenders by the Company, and/or to secure redemption of debentures (whether partly/ fully convertible or non-convertible)/ secured premium notes/ bonds/ other securities/ debt instruments and/or rupee/ foreign currency convertible bonds and/or bonds with share warrants attached, already issued or that may hereafter be issued by the Company, together with all interest, compound additional interest, commitment charge, liquidated damages, premium on prepayment or on redemption, trustees' remuneration, costs, charges, expenses and all other monies including revaluation/ devaluation/ fluctuation in the rates of foreign currencies involved, payable by the Company to the Lenders concerned, in terms of their respective Loan Agreements/ Heads of Agreements/ Hypothecation Agreements/ Trustees Agreements/ Letters of Sanction/ Memorandum of terms and conditions/ Debenture Certificates entered into/to be entered into/ Issued/ to be issued by the Company; Provided that the total

borrowings of the Company (exclusive of interest) whether by way of loans and/or any other financial assistance and/or guarantee facilities and/or issue of debentures/secured premium notes/ other securities/debt instruments to be secured as aforesaid (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) shall not any time exceed the limit of ₹ 80 Crores (Rupees Eighty Crores).

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to finalise and execute with any of the Lenders jointly or severally, the documents, instruments and writings for creating aforesaid mortgage/charge and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for implementing the aforesaid Resolution and to resolve any question, difficulty or doubt which may arise in relation thereto or otherwise considered by the Board to be in the best interest of the Company."

**BY ORDER OF THE BOARD**

Sd/-  
**Siddhi Patil**  
**Company Secretary**

**Place: Mumbai**  
**Date: August 14, 2014.**

**NOTES:**

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to the Special Businesses at the meeting, is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY /PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, September 24, 2014 to Tuesday, September 30, 2014 (Both the days inclusive), for the purpose of 30th Annual General Meeting (AGM) of the Members of the Company to be held on Tuesday, September 30, 2014.
4. Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees and shareholding, are hereto annexed.
5. If the member's have any queries on the Audited Accounts, Director's Report & Auditor's Report, the same should be forwarded to the Company in writing at its registered office at least 10 days before the meeting so that the same can be replied at the time of annual general meeting for the member's satisfaction.
6. Shareholders are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Shareholders who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for identification along with the Identity Proof.
7. The representative of a body corporate who is registered shareholder of the Company may attend and vote at the Annual General Meeting provided a certified true copy of the resolution of the Board of Directors or Governing body of such body corporate authorizing such person to act as its representative at the Annual General Meeting is lodged with the Company at its Registered Office not later than 48 hours before the commencement of the meeting.
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in demat form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agent.
9. Members are requested to notify immediately any change of address:
  - (i) to their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) to the Company's Registrar & Share Transfer Agents, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078. **Tel No.:** +91 22 2596 3838 **Fax No.:** +91 22 2594 6969 **E-mail:** [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in), **Website:** [www.linkintime.co.in](http://www.linkintime.co.in), in respect of their physical share folios, if any, quoting their folio numbers.
10. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have



registered their e-mail address either with the Company or with the Depository. Accordingly, the Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those shareholders whose e-mail addresses are registered with the Company/Depositories, unless any shareholder has requested for a physical copy of the same. For shareholders who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.

11. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (“MCA”), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Company’s Green Initiative, the Company may propose to send documents like Notice convening the general meetings, Financial Statements, Director’s Report, etc. to the e-mail address provided by the members.

12. Voting through electronic means:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement with Stock Exchanges, the Company is pleased to provide members facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

In case of members receiving e-mail:

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “COMPANY NAME” i.e. ROYAL INDIA CORPORATION 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 DPID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company. (6 Digit Alpha- Numeric)

- (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](http://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:

<b>For Shareholders holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders 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 R12345 then enter RA00R12345 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.
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.

- (viii) After entering these details appropriately, click on “SUBMIT” tab.

- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> i.e. Royal India Corporation Limited, on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) 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](mailto:helpdesk.evoting@cdslindia.com).
  - 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.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- 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 sr. no. (i) to sr. no. (xvii) above to cast vote.
- (B) The voting period begins on from 24th September, 2014 at 9.00 a.m. end on 26th September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cutoff date of (record date) of August 22, 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](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - a. Mr. Gaurang Shah, Practicing Company Secretary, (Membership No. 32581) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  - b. 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.
  - c. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.ricl.in](http://www.ricl.in) 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 BSE Limited.
  - d. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF,





ARE REQUESTED TO BRING THEIR DP ID AND  
CLIENT ID FOR IDENTIFICATION.

**By Order of the Board  
For Royal India Corporation Ltd.**

**Sd/-  
Siddhi Patil  
Company Secretary**

Place : Mumbai  
Date : 14<sup>th</sup> August, 2014

**Registered Office :**  
62, 6<sup>th</sup> Floor, C-Wing,  
Mittal Tower,  
Nariman Point,  
Mumbai 400 021.

Tel. : 022-43417777  
Fax : 022-22877272  
Website : www.ricl.in  
Email : info@ricl.in

**EXPLANATORY STATEMENT IN RESPECT OF THE  
SEPCIAL BUSINESS PURSUANT TO SECTION 102  
OF THE COMPANIES ACT, 2013**

**Item 4 to 7**

Mr. Damodar Hari Pai (Din No. 00172372), Mr. Ravi Kant Chaturvedi (Din No. 05198811), Mr. Ashokaditya Dhurandhar (Din No. 06509031) and Ms. Manisha Anand (DIN No. 03497950) (herein after collectively referred to as "Independent Directors of the Company") are Independent Directors of the Company.

Under Section 149 of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, Independent Directors are to be appointed for a consecutive term of five years and is not liable to retire by rotation.

Further, the Securities and Exchange Board of India (SEBI) has proposed amendment to Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a Listed Company.

The Independent Directors of the Company are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors.

The Company has received notices in writing from member(s) alongwith the deposit of requisite amount under Section 160 of Companies Act, 2013 proposing the candidatures of each of the Independent Directors of the Company for the office of Directors of the Company. The Company has also received declarations from the Independent Directors of the Company that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Damodar Hari Pai (Din No. 00172372), Mr. Ravi Kant Chaturvedi (Din No. 05198811), Mr. Ashokaditya Dhurandhar (Din No. 06509031) and Ms. Manisha Anand (DIN No. 03497950), fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. They are independent of the management.

Brief resume of the Independent Directors of the Company, nature of their expertise in functional



areas and names of companies in which they hold directorships and memberships/chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in Annexure I of the notice.

Copy of the draft letters for respective appointments of Mr. Damodar Hari Pai (Din No. 00172372), Mr. Ravi Kant Chaturvedi (Din No. 05198811), Mr. Ashokaditya Dhurandhar (Din No. 06509031) and Ms. Manisha Anand (DIN No. 03497950) as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges. The Independent Directors of the Company are interested in the resolutions set out respectively at Item Nos. 4 to 7 of the Notice with regard to their respective appointments.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Ordinary Resolutions set out at Item Nos. 4 to 7 of the Notice for approval by the shareholders.

#### **Item 8 & 9**

The Company has accorded by way of an Ordinary Resolution, their approval to the Board of Directors of the Company and/or a Committee thereof for borrowing monies on behalf of the Company, from time to time, upto an aggregate amount (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) not exceeding the paid up share capital of the Company and its free reserves by ₹ 80 Crores. However, after the applicability of the provisions of Section 180(1)(c) of the Companies Act, 2013, a company can borrow monies exceeding the aggregate of its paid up capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) subject to the approval of Members of the Company by way of a Special Resolution at Item No. 8 of the Notice.

The borrowings of the Company may, if necessary, be secured by way of charge / mortgage / pledge/ hypothecation on the Company's assets comprising of the movable and/or immovable, tangible/intangible properties of the Company, present or future, in favour of the lender(s)/ Agent (s) /trustee(s) from time to time, in such form, manner and ranking as mentioned in the Resolution at Item No. 9. The documents relating to charge and/or mortgage and/or pledge and/or hypothecation in favour of the lender(s)/agent(s)/trustee(s) may contain the provisions to take over substantial assets of the Company in certain events with a power to take over the management of the business and concern of the Company, which may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 180(1)(a) of the Companies Act, 2013.

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the undertaking of the Company, only with the consent of the Member by a Special Resolution. The Resolution under Item No. 9 is therefore proposed to be passed to seek consent of shareholders for creation of charge/mortgage/pledge/ hypothecation to secure borrowings subject to the limits approved under Section 180(1)(a) of the Companies Act, 2013 and temporary loans obtained from the Company's Bankers in the ordinary course of business.

The Board of Directors recommends passing of the Special Resolutions at Item Nos. 8 and 9 of the Notice.

None of the Directors and the Key Managerial Personnel of the Company, including their relatives, is in any way, concerned or interested, financially or otherwise, in the said resolutions.

**By Order of the Board  
For Royal India Corporation Ltd.**

**Sd/-  
Siddhi Patil  
Company Secretary**

Place : Mumbai  
Date : 14<sup>th</sup> August, 2014

**BRIEF RESUME OF DIRECTORS PROPOSED TO BE APPOINTED/RE-APPOINTED:****1. Damodar Hari Pai:**

Mr. Damodar Hari Pai, 77, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company on March 19, 2010. Mr. Damodar has a brilliant academic record and holds a Master's degree in Electrical Engineering. Mr. Damodar Hari Pai, former Vice - President - Operations, Asian Cable Corporation. At Asian Cable Corporation he looked up complete operation of the factory and accountable to the chairman & Board of Directors. He also worked in reputed & big organization like Bharat Heavy Electricals & Crompton Greaves Ltd. as senior Engineer & In charge of R & D Department.

He does not hold any shares of the Company in his name as on March 31, 2014.

**Outside Directorship & Committee Membership:** He is neither a Director in any other company nor a member in committees of other public Company.

**2. Ravi Kant Chaturvedi:**

Mr. Ravi Kant Chaturvedi, 34, is a Non-Executive Independent Director of the Company. He was inducted on the Board of Directors of our Company on February 9, 2012. Mr. Ravikant Chaturvedi obtained his degree of M.B.B.S from Rajendra Institute of Medical Science, Ranchi, Jharkhand.

He does not hold shares of the Company in his name as on March 31, 2014.

**Outside Directorship & Committee Membership:** He is neither a Director in any other company nor a member in committees of other public Company.

**3. A.P. Dhurandhar:**

Mr. Dhurandhar, 51, is a Non-Executive Independent Director of the Company. He was inducted on the Board of Directors of our Company on February 13, 2013. He is a seasoned professional Geologist and Exploration Manager with more than 27 years of experience in

Uranium, Heavy Mineral Sand, REE, Gem Corundum, Gold, Base metals, Iron, Coal Exploration & Exploitation, Research & Development, Quality Assurance & Testing.

He possess high level skills in leading multidisciplinary integrated minerals & metals exploration involving all aspects of Field Geology, ground geophysics, Photo Geology, Remote Sensing, GIS, Knowledge Management, Knowledge integration, database management, Airborne Gamma Ray Spectrometric & Magnetic Surveys, Multi-elemental Geochemical Surveys, Radon Emanometry, exploratory drilling, resource evaluation, Scoping studies, Geological and Technical Due diligence, Mining start-ups and mining & mineral beneficiation plant installation and commissioning etc. Mr. Dhurandhar successfully handled the multidisciplinary integrated uranium exploration for Sandstone, Unconformity related/type, Iron Oxide Breccia type and Vein Type, Skarn type, unconventional and extremely diverse type Uranium Mineralization, Heavy mineral sand, rare metals & rare earths elements, Gem Corundum and Alluvial, Epithermal, Quartz Pebble Conglomerate (QPC) and Carlyn type Gold exploration & mining in India and international locations. He has several research publications in peer reviewed journals in the areas of new technologies and emerging challenges.

He is a Chairman of Nomination & Remuneration Committee and of Corporate Social Responsibility Committee of our Company.

He does not hold any shares of the Company as on March 31, 2014.

**Outside Directorship & Committee Membership:** He is neither a Director in any other company nor a member in committees of other public Company.

**4. Ms. Manisha Anand:**

Ms. Manisha Anand, 27, is a Non-Executive Independent Director of the Company. She joined the Board of Directors of the Company in



March 30, 2011. Ms. Manisha Anand is a Graduate in Commerce from Mumbai University, having a quality of experience in the field of Management, Administration and Accounts.

She is the Chairman of the Audit Committee as well as of the Stakeholders Relationship Committee (SR) of the Company.

She does not hold any shares of the Company in her name as on March 31, 2014.

**Outside Directorship & Committee Membership:** She is neither a Director in any other company nor a member in committees of other public Company.



**DIRECTOR’S REPORT TO THE MEMBERS**

To,  
The Members of,  
Royal India Corporation Limited,

Your Directors have pleasure in presenting the 30th Annual Report together with the Audited Accounts for the year ended March 31, 2014.

**1. Financial Results:**

The Company’s financial performance, for the year ended March 31, 2014 is summarised below:

Particulars	₹ (In Lacs)	
	31.03.2014	31.03.2013
Total Income	13,160.04	11,051.66
Profit before Tax	15.63	5.20
Provision of Tax		
- Current Tax	-5.39	1.72
- Deferred Tax	(0.55)	(0.55)
- Previous year adjustment	4.43	-
Profit after Tax	15.23	4.03

**2. Turnovers & Profits:**

The Directors wish to inform you that during the financial year ended 31st March, 2014 the sales and other income increased from ₹ 11,051.66 lacs to ₹ 13,160.04 lacs. The Net profit after tax stood at ₹ 15.23 lacs as against ₹ 4.03 lacs in the previous year.

**3. Dividend:**

The Directors of your Company do not recommend any dividend for the financial year ended 31st March, 2014 in order to plough back the resources for future growth.

**4. Board of Directors:**

During the year under review, there have been changes in the Management of the Company as mentioned below:

Mr. Vishal Gohil Stepped down as a Whole Time Director of the Company w.e.f. 15th November, 2013. The Board wishes to place on record their deep sincere appreciation of the immense contribution made by Mr. Vishal Gohil during his Tenure.

In accordance with the provisions of the Act and the Company’s Clause 119 of the Article of

Association, Mr. Hitesh Jain retires by rotation and is eligible for re-appointment.

In line with the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Damodar Hari Pai (Din No. 00172372), Mr. Ravi Kant Chaturvedi (Din No. 05198811), Mr. Ashokaditya Dhurandhar (Din No. 06509031) and Ms. Manisha Anand (DIN No. 03497950) Directors of the Company, are being appointed as Independent Directors for five consecutive years from 30th September, 2014 up to 29th September, 2019.

Necessary resolutions for the appointment/reappointment of the aforesaid Directors have been included in the notice convening the ensuing AGM and requisite details have been provided in the explanatory statement of the notice. Your directors commend their appointments/reappointment.

All the Directors of the Company have confirmed that they are not disqualified from being appointed as Directors in terms of Section 274(1)(g) of the Companies Act, 1956 and Section 164(2) of the Companies Act, 2013.

**5. Directors’ Responsibility Statement:**

In terms of Section 217(2AA) of the Companies Act, 1956, your Directors state that:

- 1) In the preparation of the annual accounts for the financial year March 31, 2014, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there are no material departures from the same;
- 2) The Company has 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 the company as on 31st March 2014 and of the Profit & Loss Account of the company for the year ended on that date.
- 3) The Company has taken proper and sufficient care 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) These Accounts have been prepared on a going concern basis.

**6. Particulars of Employees:**

None of the employees of the Company was in receipt of remuneration up to or in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 2011 for the year ended 31<sup>st</sup> March, 2014.

**7. Fixed Deposits:**

Your Company has not accepted any public deposits and as such no amount on account of principal or interest on public deposits under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975, was outstanding as on the date of the Balance Sheet.

**8. Listing of Shares:**

The Equity Shares of the Company continues to be listed on Bombay Stock Exchange Limited.

**9. Management Discussion and Analysis Report:**

Management Discussion and Analysis for the year under review as required under Clause 49 of the Listing Agreement entered with Stock Exchanges is given as a separate statement in the Annual Report.

**10. Corporate Governance:**

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite certificate from the Auditors of the Company confirming compliances with the conditions of corporate governance as stipulated under the aforesaid Clause 49 is attached to the Report on Corporate Governance.

**11. Auditors:**

M/s. DMKH & Co., Chartered Accountants, retire as the Auditors at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

M/s. DMKH & Co., Chartered Accountants have confirmed that their re- appointment, if made would be in accordance with the provisions of the Companies Act, 2013 and that they are not disqualified for re- appointment.

The Board has recommended their re- appointment and they will hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.

**Auditors Report:** Auditors Report as issued by M/s. DMKH & Co., Chartered Accountants is self explanatory and need not calls for any explanation by your Board.

**12. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo:**

Particulars with respect to conservation of Energy, Technology Absorption and Foreign Exchange & Outgo pursuant Section 271 (i) (e) read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1986, and particulars of employees pursuant to Section 271 (2A) read with Companies (Particulars of Employees) Rules, 1975 of the Companies Act, 1956 is set out hereunder:

Sr. No.	Particulars	Disclosure		
1.	Conservation of Energy and Power Consumption	Your Company has continued to accord priority to Conservation of Energy and is continuing its efforts to utilize Energy more efficiently.		
2.	Technology Absorption and Research & Development	Your Company has not absorbed or Imported any Technology and no research & development work is carried out.		
3.	Foreign Exchange	Earnings	Exports of goods	US\$ 150760.42
				₹ 731,006,101
		Outgo	Nil	Nil

**13. Green Initiatives:**

As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs (“MCA”), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode.

Electronic copies of the Annual Report and Notice of the 30th Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email addresses, physical copies of the Notice and Annual Report are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

**14. E-voting:**

In compliance with the Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rule, 2014, your company is pleased to provide members facility to exercise their right to vote at the 30th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited. (The instructions for members for e-voting is provided in the notes to Notice of the AGM).

**15. Board Committees:**

In compliance with both the mandatory and non mandatory requirements under the Listing Agreements and the applicable laws, the Board has maintained the following Committees:

- i) Audit Committee
- ii) Nomination & Remuneration Committee
- iii) Stakeholders Relationship Committee
- iv) Corporate Social Responsibility Committee

**16. Acknowledgements:**

Your Directors thanks the members for their co-operation, support and also wish to record the appreciation for the services and sincere efforts of the Employees, Bankers, Registrar and Share Transfer Agents of the Company.

**For and on behalf of the Board of Directors**

Sd/-

**Hitesh M. Jain****Whole Time Director**

(DIN No. 05263120)

Sd/-

**Manish Shah****Managing Director**

(DIN No. 01953772)

Place : Mumbai

Date : 14<sup>th</sup> August, 2014.



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### A. INDIAN ECONOMIC SCENARIO:

The Financial Year 2013-14 under review was exigent in many respects for business. The global economy continued to witness slower economic growth despite modest recovery in the US led by housing and consumer sectors. The economies of India and China were forced to tighten liquidity to control inflation, resulting in a demand slow-down. The Global events also had a dampening impact on the Indian economy - deceleration in industrial output and lower exports weakened India's economic growth with only a 4.5% GDP growth during the year 2013-14.

During the year government increased the customs duty from 6 to 10% with mandate to reduce import of gold. Further, in order to check the increasing current account deficit (CAD) the government introduced various restrictions for import of gold. In line with this, Reserve Bank of India (RBI) made drastic changes in to the existing Gold Import Financing Policy. Consignment basis import of gold by the nominated agencies for supply to precious metal dealers was stopped. Further, RBI advised the Banks to obtain 100% margin from gold buyers for gold loan. Most important clause which had adverse impact on gold import that the importers of gold were asked to export gold jewellery equal to 20% of gold import. Because of the above imposed restrictions by the Indian Government with aim to curtail gold import, precious metal business affected to an extent and the jewellery export also suffered set back. Further, the restrictions caused shortage in availability of physical gold resulting in higher premium.

#### Segment Information:

##### Bullions & Diamonds

##### Indian Gems And Jewellery Industry

The Jewellery market is one of the fastest growing segments in the India Economy with an annual growth rate of 15% approximately. The industry has started showing positive signs of revival and growth. It is expected that, the India's Gems & Jewellery industry to touch more than US \$140 bn by 2015. The industry is leading foreign exchange earner for the country.

### Industry at a Glance:

India is the one of the World's largest consumer of Gold & Silver Jewellery. In India, gold jewellery is a store of value, a symbol of wealth and status and a fundamental part of many rituals. In the last decade, 75 per cent of gold demand in India has taken the form of jewellery. There are more than over 100,000 Jewellery Manufacturing units, about 6,000 diamond processing units, and 450,000 goldsmiths throughout India. Year on year Indian jewellery is increasing its market share and presence across world.

### Opportunities:

The Government's permission for direct import of Gold dore Bars by the actual user for the purpose of refining and manufacturing of Gold Bars of purity 99.5% and above has offered an opportunity.

**RBI's 80:20 rule for import of gold dore** – under this 20% of the quantity imported is to be exported. The company will leverage and increase its exports through established customer base.

### Threats:

The year witnessed more restrictions on import of gold and its adverse effect on the market. Changes in duty effect the overall sales. Changes in the duty structure, restrictions on import of gold and increase in price of gold do have negative impact on sales. However, slowly & gradually the sentiments of the market gets settled down and the sales accelerate.

### B. OUTLOOK:

#### Internal Control System:

Sustainability comes with a long terms vision and focus. Involvement in diverse activities across several industries enables the Companies to tap opportunity to diversify business, reduce risks and increase revenues.

The Company continues to explore the possibilities of expansion in its activities and accordingly Company plans to enter into refinery and Gold Dore Bar, Gold Bar and other Gold Products.



**C. RISKS AND CONCERNS**

Being in the filled to different activity, company has its own typical risks and the company takes full cognizance of the fact that these risks can have a serious impact on the operation of the company as well as its profitability. In order to ensure that the impact of risks is minimal, the company lays utmost importance on scanning the external environment regularly.

**D. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has proper and adequate internal control systems to ensure that all the assets are safeguarded and that all transactions are authorized recorded and reported correctly. Internal audits and checks are carried out to ensure that the responsibilities are executed effectively and that the systems are adequate. The Audit committee of the company overviews the internal audit function and the internal control systems and procedure to ensure the efficient conduct of business. The company maintains adequate internal control systems, which is designed to provide assurance regarding effectiveness and efficiency of operations, the adequacy of safeguards of assets, reliability of financials controls and compliance with applicable laws and regulations.

**E. CAUTIONARY STATEMENT**

The statements made in this report describe the Company's objectives and projections that may be forward looking statements within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the company. The company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

**F. HUMAN RESOURCE DEVELOPMENT**

The Company believes that the human resources are vital resource in giving the company a competitive edge in the current business environment. The company's philosophy is to provide congenial work

environment, performance oriented work culture, knowledge acquisition/dissemination, creativity and responsibility. As in the past, the company enjoyed cordial relations with the employees at all levels.

**REPORT ON CORPORATE GOVERNANCE****1. Company's philosophy on code of governance:**

The Company believes in adopting best practices in the area of Corporate Governance and follows the principles of complete transparency and accountability by providing detailed information on various issues concerning the Company's business and financial performance to its Shareholders.

The Board of Directors (Board) considers itself as the trustee of its shareholders. During the year under review, the Board continued its pursuit by adopting corporate strategies and prudent business plans. The Company followed adequate monitoring system to safeguard against major risk and to ensure implementation of policies and procedures to satisfy its social, legal and ethical responsibilities.

**2. Board of Directors:**

As on March 31, 2014 the Board of Directors of the Company comprises of Six Directors including the One Managing Director, One Whole Time Directors and Four Non-Executive & Independent Directors. The composition of the Company's Board of Directors is in conformity with the Listing Agreement. The Company does not have any nominee director on its Board.

The composition of the Board of Directors and other relevant details relating to them are given hereunder:

<b>Sr. No.</b>	<b>Name of Directors</b>	<b>Category</b>	<b>No. of other Directorships ##</b>	<b>No. of Members of other Board Comm.</b>	<b>No. of other Committees Chairmanships</b>
1	Mr. Manish Shah	Managing Director	1	-	-
2	Mr. Hitesh Jain	Whole Time Director	2	-	-
3	*Mr. Vishal Gohil	Whole Time Director	-	-	-
4	Mr. Damodar Hari Pai	Non Executive & Independent	-	-	-
5	Ms. Manisha Anand	Non Executive & Independent	-	-	-
6	Mr. Ravikant Chaturvedi	Non Executive & Independent	-	-	-
7	Mr. Ashokaditya Dhurandhar	Non Executive & Independent	-	-	-

*\*Resigned from Directorship w.e.f. 15.11.2013.*

*##Including Private Limited Company's Directorship.*

**Board Meetings and Attendance of Directors**

The Board meets at least once in a quarter to consider amongst other business the performance of the Company and quarterly financial results. When necessary, additional meetings are held. The Board Meetings are generally held at the Registered Office of the Company at Mumbai. Agenda for each meeting along with explanatory notes are drafted and distributed well in advance to the Directors. Every Board Member is free to suggest the inclusion of items on the agenda.



There were Five (5) Board Meetings held during the year ended 31<sup>st</sup> March, 2014 i.e. on 29<sup>th</sup> May, 2013, 01<sup>st</sup> July, 2013, 14<sup>th</sup> August, 2013, 15<sup>th</sup> November, 2013, 07<sup>th</sup> February, 2014. The Table hereunder gives the attendance record of the Directors at the Board Meetings held during 2013-14 and the last AGM:

<b>Name of the Directors</b>	<b>Number of Board Meetings held during the year</b>	<b>Number of Board Meetings attended</b>	<b>Whether attended last AGM</b>
Mr. Manish Shah	5	2	No
Mr. Hitesh Jain	5	5	Yes
*Mr. Vishal Gohil	5	3	Yes
Ms. Manisha Anand	5	5	Yes
Mr. Ravikant Chaturvedi	5	2	No
Mr. Ashokaditya Dhurandhar	5	4	No
Mr. Damodar Hari Pai	5	2	No

*\* Resigned as Whole Time Director w.e.f. 15.11.2013*

### **3. Audit Committee**

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Committee comprises of members who possess financial and accounting expertise/exposure. The statutory auditors attend Audit Committee meeting as Invitees.

#### **Composition of the Audit Committee**

The composition of the Audit Committee as on date of this report is as follows:

Ms. Manisha Anand	Chairperson, Independent & Non- Executive
Mr. Damodar Hari Pari	Member, Independent & Non Executive
Mr. Hitesh Jain	Member, Whole Time Director

The Audit Committee of the Board of Directors functions with the following main objectives:

1. To provide direction and to oversee the operation of the audit function.
2. To review the internal audit system with special emphasis on its quality and effectiveness.
3. To discuss matters related to fraud.
4. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
5. Recommendation for appointment, re-appointment, and if required, the replacement or removal of Statutory Auditors and to fix their Audit fees.
6. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
7. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
8. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956;
9. Changes, if any, in accounting policies and practices and reasons for the same;
10. Major accounting entries involving estimates based on the exercise of judgment by management;
11. Significant adjustments made in the financial statements arising out of audit findings;
12. Compliance with listing and other legal requirements relating to financial statements;
13. Disclosure of any related party transactions;
14. Qualifications in the draft audit report.
15. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.



16. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
17. Reviewing, with management, performance of statutory and internal auditors, and adequacy of the internal control system.
18. To review the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit.
19. To discuss with internal auditors any significant audit findings and follow up thereon.
20. To review the findings of any internal investigations by the internal auditors into matters where there are suspected frauds or irregularity or a failure of internal controls systems of a material nature and reporting the matter to the Board.
21. To discuss with Statutory Auditors, before the commencement of audit, the nature and scope of audit as also conduct post-audit discussion to ascertain any area of concern.
22. To review the functioning of the whistle Blower Mechanism.
23. Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

**Vigil Mechanism:**

To ensure establishment of vigil mechanism for its Directors and Employees to report genuine concerns.

The vigil mechanism to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee in appropriate or exceptional cases.

To ensure that existence of vigil mechanism is appropriately communicated within the Company and also made available on Company's website.

To oversee the functioning of Vigil Mechanism and decide on the matters reported there under.

To ensure that the interests of a person who uses such a mechanism are not prejudicially affected on account of such use.

**Audit Committee Meetings & Attendance during the financial year ended 31<sup>st</sup> March, 2014.**

During the financial year ended 31<sup>st</sup> March, 2014, Four Audit Committee Meetings were held on 29<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 15<sup>th</sup> November, 2013 and on 07<sup>th</sup> February, 2014. The table hereunder gives the attendance record of the Audit Committee members.

<b>Name of the Audit Committee Members</b>	<b>No. of Meetings held</b>	<b>No. of meetings attended</b>
Mr. Manisha Anand	4	4
Mr. Damodar Hari Pai	4	2
Mr. Hitesh Jain	4	4

**Internal Audit and Control:**

M/s. GMS & Co., Practicing Company Secretaries are the internal auditor of the Company and their internal audit plan and remuneration are approved by the Audit Committee. The reports and findings of the internal auditor and the internal control system are periodically reviewed by the Audit Committee.

**4. Nomination and Remuneration Committee:**

The committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013, Clause 49 of the Listing Agreement and Securities and Exchange Board of India Guidelines as amended from time to time.



In view of the mandatory requirement to constitute a Nomination & Remuneration Committee of Directors, the existing Remuneration/Compensation Committee of the Company has been renamed as "Nomination and Remuneration Committee" at its meeting on 24<sup>th</sup> May, 2014.

During the year under review, the committee met once in a year. Mr. Ashokaditya Dhurandhar & Ms. Manisha Anand attended the said meeting.

**Composition:**

The Composition of the Nomination and Remuneration Committee as on date of this report is as follows:

Mr. Ashokaditya Dhurandar	Chairman, Independent & Non Executive
Ms. Manisha Anand	Member, Independent & Non Executive
Mr. Manish Shah	Member, Managing Director

Board terms of reference of the Committee include approval/recommendation to the Board of salary/perquisites, commission and retirement benefits, finalisation of the perquisites package payable to the Company's Managing/ Administration.

**Remuneration Policy:**

Payment of remuneration to the Managing /Whole Time Director is governed by the respective Agreements executed between them and the Company. Their Agreements are approved by the Board and by the shareholders. Their remuneration structure comprises salary, incentive, bonus, benefits, perquisites and allowances, contribution to provident fund, superannuation and gratuity. The Non-Executive Director do not draw any remuneration from the Company other than sitting fees and such commission as may be determined by the Board from time to time.

The details of remuneration paid to the Directors during the Financial Year 2013-14 are given below:-

Name of the Director	Salary	Sitting Fees Paid (Rs.)		No. of shares held as on 31st March, 2014
		Board Meeting	Audit Committee	
Mr. Hitesh Jain	2,70,000			-
Mr. Manish N. Shah				100
Mr. Damodar Hari Pai				-
Ms. Manisha Anand				-
Mr. Ravi Kant Chaturvedi				-
Mr. Ashokaditya Dhurandhar				-
*Mr. Vishal Gohil	3,25,000			-

*\* Resigned as Whole Time Director w.e.f. 15.11.2013*

Apart from the sitting fees that are paid to the non-executive directors for attending the Board Meeting, no other fees/ commission were paid during the year. No significant material transactions have been made with non-Executive Directors vis-à-vis the Company.

**5. Stakeholders Relationship Committee (SR):**

In terms of Section 178 (5) of the Companies Act, 2013 ("the Act") the Board of Directors of the Company which has more than one thousand shareholders, debenture holders, deposit holders and any other security holders at any time during the financial year is required to constitute a SR Committee consisting of a Chairperson who will



be a non-executive director and such other members as may be decided by the Board to consider and resolve the grievances of security holders of the Company.

In view of the above requirements, the Board of Directors of the Company has renamed the Shareholders cum investors Grievance committee as “Stakeholders Relationship Committee” (SR) at its meeting held on 24th May, 2014. The SR Committee is primarily responsible to review all matters connected with the Company’s transfer of securities and redressal of shareholders’/investors’/security holders’ complaints. The Committee also monitors the implementation and compliance with the Company’s code of conduct for prohibition of insider trading.

The SR Committee’s composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

**Composition of the Committee:**

Ms. Manisha Anand	Chairperson, Independent, Non Executive
Mr. Hitesh Jain	Member, Whole Time Director
Mr. Damodar Hari Pai	Member, Independent & Non Executive

Terms of reference of the Committee, inter alia, includes the following:

1. Oversee and review all matters connected with the transfer of the Company’s securities.
2. Approve issue of the company’s duplicate share certificate.
3. Monitor redressal of investors’/shareholders’/security holders’ grievances.
4. Oversee the performance of the Company’s Registrars and Transfer Agents.
5. Recommend methods to upgrade the standard of services to investors.
6. Monitor implementation of the Company’s code of conduct for prohibition of insider trading.
7. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable.

**Meetings and Attendance:**

Four Stakeholders Relationship Committee Meetings were held during the year ended March 31, 2014.

<b>Name Committee Members</b>	<b>No. of Meetings held</b>	<b>No. of meetings attended</b>
Mr. Manisha Anand	4	4
Mr. Damodar Hari Pai	4	2
Mr. Hitesh Jain	4	4

The Committee expresses satisfaction with the Company’s performance in dealing with investors’ grievance and its share transfer system.

Status of number of shareholders’ complaints received, pending & redressed is as under:

- |       |  |     |
|-------|--|-----|
| (i)   | No. of Shareholder’s complaints received                 | Nil |
| (ii)  | No. of complaints not redressed and pending as on date   | Nil |
| (iii) | No. of share transfers pending for more than a fortnight | Nil |

**6. Corporate Social Responsibility Committee:**

Pursuant to Section 135 of the Companies Act, 2013 the Company constituted a Corporate Social Responsibility (CSR) Committee of the Board at the Board Meeting held on 24<sup>th</sup> May, 2014 and which is in the process of formulating a formal CSR policy. Further, No meeting of the CSR Committee was held during the year under review.

**Composition**

Mr. Ashokaditya Dhurandhar	Chairman, Non Executive Director
Ms. Manisha Anand	Member, Non Executive Director
Mr. Hitesh Jain	Member, Whole Time Director

**7. Whistle Blower Policy:**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour. Towards this end, the Company has implemented a Whistle Blower Policy, with a view to provide a mechanism for employees and Directors of the Company to approach the Ethics Committee or Chairman of the Audit Committee of the Company to report instances of violations of laws, rules and regulations, unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The vigil mechanism also provides adequate safeguards against victimisation of persons who use such mechanisms and also to ensure direct access to the Ethics Committee or Chairman of the Audit Committee in appropriate or exceptional cases.

**8. General Body Meeting****A. Annual General Meetings:**

<b>Financial Year</b>	<b>Date</b>	<b>Location of the Meeting</b>	<b>Time</b>
2010-11	29/09/2011	Conference Hall, 18 <sup>th</sup> Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	3.00 p.m.
2011-12	07/08/2012	Conference Hall, 18 <sup>th</sup> Floor, C Wing, Mittal Tower, Nariman Point, Mumbai- 400 021.	11.00 a.m.
2012-13	27/09/2013	Office No. 62, 6 <sup>th</sup> Floor, C wing, Mittal Tower, Nariman Point, Mumbai 400021.	10.00 a.m.

**B. Whether any Special Resolutions were passed last year through postal ballot:**

During the year under review, no Special Resolution was passed through postal ballot.

**C. Person who conducted postal ballot exercise: Not Applicable****D. Whether any special resolution is proposed to be passed through postal ballot this year:**

During the current year, if special resolutions are proposed to be passed through postal ballot, the same would be taken up at the appropriate time.

**E. Procedure for postal ballot:**

If any special resolution is passed through postal ballot during the current year, the procedure for postal ballot will be followed in terms of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, as amended from time to time.

**9. Other Disclosures:**

The Company has been complying with all statutory requirements and no penalties or strictures have been imposed on it by SEBI, BSE or any regulatory or statutory body on any matter.

**Related Party Transaction:**

Your Company places all the aforesaid details before the Audit Committee periodically. A comprehensive list of related party transactions as required by the Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of the Note No.23 of the Accounts in the Annual Report. However, these transactions are not likely to have any conflict with the interests of the Company at large.

**Risk Management:**

The Company has in place mechanism to inform Board Members about the risk assessment and minimization procedures. The Audit Committee and the Board periodically reviewed the risk assessment and minimization procedures as required under clause 49 of the Listing Agreement so as to ensure that risk is controlled by the Executive Management.

**WTD Certification:**

Mr. Hitesh Jain, Whole Time Director of the Company, have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining for the Financial Year 31<sup>st</sup> March, 2014.

**Prevention of Insider Trading Code:**

As per the SEBI (Prevention of Insider Trading) Regulations, 1992, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees at senior management level and other employees who would have access to unpublished price sensitive information of the Company are governed by this Code.

**8. Share Transfer System:**

All share transfer, dematerialization and related work is managed by a common agency, Link Intime India Private Limited, Bhandup (W), Mumbai-78. Shareholders are requested to send all share transfer requests, demat/remat requests, correspondence relating to shares i.e. change of address, Power of Attorney, etc. to the registrar and transfer agents.

**Share Capital Audit:**

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carried out the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), shares held physically as per the register of members and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange, NSDL and CDSL and is also placed before the Share Transfer, Shareholders'/Investors Grievance and Ethics & Compliance Committee and the Board of Directors.

**Green Initiative:**

Electronic copies of the Annual Report and Notice of the 30th Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. For members who have not registered their email addresses, physical copies of the Notice and Annual Report are sent in the permitted mode. Members requiring physical copies can send a request to the Company.

**Means of Communication:**

The quarterly results of the Company are published in two newspapers in compliance with the provisions of Clause 41 of the listing agreement. Generally, the same are published in *Business Standard (English language)* and *Mumbai Lakshadweep (Marathi language)* in Mumbai. As the results of the Company are published in the





newspapers, half-yearly reports are not sent to each household of shareholders. The quarterly results as well as proceedings of the Annual General Meeting are submitted to the Bombay Stock Exchange Limited, immediately after the conclusion of the respective meeting.

No presentations were made to the institutional investors or to analysts during the year under review.

(iii) The Management Discussion and Analysis Report form a part of this Annual Report.

(iv) Financial Calendar (tentative and subject to change)

Financial reporting for quarter ended
June 30, 2014 by August 14, 2014
September, 2014 by November 15, 2014
December 2014 by February 14, 2015
March 2015 by May 30, 2015
Annual General Meeting for the year ended 31 <sup>st</sup> March 2014 – on or before September 30, 2014.

### General Shareholder Information

i.	Date and time of Annual General Meeting of Shareholders	Tuesday, September 30, 2014 at 11:30 a.m.
ii.	Dates of Book Closures	Wednesday, September 24, 2014 to Tuesday, September 30, 2014 (both days inclusive)
iii.	Venue of AGM	62, 6 <sup>th</sup> Floor, C Wing, Mittal Tower, Nariman Point, Mumbai: 400 021
iv.	Listing on stock exchanges	The Equity Shares of the Company are listed on Bombay Stock Exchange Limited. There is no default in payment of Annual Listing Fees as prescribed.
v.	Stock Exchange Code	512047 (Bombay Stock Exchange Limited)
vi.	Financial year	April to March
vii.	Dividend payment date	N.A.

### Market Price Data (Monthly High/Low on BSE):

Month	High (₹)	Low (₹)	No. of Shares	No. of Trades
April 2013	24.5	15.3	9280	42
May 2013	15	10.5	151957	135
June 2013	10.5	8.83	74935	275
July 2013	8.83	3.88	35548	135
August 2013	4.55	4.26	26159	21
September 2013	6	4.64	75406	89
October 2013	5.98	3.62	318956	198
November 2013	4.19	3.4	66643	154
December 2013	4.68	3.67	366713	1281
January 2014	4.97	3.25	1248541	2639
February 2014	5.69	3.15	621985	2937
March 2014	5.32	3.84	502216	1026



Comparative Performance: No meaningful comparison is possible with any index.

**CATEGORY-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014**

Category	Shareholders		Shares	
	Number	% to total Shareholders	Number	% to total Capital
PROMOTERS HOLDING	6	0.55	1,05,97,251	45.91
Indian Promoters				
Total of promoter holding	6	0.55	1,05,97,251	45.91
NON- PROMOTER HOLDING				
Institutional Investors				
Banks	0	0.00	-	-
FII's	0	0.00	-	0.04
Others				
Corporate Bodies	95	8.78	42,94,441	18.61
Indian Public	958	88.46	80,38,050	34.82
NRIs / OCBs	2	0.18	150	0.01
Clearing Member	22	2.03	15,010	0.65
Total of non-promoter holding	1077	99.45	79,93,155	54.08
Grand Total	1083	100.00	23,08,00,000	100.00

**SLAB-WISE DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2014**

NOMINAL VALUE OF RS.	SHAREHOLDERS NUMBER	% OF TOTAL	NO. OF SHARES (Rs.10 each)	%TO EQUITY
1 - 5000	608	56.14	91991	0.39
5001 - 10000	111	10.25	94976	0.42
10001 - 20000	63	5.82	101989	0.44
20,001 - 30,000	32	2.95	85649	0.37
30,001 - 40,000	24	2.21	89732	0.39
40,001 - 50,000	33	3.05	158585	0.69
50,001 - 1,00,000	61	5.63	477148	2.07
1,00,001 & Above	151	13.94	21979930	95.23
TOTALS	1083	100.000	23,08,00,000	100.000

**13. Dematerialization of Shares:**

The Company's shares are available for trading in dematerialized form under both the Depository Systems - NSDL and CDSL. Connectivity with both NSDL and CDSL is provided by Link Intime India Pvt. Ltd., Mumbai - 400 078 under tripartite agreements. The distribution of dematerialized and physical shares as on March 31, 2014 was as follows:

S.No.	Particulars	No. of Shares	%
1	Dematerialised Shares		
	CSDL	45,47,746	19.70
	NSDL	1,82,80,834	79.21
	Total	2,28,28,580	98.91
2	Physical Shares	2,51,420	01.09
	<b>Total</b>	<b>2,30,80,000</b>	<b>100.00</b>



Outstanding GDR/ADR/Warrants/Convertible instruments etc:

There are no outstanding securities as at 31<sup>st</sup> March 2014.

**14. Investors Correspondence:**

Link Intime India Private Limited  
C-13, Pannalal Silk Mills Compound,  
L. B. S. Marg, Bhandup (West),  
Mumbai - 400078  
Tel No: (022) 25946970  
Fax No: (022) 2594 6969  
Email-id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

**CERTIFICATE ON CORPORATE GOVERNANCE**

Pursuant to Clause 49 I (V) of the Listing Agreement entered into with the Stock Exchange, I hereby declare that all the Board members and senior management personnel of the Company have affirmed compliances with the Code of Conduct for the current year.

**For Royal India Corporation Ltd.**

**Place: Mumbai  
Date: 14<sup>th</sup> August, 2014**

Sd/-  
**(HITESH JAIN)**  
Whole Time Director  
(DIN : 05263120)

**CERTIFICATE FROM THE AUDITORS OF THE COMPANY****Auditors' Certificate on Compliance with the conditions of Corporate  
Governance under Clause 49 of the Listing Agreement**

To,  
The Members of Royal India Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Royal India Corporation Limited (the Company) for the year ended March 31, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.

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

In our opinion and to the best of our information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended March 31, 2014, no investor grievances are pending against the Company as on August 14, 2014 as per the records maintained by the Company and presented to the Shareholder's/Investors' Grievance Committee.

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: DMKH & CO.  
Chartered Accountants  
Firm Reg. No- 116886W**

**Place: Mumbai  
Date: 14<sup>th</sup> August, 2014**

Sd/-  
**Neha Chechani**  
PARTNER  
Membership No. 419704



## AUDITOR'S REPORT

To,  
The Members of **ROYAL INDIA CORPORATION LIMITED**

### Report on the Financial Statements

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

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 and of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013 and in accordance with the Accounting Principal Generally Accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinion.

In our opinion, and to the best of our information and

according to the explanation given to us, the financial statements give the information required by the act in the manner so required and give the true and give a true and fair view in conformity with the accounting principles generally accepted in India:

In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014;

In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and

In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013.
  - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

### For DMKH & Co.

Chartered Accountants  
Firm Reg. No. – 116886W

Sd/-

**CA Neha Chechani**

Partner

M. No. 419704

Place : Mumbai.

Date : 24<sup>th</sup> May 2014

**ANNEXURE TO INDEPENDENT AUDITORS' REPORT****Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date**

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) We have been informed that the fixed assets of the Company have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- c) According to the information & explanation given to us, the Company has not disposed of any substantial part of its fixed assets during the year.
- ii. a) As explained to us, inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of Inventories referred to in 2(a) above followed by the management, are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of inventories. As per the information and explanation provided to us and having regard to the size of the company, no material discrepancies were noticed on physical verification of inventory as compared to book records.
- iii. a) According to the information and explanations given to us and on the basis of our examination of the books of account, the company has not granted any interest free loan to parties covered in the Register maintained under section 301 of the Companies, Act 1956. Accordingly, the clause (iii)(b), (iii) (c) and (iii) (d) of paragraph 4 of the order are not applicable to the company for the year.
- b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the clause (iii) (f) and (iii) (g)

of paragraph 4 of the order are not applicable to the company for the year.

- iv. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to the purchase of inventory, fixed assets and sale of goods. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. In respect of transactions covered under section 301 of the Companies Act, 1956. In our opinion and according to the information given to us, there are no such transactions made in pursuance of contracts or arrangements that needed to be entered into in the register maintained under section 301 of the Companies Act, 1956, hence Para (b) of the clause 4 (v) of the order is not applicable to the company.
- vi. The Company has not accepted any deposits during the year under the provisions of section 58A and 58AA of the Companies Act, 1956, and the rules framed there under are not applicable.
- vii. As explained to us, there is adequate formal internal audit system. The Company has adequate internal control procedure involving internal checking of its financial record.
- viii. According to the information and explanation given to us, the Central Government has not prescribed maintenance of cost records under Section 209 (1)(d) of the Companies Act, 1956 for the Company.

**In Respect of statutory dues :**

- a) According to the information and explanation given to us the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable.
- b) On the basis of our examination of documents and records of the Company, and explanation provided to us, there were no disputed dues in respect of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty or Cess, other than the following:



Name of the Statute	Nature of the Dues	Amount Disputed ₹	Year to which amount related	Forum which Dispute is pending
Income Tax Act, 1961	Income Tax and Interest thereon (Substantive Addition)	9,77,02,258/-	A. Y. 2010-11	Commissioner of Income Tax (Appeal)
Bombay Stamp Act, 1958	Stamp Duty	30,75,492/-	F.Y. 2010-11	Dy. Superintendent of Stamps

- x. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- xi. Based on our examination or the records and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. Based on our examination or the records and 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.
- xiii. In our opinion and according to the information and explanation given to us, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly the provisions of the clause 4(xiii) of the said order are not applicable to the Company.
- xiv. According to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company;
- xv. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi. According to the information and explanation given and based on the documents and records produced, the company has not taken any term loan for the period.
- xvii. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion that no funds raised on a short-term basis which have been used for long term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956 during the year.
- xix. According to the information and explanations

given to us, the Company has no outstanding debentures during the period under audit.

- xx. According to the information and explanations given to us, the Company has not raised any money by way of public issue during the year and accordingly the provision of the relevant clause of the order is not applicable to the Company.

- xxi. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

**For DMKH & Co.**  
Chartered Accountants  
Firm Reg. No. - 116886W

Sd/-  
**CA Neha Chechani**  
Partner  
M. No. 419704  
Place : Mumbai.  
Date : 24<sup>th</sup> May 2014

**BALANCE SHEET**As at 31<sup>st</sup> March, 2014

Particulars	Note No.	As at 31st March, 2014	As at 31st March, 2013
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	230,800,000	230,800,000
(b) Reserves and Surplus	2	137,414,719	135,890,995
<b><u>(2) Share Application money pending allotment</u></b>			
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings	3	58,231,000	1,800,000
(b) Deferred Tax Liabilities (Net)		-	46,241
(c) Long Term Provisions	4	1,130,096	5,721,852
<b><u>(4) Current Liabilities</u></b>			
(a) Trade Payables	5	166,346,582	550,473,699
(b) Other Current Liabilities	6	615,976	620,679
(b) Short Term Provisions		-	-
<i>Total Equity &amp; Liabilities</i>		<b>594,538,373</b>	<b>925,353,466</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
(a) <i>Fixed Assets</i>	7		
Tangible Assets		1,231,324	1,635,101
(b) Non-current investments		-	-
(c) Deferred Tax Asset		9,675	-
(c) Long term loans and advances	8	13,077,594	30,184,520
(d) Other non-current asset	9	121,470	380,303
<b><u>(2) Current Assets</u></b>			
(a) Inventories	10	89,242,215	86,111,580
(b) Trade receivables	11	489,324,923	805,973,907
(c) Cash and cash equivalents	12	1,531,172	1,068,055
<b>Total Assets</b>		<b>594,538,373</b>	<b>925,353,466</b>

*The accompanying notes are an integral part of the financial statements.***For DMKH & Co.**Chartered Accountants  
Firm Reg. No. 116886W

Sd/-

**CA Neha Chechani**

Partner

Membership No. 419704

24<sup>th</sup> May 2014, Mumbai.**For and on behalf of Board of Directors**

Sd/-

**Manish Shah**

Managing Director

(DIN : 01953772)

Sd/-

**Hitesh Jain**

Whole-time-Director

(DIN : 05263120)

Sd/-

**Siddhi Patil**

Company Secretary



**STATEMENT OF PROFIT AND LOSS**For the year ended 31<sup>st</sup> March, 2014

Sr. No	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I.	<b><u>Income:</u></b>			
	Revenue from operations	13	1,315,594,976	1,104,747,141
	Other Income	14	409,190	418,366
	<b>Total Revenue</b>		<b>1,316,004,166</b>	<b>1,105,165,507</b>
II.	<b><u>Expenses:</u></b>			
	Cost of Goods Sold	15	1,307,580,186	1,100,221,672
	Consumables		-	14,779
	Employee Benefit Expense	16	1,015,200	1,532,540
	Financial Costs	17	73,728	57,493
	Depreciation and Amortization Expense	7	403,777	413,181
	Other Administrative Expenses	18	5,367,835	2,405,672
	<b>Total Expenses</b>		<b>1,314,440,726</b>	<b>1,104,645,337</b>
III	Profit before exceptional and extraordinary items and tax (I-II)		<b>1,563,440</b>	<b>520,170</b>
IV	Exceptional Items		-	-
V	Profit before extraordinary items and tax (III-IV)		<b>1,563,440</b>	<b>520,170</b>
VI	Extraordinary Items		-	-
VII	Profit before tax (V - VI)		<b>1,563,440</b>	<b>520,170</b>
VIII	<b><u>Tax expense:</u></b>			
	(1) Current tax		-539019	172,065
	(2) Deferred tax		55,916	(54,867)
	(3) Previous Years Adjustments	20	443387	0
IX	Profit(Loss) before prior period Item		<b>1,523,724</b>	<b>402,972</b>
X	Basic and Diluted Earning Per Share		0.07	0.02
XI	Profit and Loss for the year		<b>1,523,724</b>	<b>402,972.00</b>

*The accompanying notes are an integral part of the financial statements.***For DMKH & Co.**Chartered Accountants  
Firm Reg. No. 116886W

Sd/-

**CA Neha Chechani**

Partner

Membership No. 419704  
24<sup>th</sup> May 2014, Mumbai.**For and on behalf of Board of Directors**

Sd/-

**Manish Shah**Managing Director  
(DIN : 01953772)

Sd/-

**Hitesh Jain**Whole-time-Director  
(DIN : 05263120)

Sd/-

**Siddhi Patil**

Company Secretary

**CASH FLOW STATEMENT**For the year ended 31<sup>st</sup> March, 2014

Particulars	As at 31st March, 2014	As at 31st March, 2013
<b>A. Cash Flow from Operating Activities</b>		
Net profit before Tax as per Profit & Loss Account	1,563,440	520,170
Adjusted for:		
Interest Received	(409,190)	(418,366)
Depreciation	403,777	413,181
Sundry Exp. W/off	1,969,957	-
Share Issue Expenses written off	258,833	258,834
<b>Operating Profit before Working Capital Changes</b>	<b>3,786,817</b>	<b>773,819</b>
Adjusted for:		
(Increase)/ Decrease in Inventories	(3,130,635)	(1,821,580)
(Increase)/ Decrease in Provision	0	-
(Increase)/ Decrease in Trade receivables	316,648,984	(436,204,379)
Increase/ (Decrease) in Trade Payables	(384,127,117)	334,828,185
Increase/ (Decrease) in Other Current Liabilities	(4,703)	(28,844)
	(70,613,471)	(103,226,618)
Less: Taxes Paid	(21,977)	(172,065)
<b>Cash Flow from Operating Activities (A)</b>	<b>(66,848,631)</b>	<b>(102,624,864)</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale/(Purchase) of Investment	-	-
<b>Net Cash used in Investing Activities (B)</b>	<b>-</b>	<b>-</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest Received	409,190	418,366
Repayment/Received of long term loans & advances	10,471,558	103,017,632
Long term Borrowings	56,431,000	-
<b>Net Cash used in Financing Activities (C)</b>	<b>67,311,748</b>	<b>103,435,998</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>1,068,055</b>	<b>256,922</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>463,117</b>	<b>811,134</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>1,531,172</b>	<b>1,068,055</b>

For DMKH &amp; Co.

Chartered Accountants  
Firm Reg. No. 116886W

Sd/-

**CA Neha Chechani**

Partner

Membership No. 419704  
24<sup>th</sup> May 2014, Mumbai.

For and on behalf of Board of Directors

Sd/-

**Manish Shah**Managing Director  
(DIN : 01953772)

Sd/-

**Hitesh Jain**Whole-time-Director  
(DIN : 05263120)

Sd/-

**Siddhi Patil**

Company Secretary

**NOTES TO FINANCIAL STATEMENT****For the year ended 31<sup>st</sup> March, 2014****1 Corporate information**

Royal India Corporation Limited is engaged in the business of Bullion, Real Estate and Investments.

**2 Significant accounting policies****2.1 Basis of accounting and preparation of financial statements**

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

**2.2 Use of estimates**

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**2.3 Inventories**

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary.

**2.4 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**2.5 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**2.6 Depreciation and amortisation**

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

Vehicles - 4 years

Computers and data processing equipments - 4 years

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalization.

**NOTES TO FINANCIAL STATEMENT****For the year ended 31<sup>st</sup> March, 2014****2.7 Revenue recognition**

All incomes and expenditure are recognised as per 'Accounting Standard-9' accounted on accrual basis except where stated otherwise.

**2.8 Fixed Assets**

Fixed assets are stated at cost of acquisition net of accumulated depreciation. All cost relating to the acquisition and installation of fixed assets are capitalized and includes borrowing cost directly attributable to company.

**2.9 Employee benefits**

- i. P.F and E.S.I.C Scheme is not applicable to the company.
- ii. Gratuity is accounted as and when it becomes due.

**2.10 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

**2.11 Borrowing Cost**

Borrowing costs directly attributable to the acquisition and construction of qualifying fixed assets are capitalized as part of the cost of the assets, up to the date the asset is put to use. Other borrowing costs are charged to the Profit and Loss Account.

**2.13 Taxes on income**

Current Tax is determined as the tax payable in respect of taxable income for the year, if any. Deferred tax for the year is recognised on timing difference; being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets and Liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets are recognised and carried forward only if there is a reasonable/virtual certainty of realisation.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014**2.14 Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**2.15 Share issues expenses/ Miscellaneous Expenditure**

The share issue expenses is carried as an asset and is amortised over a period of 5 years from the date of the issue of shares.

**Note: 1 Share Capital****Amount in Rs.**

Sr. No.	Particulars	As on 31.03.2014	As on 31.03.2013
1	<b>AUTHORIZED CAPITAL</b> 2,40,00,000 Equity Shares of Rs. 10/- each.	240,000,000	240,000,000
		240,000,000	240,000,000
2	<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b> <i>To the Subscribers of the Memorandum</i> 2,30,80,000 Equity Shares of Rs.10/- each fully paid	230,800,000	230,800,000
	<b>Total in ₹</b>	<b>230,800,000</b>	<b>230,800,000</b>

Reconciliation of the number of shares and amount	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>				
Opening Balance	23,080,000	230,800,000	23,080,000	230,800,000
<i>Transferred from Share Suspense Account</i>	-	-	-	-
<b>Closing Balance</b>	<b>23,080,000</b>	<b>230,800,000</b>	<b>23,080,000</b>	<b>230,800,000</b>

Details of the Shareholders holding more than 5% Shares	As at 31.03.2014		As at 31.03.2013	
	No. of Shares	% of Holding	No. of Shares	% of Holding
i. Manoj Punamiya	1,325,067	5.74%	4,235,067	18.34%
ii. Lata M. Jain	2,927,339	12.68%	2,939,339	12.74%
iii. Hill View Impex Private Li mited	1,524,845	6.61%	1,524,845	6.61%
iv. Shri Baiju Trading & Investments Private Limited	1,910,000	8.28%	1,910,000	8.28%
v. Manoj kumar Babulal Jain	2,820,000	12.22%	-	-

**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014**Note : 2 Reserve & Surplus**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	Capital Reserve (A)	3,000,000	3,000,000
2	Securities Premium reserve (B)	110,530,000	110,530,000
3	<b>Surplus (Profit &amp; Loss Account)</b>		
	Balance brought forward from previous year	22,360,995	21,958,023
	Add: Profit for the year	1,523,724	402,972
	Total (C)	<b>23,884,719</b>	<b>22,360,995</b>
	<b>TOTAL RESERVE AND SURPLUS (A)+(B)+(C)</b>	<b>137,414,719</b>	<b>135,890,995</b>

**Note : 3 Long Term Borrowings**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 1.03.2013
	<b>Other Loans Unsecured:</b>		
1	Inter-corporate Deposits	58,231,000	1,800,000
	<b>TOTAL</b>	<b>58,231,000</b>	<b>1,800,000</b>

**Note : 4 Long Term Provisions**

Sr. No	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	<b>Provision</b> Provision for Income Tax	1,130,096	5,721,852
	<b>TOTAL</b>	<b>1,130,096</b>	<b>5,721,852</b>

**Note : 5 Trade Payables**

Sr. No	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	For Goods Purchased and Services	165,886,597	550,002,120
2	For Expenses	459,985	507,832
	<b>Total</b>	<b>166,346,582</b>	<b>550,509,952</b>

**Note : 6 Other Current Liabilities**

Sr. No	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	<b>Other Current Liabilities</b>	615,976	620,679
	<b>Total</b>	<b>615,976</b>	<b>620,679</b>



**NOTES TO FINANCIAL STATEMENT**

For the year ended 31<sup>st</sup> March, 2014

**Note : 7 Fixed Asset**

₹

Sr. No.	Particulars	Rate	Gross Block				Depreciation				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
1	<b>Tangible Assets</b>	9.50%										
	Vehicles ( Motor Cycle)		4,250,288	-	-	4,250,288	2,615,187	403,777	-	3,018,964	1,231,324	1,635,101
	<b>TOTAL</b>		4,250,288	-	-	4,250,288	2,615,187	403,777.4	-	3,018,964	1,231,324	1,635,101
	(Previous Year)		4,250,288	-	-	4,250,288	2,211,409	403,778	-	2,615,187	1,635,101	2,048,282

**Note : 8 Long Term Loans and Advances**

₹

₹

Sr. No.	Particulars	As on 31.03.2014	As on 31.03.2013
	<b>Unsecured, Considered good:</b>		
I)	Security Deposit	225,000	12,585,000
II)	Advance Income Tax	1,629,937	6,254,430
III)	Balance with government Authorities	128,166	839,870
IV)	Other Loans & Advances	11,094,491	10,505,220
	<b>Total in ₹</b>	<b>13,077,594</b>	<b>30,184,520</b>

**Note : 9 Other Non Current Assets**

₹

₹

Sr. No.	Particulars	As on 31.03.2014	As on 31.03.2013
1	Deferred Revenue Expenditure	-	5,103
2	Prefential Issue Expenses	-	126,000
3	Preliminary Expenses	121,470	249,200
	<b>Total ₹</b>	<b>121,470</b>	<b>380,303</b>

**Note : 10 Inventories**

₹

₹

Sr. No.	Particulars	As on 31.03.2014	As on 31.03.2013
1	Stock-in-Trade	89,242,215	86,111,580
	<b>Total ₹</b>	<b>89,242,215</b>	<b>86,111,580</b>

**Note : 11 Trade Receivables**

₹

₹

Sr. No.	Particulars	As on 31.03.2014	As on 31.03.2013
1	<b>Outstanding for a period exceeding six months from the date they were due for payment</b>		
	(a) Overseas Debtors		
	Unsecured, Considered Good	86,551,639	-
	(b) Domestic Debtors		
	Unsecured, Considered Good	937,625	96,123,159
2	<b>Others trade receivable</b>		
	(a) Overseas Debtors		
	Unsecured, Considered Good	32,358,924	94,566,505
	(b) Domestic Debtors		
	a) Unsecured, Considered Good	369,476,735	615,284,243
	<b>Total ₹</b>	<b>489,324,923</b>	<b>805,973,907</b>


**NOTES TO FINANCIAL STATEMENT**

 For the year ended 31<sup>st</sup> March, 2014

**Note : 12 Cash & Bank Balance**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
	<b>Cash and cash equivalents</b>		
a)	Cash on hand	858,272	954,595
b)	Balance with bank	672,900	113,460
	<b>Total cash and cash equivalents</b>	<b>1,531,172</b>	<b>1,068,055</b>

**Note : 13 Revenue from Operations**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	Local Gold Bar Sales	1,218,150,316	874,971,200
2	Export Diamonds	91,722,933	233,348,645
4	FEGL on Sales	5,721,727	(3,572,704)
	<b>Total in ₹</b>	<b>1,315,594,976</b>	<b>1,104,747,141</b>

**Note : 14 Other Income**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	Interest Income	409,190	418,366
	<b>Total in ₹</b>	<b>409,190</b>	<b>418,366</b>

**Note : 15 Cost of Goods Sold**

Sr. No.	Particulars	₹		₹	
		As on 31.03.2014		As on 31.03.2013	
		Gold Bar	Diamond	Gold Bar	Diamond
	Opening Stock	86,111,580	-	84,290,000.00	-
Add:	Purchases	1,220,122,536	90,588,285	876,246,992.00	225,796,260.00
Less:	Closing Stock	(89,242,215)	-	(86,111,580.00)	-
	<b>Total in ₹</b>	<b>1,216,991,901</b>	<b>90,588,285</b>	<b>874,425,412</b>	<b>225,796,260</b>

**Note : 16 Employment Benefit Expenses**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	Salaries	420,200	862,540
2	Directors Remuneration	595,000	670,000
	<b>Total in ₹</b>	<b>1,015,200</b>	<b>1,532,540</b>

**Note :17 Financial Cost**

Sr. No.	Particulars	₹	
		As on 31.03.2014	As on 31.03.2013
1	Bank Interest	70	3,113
2	Bank Charges	73,658	54,380
	<b>Total in ₹</b>	<b>73,728</b>	<b>57,493</b>



**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014**Note : 18 Other Administrative Expenses**

Sr. No.	Particulars	₹	₹
		As on 31.03.2014	As on 31.03.2013
1	Advertisement & Publicity	75,479	63,870
2	Auditors Remuneration	95,506	86,517
3	BSE Listing Fees	67,416	-
4	BSE Charges & Annual Fees	643,631	99,803
5	BSE Capital Adequacy Fund w/off	1,969,957	-
6	Car Expenses	30,056	56,733
7	Clearing & forwarding Expenses	70,791	68,290
8	Conveyance	18,290	31,499
9	Custodial Fees	-	56,180
10	Commission	967,211	-
11	Computer maitanance Exp.	6,371	-
12	CDSL Fees	56,180	-
13	Deffered reveue exp. w/off	5,103	-
14	Directors Sitting fees	-	14,000
15	Electricity Expenses	-	112,005
16	Fine on Proffession tax	1,000	-
17	Internal audit fees	15,000	-
18	Legal & Professional Charges	766,387	729,496
19	Miscelleneous / Preliminary Exp. Written off	253,730	258,834
20	Miscelleneous Expenses	4,875	31,895
21	Office & General Expenses	33,037	68,820
22	Printing & Stationery Expenses	26,397	93,414
23	Rent	216,000	447,000
24	Repair & Maintenance	21,706	55,757
25	ROC Expenses	-	3,000
26	Sundry balnce Written off	-	3,300
27	Telephone Expenses	6,970	19,564
28	Travelling Expenses	16,742	105,695
	<b>Total in ₹</b>	<b>5,367,835</b>	<b>2,405,672</b>

**Note : 19 Auditors Remuneration**

Sr. No	Particulars	₹	₹
		As on 31.03.2014	As on 31.03.2013
1	As Auditor	50,000	44,000
2	Limited Review Fees	15,000	-
3	Taxation matters	-	16,500
4	Other	30,506	26,017
	<b>Total in ₹</b>	<b>95,506</b>	<b>86,517</b>

**Note : 20 Prior period Items**

Sr. No	Particulars	₹	₹
		As on 31.03.2014	As on 31.03.2013
1	Excess provision for tax reverse	443,387	-
	<b>Total in ₹</b>	<b>443,387</b>	<b>-</b>

**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014**Note : 21 Deferred Tax**

The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax

Particulars :	As at 1 <sup>st</sup> April, 2013	Credit (Charge) for the year	As at 31 <sup>st</sup> March, 2014
Due to difference in Depreciation as per Income Tax Act and Companies Act	46,241	55916	(9674)

**Note : 22 Earning Per Share**

The company has not issued potential equity shares, accordingly, basic and diluted earnings per share are same:

Particulars :	2013-14	2012-13
Net Profit after Tax (₹)	15,23,724	4,02,972
Weighted Average No. of Equity Shares for computing Basic & Diluted EPS	2,30,80,000	2,30,80,000
Nominal Value of Share (₹)	10	10
Basic and diluted Earnings per share (₹)	0.07	0.02

**Note : 23 Related Party Disclosure****1. Details of the Related Party**

Key Management Personnel

Hitesh Jain  
Manish Shah  
Vishal Gohil\*

Companies/ Firms in which KMP can exercise influence.

- I) Balaji Universal Tradelink Private limited
- II) Balji Bullion & Commodities(I) Private limited
- III) Balaji Lifestyle Realtors Private Limited
- IV) Balji Propbuilders Private Limited
- V) Labh Commodities Private Limited
- VI) Hillview Impex Private Limited
- VII) Jaguar Energy & Power Limited
- VIII) Jaguar Gems & Jewellery Limited
- IX) Orbit diamonds Private Limited
- X) Shri baiju Trading & Investment Private limited

\* Resigned from directorship w.e.f. 15/11/2013

Note: Related Parties have been identified by Management

**2. Details of the Related Party Transactions**

Sr. No.	Particulars	Name of the Party	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence
1	Director's Remuneration	Vishal Gohil	3,25,000	-	-
		Hitesh Jain	2,70,000	-	-
<b>Outstanding as at the year end :</b>					
1	Directors Remuneration	Hitesh Jain	57,196	-	-

**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014**Note : 24 Contingent Liabilities**

Sr. No.	Contingent liabilities and commitments (to the extent not provided for)	As at 31 <sup>st</sup> March, 2014	As at 31 <sup>st</sup> March, 2013
A	Income Tax Demand for A.Y 2010-11, Substantive Additions made during the assessment, however appeal has been filed and is pending for disposal by Commissioner of Income Tax (Appeal)	9,77,02,258	9,77,02,258
B	In respect of Stamp Duty demand with respect to order under section 391 & 394 of the Companies Act, 1956 passed by The Hon`ble High Court pertaining to the scheme of Amalgamation of Companies. It is not tenable in the view of the management.	30,75,492	30,75,492

The Income Tax Assessments of the company has been completed up to Assessment Year 2010-11. The disputed demand outstanding upto the said Assessment Year is 977.02 Lacs. On the Analysis by the expert professionals of the nature of demand and based on the earlier decisions of the authorities, interpretations, relevant provisions and considering the fact the company has been legally advised that the demand is likely to be deleted and accordingly has not been accounted in the books of accounts.

Contingent liabilities with respect to inspection carried by Regional Director (WR), Ministry of Corporate Affairs under section 209A of the Companies Act, 1956 during the year 2010 are not provided in books of accounts, as there was no major discrepancy/ irregularities are observed during the inspection.

**Note : 25 Impairment of Assets**

As required by accounting standard (AS 28) "Impairment of Assets" issued by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets. There has been no impairment loss during the year.

**Note : 26**

The Company has not provided for Gratuity and Leave Encashment to Employees on accrual basis, which is not in conformity with AS - 15 issued by ICAI. However, in the opinion of management the amount involved is negligible and has no impact on Statement of Profit & Loss.

**Note : 27 Segment Information (AS-17)**

The Segments are identified based on the dominant sources and nature of risks and return. Unallocated Corporate Expenses relate to the enterprises as a whole and are not attributable to the segments.

S. NO.	Particular	2013-14	2012-13
1	<b>SEGMENT REVENUE</b>	₹	₹
	A) Bullion	1,21,81,50,316	87,49,71,200
	B) Securities	-	-
	C) Diamonds	9,74,44,660	22,97,75,941
	E) Others	4,09,190	4,18,366
	<b>Total</b>	<b>1,31,60,04,166</b>	<b>1,10,51,65,507</b>
	Less : Intersegment Revenue	-	-
	<b>Sales/ Income form Operation</b>	<b>1,31,60,04,166</b>	<b>1,10,51,65,507</b>
2	<b>SEGMENT RESULTS</b>		
	[Profit/(Loss) before Tax and Interest from each Segment]		
	A) Bullion	1,158,415	5,31,009
	B) Securities	-	-
	C) Diamonds	68,56,375	39,11,391
	D) Others	4,09,190	4,18,366
	<b>Total</b>	<b>84,23,980</b>	<b>48,60,766</b>

**NOTES TO FINANCIAL STATEMENT**For the year ended 31<sup>st</sup> March, 2014

S. NO.	Particular	2013-14	2012-13
	Less :		
	I) Interest	-	-
	II) Other un-allocable expenditure	68,60,540	43,37,596
	<b>Total Profit before Tax</b>	<b>15,63,440</b>	<b>5,23,170</b>
<b>3</b>	<b>SEGMENT ASSETS</b>		
	A) Bullion	460,009,741	7,11,407,402
	B) Investment	-	-
	C) Securities	-	1,22,60,000
	D) Real Estate	-	-
	E) Others	10,378,253	1,03,36,595
	F) Diamonds	11,89,10,563	9,45,56,505
	G) Unallocable	5,118,346	91,26,212
	<b>Total</b>	<b>59,45,18,034</b>	<b>92,49,73,164</b>
<b>4</b>	<b>SEGMENT LIABILITIES</b>		
	A) Bullion	189,760,068	32,44,37,954
	B) Diamonds	3,08,66,975	22,43,54,260
	C) Others	18,00,000	18,00,000
	D) Unallocable	3,896,611	80,70,257
	<b>Total</b>	<b>22,40,45,867</b>	<b>55,86,62,471</b>

**Note : 28**

The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said Act have not been made.

**Note : 29 Derivative Instruments**

There was no contract related to hedging outstanding at the end of the year. Exposure related to Stock in hand at the end of the year were not hedged amount Rs. 8,92,42,215 (P.Y- 8,61,11,580).

**For DMKH & Co.**

Chartered Accountants  
Firm Reg. No. 116886W

Sd/-

**CA Neha Chechani**

Partner

Membership No. 419704

24<sup>th</sup> May 2014, Mumbai.**For and on behalf of Board of Directors**

Sd/-

**Manish Shah**

Managing Director

(DIN : 019953772)

Sd/-

**Hitesh Jain**

Whole-time-Director

(DIN : 05263120)

Sd/-

**Siddhi Patil**

Company Secretary





**ROYAL INDIA CORPORATION LIMITED**

**Regd. Off:** - 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021  
CIN : L45400MH1984PLC032274

**ATTENDANCE SLIP**

--

<b>Members' Folio/ Client &amp; DP-ID No. :</b>	
<b>No. of shares</b>	

I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the on Tuesday, September 30, 2014 at 11.30 a.m. at the registered office of the Company at 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021

.....  
**Name of the Member/proxy**  
(In BLOCK letters)

.....  
**Signature of the member/proxy**

**Note: Member/ Proxy must bring the attendance slip to the meeting and hand-over at the entrance duly signed.**

.....please tear from here.....

**ROYAL INDIA CORPORATION LIMITED**

**Regd. Off:** - 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021  
CIN : L45400MH1984PLC032274

**PROXY FORM**

<b>Members' Folio/ Client &amp; DP-ID No. :</b>	
<b>No. of shares</b>	

Affix Re. 1 Revenue Stamp
---------------------------------

I/We ..... of.....  
being a member/members of the above named Company hereby, appoint  
.....of..... or  
failing him/her .....of.....as my/our proxy to  
vote for me /us on my/ our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday,  
September 30, 2014 at 11:30 a.m. at the registered office of the Company at 62, 6th Floor, C Wing, Mittal  
Tower, Nariman Point, Mumbai, Maharashtra 400021.

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

.....  
**Signature of a Member**

**Note:**

- 1. *The instrument of proxy form shall be deposited at the Registered Office of the Company, not less than 48 hours before the time fixed for holding the meeting.*
- 2. *The form should be signed across the stamp as per specimen signature registered with the Company.*
- 3. *A proxy need not be a member.*





**ROYAL INDIA CORPORATION LIMITED**

**Regd. Off:** - 62, 6th Floor, C Wing, Mittal Tower, Nariman Point, Mumbai, Maharashtra 400021  
CIN : L45400MH1984PLC032274

**E-COMMUNICATION REGISTRATION FORM**

(In terms of circular No. 17/2011 dated 21<sup>st</sup> April, 2011 issued by the Ministry of Corporate Affairs)

Folio No./ DP ID & Client ID : .....

Name of First Registered Holder .....

Name of Joint Holder(s) .....

.....

.....

Registered Address .....

.....

.....

.....

E-Mail ID (to be registered) .....

I/ We shareholder(s) of Royal India Corporation Limited agree to receive communication from the Company in electronic mode. Please register my above E-mail ID in your records for receiving communication in electronic form from the Company.

**Date :** .....

**Signature** .....

**(First Holder)**

**Note :** Shareholder(s) are requested to keep the Company inform of Change, if any, in the E-mail address.



BOOK-POST

If undelivered, please return to :

**Royal India Corporation Limited**

CIN : L45400MH1984PLC032274

62, 6<sup>th</sup> Floor, C-Wing, Mittal Tower, 210, Nariman Point, Mumbai 400 021.

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