

# **SUMMIT SECURITIES LIMITED**

**ANNUAL REPORT 2012-13**

**BOARD OF DIRECTORS:**

RAMESH D. CHANDAK            Director  
H. C. DALAL                     Director  
A. N. MISRA                     Director  
H. N. SINGH RAJPOOT        Director  
S. K. TAMHANE                 Director

**COMPANY SECRETARY:**

SHRUTI JOSHI

**REGISTERED OFFICE:**

RPG HOUSE, 463,  
DR. ANNIE BESANT ROAD,  
WORLI, MUMBAI 400 030  
PHONE: +91-22-2493 0621  
FAX: +91-22-2497 4710  
E-mail: summitsec@gmail.com

**AUDITORS:**

N. M. RAJI & CO.

**REGISTRAR AND SHARE TRANSFER AGENTS:**

TSR DARASHAW PRIVATE LIMITED  
6-10, HAJI MOOSA PATRAWALA INDUSTRIAL ESTATE  
20, DR. E MOSES ROAD, MAHALAXMI,  
MUMBAI 400 011  
PHONE: +91-22-6656 8484  
FAX: +91-22-6656 8494  
E-mail: csg-unit@tsrdarashaw.com

**BANKERS:**

HDFC BANK LIMITED  
ICICI BANK LIMITED

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## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Company will be held at the Auditorium of The Synthetic and Art Silk Mills' Research Association (Sasmira), Sasmira Marg, Worli, Mumbai - 400 030 on Monday, September 30, 2013 at 4:00 p.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2013 and Statement of Profit and Loss for the year ended on that date, the Report of the Auditors' thereon and the Report of the Directors'.
2. To appoint a Director in place of Mr. A. N. Misra, who retires by rotation and being eligible, has offered himself for re-appointment.
3. To appoint a Director in place of Mr. Ramesh D. Chandak, who retires by rotation and being eligible, has offered himself for re-appointment.

### SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, Messrs Chaturvedi & Shah, Chartered Accountants, (Firm Reg. No. 101720W) be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring auditors Messrs N. M. Raiji & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually decided by the Board of Directors of the Company and the Statutory Auditors."

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

"RESOLVED THAT Mr. S. K. Tamhane, who was appointed as a Director of the Company with effect from August 13, 2012 in the casual vacancy caused due to the resignation of Mr. Paras K. Chowdhary and who holds office under the provisions of Section 262 of the Companies Act, 1956 upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member in terms of Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director and who is eligible for appointment, be and is hereby appointed as Director of the Company whose term of office shall be liable to retirement by rotation."

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

"RESOLVED THAT Mr. H. C. Dalal, who was appointed as an Additional Director of the Company with effect from November 8, 2012 and holds office upto the conclusion

of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member in terms of Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director and who is eligible for appointment, be and is hereby appointed as a Director of the Company whose term of office shall be liable to retire by rotation."

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, 311, 385 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification, re-enactment thereof for the time being in force), subject to the approval of the Central Government, if required and subject to such conditions and modifications as may be prescribed or imposed by any authorities in granting such approvals, permissions and sanctions, Ms. Shruti Joshi be and is hereby appointed as Manager of the Company for a period of 3 (three) years commencing from April 3, 2013 and ending on April 2, 2016 upon such terms and conditions including remuneration as may be decided by the Board of Directors from time to time in consultation with the appointee."

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. **THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
3. Members are requested to kindly refer the Chapter on Corporate Governance Report in the Annual Report for the information in respect of appointment/re-appointment of Directors, under Clause 49 of the Listing Agreement. None of the Directors seeking appointment/re-appointment holds any equity shares in the Company.
4. None of the Directors seeking appointment/re-appointment is related to any member of the Board of Directors or to any Management Personnel.
5. The Register of Members and the Share Transfer Books of the Company shall be closed from Tuesday, September 24, 2013 to Monday, September 30, 2013 (both days inclusive).
6. Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividend for the financial year ended March 31, 2006, paid by erstwhile Brabourne Enterprises Limited, (which later merged with the Company with effect from December 23, 2009 pursuant to the Scheme of Arrangement between Summit Securities Limited and Brabourne Enterprises Limited and Octav Investments

## SUMMIT SECURITIES LIMITED

Limited and CHI Investments Limited and RPG Itochu Finance Limited and Instant Holdings Limited and KEC Holdings Limited and their respective shareholders), remaining unclaimed or unpaid, if any, for the period of 7 (seven) years will be transferred to the Investor Education and Protection Fund (IEPF) established under Section 205C of the Companies Act, 1956 on or after expiry of 7 (seven) years of declaration. Members who have not encashed their dividend warrant(s) so far for the financial year ended March 31, 2006 or any subsequent financial years are requested to make their claims to the Registered Office of the Company at RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030. It may also be noted that once the unclaimed dividend is transferred to IEPF, as above, no claim shall lie in respect thereof.

7. To ensure speedy credit of dividend and avoid fraudulent encashment, members are requested to kindly inform their Bank Account Details for payment of dividend through NECS. Forms shall be supplied on request.

**8. Important notice for Members:**

- For the convenience of the members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, which is annexed to the Proxy Form. Members are requested to affix their signature at the place provided on the Attendance Slip and hand it over at the entrance.
- Members can avail of the nomination facility, under Section 109A of the Companies Act, 1956 by filing Form No.2B with the Company. Blank forms will be supplied on request.

**9. Consolidation of Folios:**

The members holding shares in the same name or in the same order of names, under different Folios, are requested to notify the relevant details of the said holdings to TSR Darashaw Private Limited at 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011 for consolidation of their shareholding into a single folio.

**10. Change in address:**

Members are requested to notify immediately any change in their address:

**a) If the shares held in physical form to:**

- (i) The Company at its Registered Office at:  
Summit Securities Limited  
RPG House, 463, Dr. Annie Besant Road,  
Worli, Mumbai 400 030.

**OR**

- (ii) The Registrar and Share Transfer Agents of the Company at the following address:  
TSR Darashaw Private Limited  
6-10, Haji Moosa Patrawala Industrial Estate,  
20, Dr. E Moses Road, Mahalaxmi,  
Mumbai 400 011.

**b) If the shares held in demat form to:** The respective Depository Participants.

11. Members holding shares in physical form are requested to convert their holdings into dematerialized mode to avoid loss of shares, quick credit of dividend and fraudulent transactions.

**12. Green Initiative:**

As per Circulars issued by the Ministry of Corporate Affairs (MCA) bearing nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, members holding shares in dematerialized form are requested to register their email addresses with their Depository Participant (DP) and members holding shares in physical form are requested to register their email addresses with the Company at [summitsec@gmail.com](mailto:summitsec@gmail.com) or with the Registrar and Share Transfer Agents viz. TSR Darashaw Private Limited at [csg-green@tsrdarashaw.com](mailto:csg-green@tsrdarashaw.com).

13. Securities and Exchange Board of India (SEBI) has, vide circular ref. no. MRD/DoP/Cir-05/2007 dated April 27, 2007 made the submission of a copy of PAN card of the transferee mandatory for transfer of shares held in physical form.

Under the Authority of the Board of Directors

Place : Mumbai  
Date: August 19, 2013

**Shruti Joshi**  
Company Secretary

**Registered office:**

RPG House, 463,  
Dr. Annie Besant Road, Worli,  
Mumbai 400 030

## ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT pursuant to Section 173(2) of the Companies Act, 1956 to the accompanying Notice dated August 19, 2013.

**1. Item No. 4:**

Messrs N. M. Raiji & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held on December 31, 2009. The Company has vide letter dated August 6, 2013 received a Special Notice from a member proposing the name of Messrs Chaturvedi & Shah, Chartered Accountants as the Statutory Auditors of the Company in place of Messrs N. M. Raiji & Co., Chartered Accountants the retiring Statutory Auditors.

As required under the provisions of Section 225 of the Companies Act, 1956 (the Act), the Special Notice received from the member has been duly circulated to Messrs N. M. Raiji & Co., Chartered Accountants.

Considering the above Special Notice and also the recommendation of the Audit Committee, the Board of Directors recommends the appointment of Messrs Chaturvedi & Shah, Chartered Accountants, one of the reputed firms of Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting to the conclusion of the next General Meeting.

They have vide their letter dated August 6, 2013 informed the Company that their appointment, if made, will be within the limits specified in sub-section (1B) of Section 224 of the Act.

The Board of Directors recommends the adoption of the Resolution at Item No. 4 of the Notice.

No Director is in any way concerned with or interested in the above resolution.

The following documents are open for inspection by members at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days except Saturdays, Sundays and Public Holidays up to the date of this Annual General Meeting.

- Special Notice under Section 225 of the Act dated August 6, 2013.
- Letter dated August 6, 2013 from Messrs Chaturvedi & Shah, Chartered Accountants.

**2. Item No. 5:**

At the meeting of the Board of Directors held on August 13, 2012, Mr. S. K. Tamhane was appointed as a Director in the casual vacancy with effect from August 13, 2012 caused due to the resignation of Mr. Paras K. Chowdhary, Director, in terms of Section 262 of the Companies Act, 1956, (the Act). The Company has received a notice along with deposit of ₹ 500/- as required by Section 257 of the

Act from a member proposing the appointment of Mr. S. K. Tamhane as Director of the Company liable to retire by rotation.

The Board of Directors, recommends the appointment of Mr. Tamhane as Director of the Company, liable to retire by rotation.

None of the Directors except Mr. S. K. Tamhane, himself is deemed to be concerned with or interested in the above resolution.

**3. Item No. 6:**

Mr. H.C. Dalal was appointed by the Board of Directors as an Additional Director of the Company with effect from November 8, 2012 in terms of Section 260 of the Companies Act, 1956 (the Act). The Company has received a notice along with a deposit of ₹ 500/- as required by Section 257 of the Act from a member proposing Mr. Dalal for his appointment as a Director of the Company.

The Board of Directors recommends the appointment of Mr. Dalal as a Director of the Company, liable to retire by rotation.

None of the Directors, except Mr. Dalal, himself is deemed to be concerned with or interested in the above resolution.

**4. Item No. 7:**

Pursuant to Section 198, 269, 309, 310, 311, 385 of the Companies Act, 1956 and other applicable provisions, if any, Ms. Shruti Joshi has been appointed as the Manager of the Company by the Board of Directors subject to the approval of the members, for a period of 3 (three) years w.e.f April 3, 2013 on such terms and conditions as may be decided by the Board of Directors, from time to time. Ms. Shruti Joshi is presently also working as the Company Secretary of the Company.

A copy of the agreement dated April 3, 2013 with Ms. Shruti Joshi is available for inspection of the members during the business hours on all working days upto the date of the Meeting.

The Board of Directors accordingly, recommends the resolution set out at Item No. 7 of the accompanying Notice for the approval of the members.

None of the Directors is concerned with or interested in the above resolution.

Under the Authority of the Board of Directors

**Shruti Joshi**  
Company Secretary

Place : Mumbai  
Date : August 19, 2013

**Registered office:**  
RPG House, 463,  
Dr. Annie Besant Road, Worli,  
Mumbai 400 030

**DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS**

Dear Members,

Your Directors have pleasure in presenting their Report together with audited accounts for the year ended March 31, 2013.

**FINANCIAL HIGHLIGHTS**

(₹ in lacs)

	<b>For the year ended March 31, 2013</b>	For the year ended March 31, 2012
<b>Total Income</b>	1,281.98	798.23
<b>Profit before Depreciation, and Tax</b>	1,017.09	730.91
(-) Depreciation	0.40	0.39
<b>Profit/(Loss) before tax</b>	1,016.69	730.52
Add: Excess / (Short) Provision of tax of earlier years	(111.73)	(10.18)
(-) Tax	105.00	13.10
(-) Deferred Tax	(0.01)	-
<b>Profit/(Loss) after tax</b>	817.47	707.24
Appropriation:		
Less: Transfer to Statutory Reserve	163.49	141.45
Add: Balance brought forward	1,165.60	599.81
Balance Profit/(Loss) transferred to Balance Sheet	1,819.58	1,165.60

**DIVIDEND**

With a view to conserve resources, your Directors consider it prudent to not recommend any dividend for the year under review.

**FINANCIAL PERFORMANCE**

During the financial year under review, the Total Income and Profit before Depreciation and Tax (PBDT) were Rs. 1,281.98 lacs and ₹ 1,017.09 lacs respectively as against ₹ 798.23 lacs and ₹ 730.91 lacs in the previous year.

**INDUSTRY AND BUSINESS OVERVIEW AND FUTURE OUTLOOK**

The financial market performance is often considered as a barometer of the economy. During the last year the financial markets in India and globally have been very volatile. While the government and the Reserve Bank of India have been initiating various steps to improve the economic situation, the scenario continues to be volatile.

To further augment the development of financial markets, various steps are being proposed for deepening the reforms in Capital markets, including simplified process of Initial Public Offer, allowing Qualified Foreign Investors to access the Indian Bond Market, etc.

The Company being a Non Banking Financial Company (NBFC) registered with the Reserve Bank of India deriving major revenue from its investments, sectoral policy changes by the government have an impact on the profitability of the Company. The basic business of the Company is investing in stocks, shares and bonds. The value of these stocks, shares and bonds depend on the prevailing capital market scenario. The future success of the Company would depend on its ability to anticipate the volatility of the Stock Markets and minimizing risks through prudent investing decisions.

Weak external demand and domestic bottlenecks continue to restrain investment in some of the major emerging economies. Though there are early signs of an end to the recession in USA, this improvement is yet to fully transmit to economic activity.

Domestically, growth slowed much more than anticipated, with both manufacturing and services activity affected by supply bottlenecks and sluggish external demand. Most lead indicators suggest a slow recovery through 2013-14. Inflation eased significantly in Q4 of 2012-13 although upside pressures remain, both at wholesale and retail levels, stemming from elevated food inflation and ongoing administered fuel price revisions. The main risks to the outlook are the still high twin deficits accentuated by the vulnerability to sudden stop and reversal of capital flows, inhibited investment sentiment and tightening supply constraints, particularly in the food and infrastructure sectors.

**RISKS, THREATS AND CONCERNS**

The Company's revenue is predominantly derived from dividends that may be receivable on investments held by it. Any adverse impact on the industries in which the Company has made investment will have a bearing on the performance of the Company. The Company's performance is also dependant on the performance of the economy and financial markets. The health of the economy and the financial markets in turn depends on the domestic economic growth, state of the global economy and business and consumer confidence, among other factors. Any event disturbing the dynamic balance of these diverse factors would directly or indirectly affect the performance of the Company. Further, any slowdown in the growth of Indian economy or any volatility in global financial market, could also adversely affect the business. Moreover, the Company is also prone to risks pertaining to change in government regulations, tax regimes, other statutes and capital market fluctuations in respect of investments held by the Company. Towards mitigation of this risk the Company has diversified its investments in various sectors and across multiple product lines and businesses.

The nature of the Company's business involves an ongoing compliance with various regulators wherein the compliance requirements are constantly evolving. Any violation or transgression of the various compliances would affect the business of the Company and also affect the reputation of the Company. The Company follows a robust system of compliance and maximum care is taken by the management to ensure no violation or transgression of the various compliances with the

regulatory authorities. All reports are placed by the management before the meetings of the Board of the Directors and the Audit Committee.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal audit and control system commensurate with its size and nature of business to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations. The Audit Committee appointed by the Board reviews the internal audit report and the adequacy and effectiveness of internal controls periodically.

#### **CAUTIONARY STATEMENT**

Statements in this report describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

#### **HUMAN RESOURCES**

Employee relations continued to remain cordial during the year under review.

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

Due to the nature of business, this provision is not applicable to the Company.

#### **SUBSIDIARY**

During the year under review, Sudarshan Electronics & T.V. Limited has ceased to be a subsidiary of the Company with effect from March 5, 2013.

As on March 31, 2013, the Company had one subsidiary company viz. Instant Holdings Limited and one step down subsidiary viz. Sudarshan Electronics & T. V. Limited.

The Ministry of Corporate Affairs vide its circular no. 5/12/2007-CL-III dated February 8, 2011 has subject to compliance of certain conditions, granted general exemption to the companies from attaching the annual report and accounts of its subsidiary companies. As per this circular, a statement containing brief financial details of the subsidiaries for financial year ended March 31, 2013 is included in this Annual Report. Further, pursuant to the Listing Agreement entered into with the Stock Exchanges and also as per this circular, the consolidated financial statements of the Company form part of the Annual Report. These statements have been prepared in compliance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India.

The Annual Accounts of the subsidiaries and the related detailed information will be made available to the members seeking such information at any point of time and are also available for inspection at the registered office of the Company and that of its subsidiaries.

#### **DIRECTORS**

In accordance with the Companies Act, 1956 (the Act) and the Articles of Association of the Company, Mr. A. N. Misra and Mr. Ramesh D. Chandak, Directors, retire by rotation and being eligible offer themselves for re-appointment.

During the year under review, Mr. S. K. Tamhane was appointed in the causal vacancy caused due to the resignation of Mr. Paras K. Chowdhary and would hold office up to the date of this Annual General Meeting. A Notice has been received from a member proposing the name of Mr. S.K. Tamhane as Director retiring by rotation. Members are requested to appoint Mr. Tamhane as Director at this Annual General Meeting. The Board of Directors recommends the appointment of Mr. S.K. Tamhane as Director of the Company.

Mr. H. C. Dalal was appointed by the Board of Directors as an Additional Director of the Company with effect from November 8, 2012 in terms of Section 260 of the Act and pursuant to the provisions of the Articles of Association of the Company. He would therefore, hold office up to the date of the ensuing Annual General Meeting. A Notice has been received from a member proposing the appointment of Mr. Dalal as a Director of the Company liable to retire by rotation. The Board of Directors recommends the appointment of Mr. Dalal as a Director of the Company.

The Board of Directors deeply mourn the sad demise of Mr. T. M. Elavia, Director of the Company on August 18, 2013 and place on record their sincere appreciation for the invaluable service rendered by him during his tenure as Director of the Company.

#### **EMPLOYEE STATEMENT**

During the period under review, no employee was in receipt of remuneration which in aggregate was equal or more than that specified under Section 217(2A) of the Act.

#### **CORPORATE GOVERNANCE**

A report on corporate governance, along with a certificate from the auditors of the Company, regarding the compliance of conditions of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, is annexed to this Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217 (2AA) of the Act, your Directors, to the best of their knowledge and belief confirm that:

- i) the applicable Accounting Standards have been followed in the preparation of the annual accounts.
- ii) such accounting policies have been selected and applied consistently and such judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company in the Balance Sheet as at March 31, 2013 and of the Statement of Profit and Loss for the said financial year viz. April 1, 2012 to March 31, 2013.

## SUMMIT SECURITIES LIMITED

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- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the annual accounts have been prepared on a going concern basis.

### AUDITORS

Messrs N. M. Rajji & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company at the Annual General Meeting held on December 31, 2009. The Company has received a Special Notice under Section 225 of the Act from one of its members requesting that Messrs N. M. Rajji & Co. should not be re-appointed at the ensuing Annual General Meeting due to ongoing arbitration in the firm amongst the partners. Instead, the said member has proposed the appointment of Messrs Chaturvedi & Shah, Chartered Accountants as the Company's Statutory Auditors.

Messrs Chaturvedi & Shah, are one of the leading firms of Chartered Accountants, who have confirmed that they are eligible to act as Statutory Auditors, if appointed. The Board of Directors therefore, recommends the appointment of Messrs Chaturvedi & Shah, Chartered Accountants as the Statutory Auditors of the Company.

### ACKNOWLEDGEMENT

The Board of Directors wishes to place on record its gratitude for the faith reposed in the Company and the co-operation extended by government authorities, members and employees of the Company.

**On behalf of the Board of Directors**

**A.N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Place: Mumbai,

Date : August 19, 2013



## CORPORATE GOVERNANCE

### I. COMPANY PHILOSOPHY

Corporate Governance is the set of systems, principles and processes by which a company is governed. It is an ethically driven business process that is committed to values and conduct of the organization in order to attain the objects of the Company. Our philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of the Company's operations and in all interactions with its stakeholders, including shareholders, employees, the government and the society in general. As a result, our philosophy extends beyond what is stated under this Report and it has been the Company's constant endeavor to attain the highest levels of Corporate Governance.

This report is for compliance of Clause 49 of the Listing Agreement, which the Company has entered into with the Stock Exchanges.

### II. BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information including information mentioned in Annexure 1A of Clause 49 of the Listing Agreement are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company with due compliance of laws and as trustees of stakeholders.

#### 1. Composition:

During the year ended March 31, 2013, the Board of Directors of the Company consisted of 6 (six) Members, all of whom are Non- Executive Directors. During the year under review Mr. S. K. Tamhane and Mr. T. M. Elavia were appointed as Directors in the casual vacancy caused due to the resignations of Mr. Paras K. Chowdhary and Mr. Suresh Mathew respectively on August 11, 2012 which were noted by the Board at its meeting held on August 13, 2012 and Mr. H. C. Dalal was appointed as an Additional Director on the Board. The Directors are eminent industrialists/professionals with experience in industry/business/finance/law and bring with them the reputation of independent judgment and experience, which they exercise, while satisfying the criteria of independence.

#### 2. Board Meetings:

During the year under review, 5 (five) meetings of the Board were held on, April 20, 2012, May 28, 2012, August 13, 2012, November 8, 2012, and February 13, 2013. Attendance of the Directors in the said Board Meetings and also at the last Annual General Meeting is as given below:

Name	Category	Attendance at last AGM	No. of Board Meetings attended during the year	No. of Directorships in other public limited Companies	No. of Committee positions held in other public limited Companies*	
					Chairman	Member
Mr. Ramesh D. Chandak	Non- Executive Independent	Yes	5	3	-	1
Mr. H. C. Dalal #	Non- Executive Independent	N.A.	2	-	-	-
Mr. T. M. Elavia \$\$	Non- Executive Independent	Yes	3	1	1	1
Mr. A. N. Misra	Non- Executive Independent	No	3	7	-	-
Mr. H. N. Singh Rajpoot	Non- Executive Independent	Yes	4	3	2	1
Mr. S. K. Tamhane \$	Non- Executive Independent	Yes	3	-	-	-

\* The Committee positions pertain to position held in Audit Committee and Shareholder's / Investor's Grievance Committee.

# Mr. H.C. Dalal was appointed as an Additional Director w.e.f. November 8, 2012.

\$ Mr. S.K. Tamhane was appointed as a Director in casual vacancy caused due to the resignation of Mr. Paras K. Chowdhary with effect from August 13, 2012.

\$\$ Mr. T.M. Elavia was appointed as a Director in casual vacancy caused due to the resignation of Mr. Suresh Mathew with effect from August 13, 2012. Ceased to be director of the Company due to his sad demise on August 18, 2013.

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### 3. Details of Directors proposed to be appointed / re-appointed at the forthcoming Annual General Meeting:

#### A. Mr. A.N. Misra:

Mr. Misra is a Law Graduate from Lucknow University. He completed his MBA from Lucknow University and Masters in Law (LLM) from Bombay University. He also holds a Post Graduate Diploma in Computer Science (PGDCS) from Institute of Engineering & Technology (IET) Lucknow and a Diploma in Creative Writing in English (DCE) from IGNOU. He had been a qualified Legal Practitioner prior to his career in the corporate sector. He has about 29 years of legal expertise both at the bar as well as in the industry. He has earlier worked with ICICI and Aditya Birla Group before joining RPG group. He has been with RPG group for last 18 years and is now Executive Director - Properties and Chief Legal Officer of the Group.

#### Other Directorships:

- Instant Holdings Limited
- Atlantus Dwellings & Infrastructure Limited
- RPG Properties Private Limited
- Duncan Investments & Industries Limited
- Doon Dooars Plantations Limited
- Carniwal Investments Limited
- Indent Investments Private Limited
- Chattarpati Investments Limited
- Sudarshan T.V & Electronics Limited

#### Membership/Chairmanship of Committees: NA

Mr. A.N. Misra is not related to any member of the Board of Directors or to any Management Personnel of the Company.

#### B. Mr. Ramesh D. Chandak :

Mr. Ramesh D. Chandak (67) is a Chartered Accountant qualified in the year 1971 and is a Fellow member of the Institute of Chartered Accountants of India. Mr. Chandak has rich and varied experience of working with Textile, Edible Oil and Engineering and Construction Industries. He is at present the Managing Director and CEO of KEC International Limited, one of the flagship companies of RPG Enterprises conglomerate. Prior to joining KEC International Limited, he was associated with Nalin Industries, Malaysia & Universal Edible Oil Inc, USA.

#### Other Directorships:

- KEC International Limited
- KEC Global FZ LLC
- KEC Investment Holdings, Mauritius
- KEC Global Mauritius
- SAE Towers Holdings LLC
- SAE Towers Brazil Subsidiary Co LLC
- SAE Towers Mexico Subsidiary Holding Co LLC
- SAE Towers Limited
- SAE Towers Panama Holdings LLC
- Raychem RPG Private Limited
- Global Procurement Consultants Limited
- Spencer International Hotels Limited

**Membership/Chairmanship of Committees:** He is a member of Finance Committee and Investor Grievance Committee in KEC International Limited.

Mr. Ramesh D. Chandak is not related to any member of the Board of Directors or to any Management Personnel of the Company.

#### C. Mr. S.K. Tamhane:

Mr. S. K. Tamhane is a qualified Chartered Accountant having more than 36 years of experience in the fields of Commercial, Outsourcing and Accounts. He has served CEAT Limited in the capacity of General Manager, Accounts and was also in charge of the Financial and Commercial functions joint venture of CEAT Limited in Sri Lanka. He retired from Sri Lanka as Vice President- Commercial. Currently, he is an independent Financial Consultant.

**Other directorships:** NA

**Membership/Chairmanship of Committees:** NA

Mr. S. K. Tamhane is not related to any member of the Board of Directors or to any Management Personnel of the Company.

**D. Mr. H.C. Dalal:**

Mr. H.C. Dalal is a Commerce Graduate having more than 40 years of Corporate Experience working in various capacities in the areas of Auditing, Accounts, Taxation, Banking, Finance, Budgeting, Projects, MIS analysis, Mergers etc. Earlier he has served as a Director on the Board of RPG Cables Limited.

**Other directorships:** STEL Holdings Limited.

**Membership/Chairmanship of Committees:** He is a member in the Audit Committee of STEL Holdings Limited

**III. Committees of the Board:**

**1. Audit Committee:**

The role, powers, functions and the terms of reference of the Audit Committee specified by the Board are in conformity with the requirements of Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956. The Committee acts as a link between the Statutory Auditors and the Board of Directors. The responsibilities of the Audit Committee include overseeing of the financial reporting process to ensure fairness, adequate disclosures and credibility of financial statements, recommendation of appointment and removal of statutory / internal auditors, review of the adequacy of internal control systems and the internal audit function.

Composition:

The Company has complied with the requirements of Clause 49 (II) (A) of the Listing Agreements in respect of the composition of the Audit Committee. At present, the Audit Committee of the Company consists of 3 (three) members, Mr. H. N. Singh Rajpoot, Mr. T. M. Elavia and Mr. S. K. Tamhane. Mr. S. K. Tamhane is the Chairman of the Audit Committee. All the members of the Audit Committee have sound knowledge of finance, accounts, company law and general management. During the year 4 (four) meetings of the Audit Committee were held on May 28, 2012, August 13, 2012, November 8, 2012 and February 13, 2013.

The Company Secretary functions as the Secretary of the Committee.

Attendance at the Audit Committee Meetings:

Name of members	No. of meetings attended
Mr. S.K. Tamhane	3
Mr. H. N. Singh Rajpoot	4
Mr. T. M. Elavia #	3

# Expired on August 18, 2013

**2. Shareholders Investors Grievance Committee:**

The functions and powers of the Committee include review and address the complaints, queries of all investors and to ensure that the same are expeditiously responded to and redressed accordingly. The Committee has to also review and respond to the queries received by it from the Statutory Authorities such as the Stock Exchanges, Securities and Exchange Board of India and the Ministry of Corporate Affairs.

The Committee consists of 3 (three) members, Mr. H. N. Singh Rajpoot, Mr. T. M. Elavia and Mr. A. N. Misra. Mr. H. N. Singh Rajpoot is the Chairman of the Committee. The Company Secretary functions as the Secretary of the Committee.

During the year 4 (four) meetings of the Shareholders Investors Grievance Committee were held on May 28, 2012, August 13, 2012, November 8, 2012 and February 13, 2013.

Attendance at the Shareholders Investors Grievances Committee Meetings:

Name of members	No. of meetings attended
Mr. H. N. Singh Rajpoot	4
Mr. T. M. Elavia#	3
Mr. A. N. Misra	4

# Expired on August 18, 2013

## SUMMIT SECURITIES LIMITED

The Status of the Complaints received from investors is as follows:

### Shareholders and Investors Complaints:

Particulars of the Complaints	Number of Complaints
Complaints pending as on April 1, 2012	Nil
Complaints received during the year	18
Complaints disposed off during the year	18
Complaints remained unresolved as on March 31, 2013	Nil

The Board has designated Ms. Shruti Joshi as the Compliance Officer.

### ➤ Director's Remuneration:

During the year under review, no remuneration except sitting fees was paid to the directors of the Company. The details pertaining to the sitting fees paid to the directors are enumerated below:

Director	Sitting Fees paid during 2012-13 (All figures in ₹)
Mr. Ramesh D. Chandak	9,000
Mr. Paras K. Chowdhary (upto August 13, 2012)	Nil
Mr. H. C. Dalal	6,000
Mr. T. M. Elavia*	18,000
Mr. Suresh Mathew (upto August 13, 2012)	Nil
Mr. A. N. Misra	6,000
Mr. H. N. Singh Rajpoot*	18,000
Mr. S. K. Tamhane*	18,000

\*Includes sitting fees for attending Audit Committee Meetings.

### ➤ Shareholding of the Directors:

Name of the Director	:	No. of Equity Shares of face value ₹ 10/- each
Mr. H. N. Singh Rajpoot	:	101
Mr. T.M Elavia#	:	78

# Expired on August 18, 2013

### DETAILS OF GENERAL BODY MEETINGS:

The details of the last 3 (three) General Meetings are as below:

Meeting	Day, Date	Time	Venue
Annual General Meeting	Saturday, September 29, 2012	11.00 A.M	The Auditorium, Textiles Committee, next to Trade Plaza, (TATA Press), P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025
Annual General Meeting	Friday, September 23, 2011	2.30 P.M.	The Auditorium, Textiles Committee, next to Trade Plaza, (TATA Press), P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025
Annual General Meeting	Thursday, September 30, 2010	11.00 A.M.	The Auditorium, Textiles Committee, next to Trade Plaza, (TATA Press), P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai 400 025

Special Resolutions transacted at the last 3 (three) Annual General Meetings:

Date of the Annual General Meeting	Particulars of the Special Resolution transacted at the Annual General Meeting
Saturday, September 29, 2012	None
Friday, September 23, 2011	None
Thursday, September 30, 2010	Relocating the Register of members, index of members, register of debenture holders, index of debenture holders, other related books and copies of all annual returns prepared under section 159 and other applicable provisions of the Companies Act, 1956 from CEAT Mahal, 463, Dr. Annie Besant Road, Worli, Mumbai 400 030 to the premises of TSR Darashaw Limited, Registrar & Share Transfer Agents of the Company, at 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai 400 011.

There were no Special Resolutions, which were put through postal ballot during the period under review.

#### DISCLOSURES:

**1. Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

There were no material and/or significant transactions during the period that were prejudicial to the interest of the Company.

**2. Disclosures of Related Party Transactions:**

Details of related party transactions are included in the Notes to the Accounts as per Accounting Standards (AS-18) issued by the Institute of Chartered Accountants of India.

**3. Disclosure of Accounting Standards:**

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of the financial statements.

**4. Disclosure of Risk Management:**

The Company has laid down the procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that the executive management controls risks through means of a properly defined framework.

**5. Details of non-compliances by the Company, Penalties, Strictures imposed on the Company by Stock Exchange(s) or Securities And Exchange Board of India (SEBI) or any other Statutory Authority or any matters related to Capital Markets:**

There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authorities relating to the above.

**6. Details of compliance with mandatory requirement:**

Clause 49 of the Listing Agreement mandates to obtain a certificate either from the Auditors or Practicing Company Secretaries regarding compliance of conditions of Corporate Governance as stipulated in the Clause and annex the certificate with the Director's Report, which is sent annually to all the members. The Company has obtained a certificate from its Statutory Auditors to this effect and the same is given as an annexure to the Director's Report.

#### MEANS OF COMMUNICATION

The Company has submitted its quarterly financial results to the Stock Exchanges as per the format prescribed and within the time period stipulated under Clause 41 of the Listing Agreement.

The Company has published the Financial Results within 48 hours of the conclusion of the Board Meeting in Free Press Journal and Navshakti, newspapers as per the requirement of Clause 41 of the Listing Agreement.

The Company has also uploaded the Annual Report, Quarterly Shareholding Pattern and the Quarterly Financial Results on its website viz. [www.summitsecurities.net](http://www.summitsecurities.net)

## SUMMIT SECURITIES LIMITED

### GENERAL SHAREHOLDER INFORMATION

➤ **AGM: Date, Time and Venue**

As indicated in the notice accompanying this Annual Report, the Annual General Meeting of the Company will be held on Monday, September 30, 2013 at 4:00 p.m. at the Auditorium of The Synthetic and Art Silk Mills' Research Association (Sasmira), Sasmira Marg, Worli, Mumbai - 400 030.

➤ **Financial Year**

The Company follows 1<sup>st</sup> April to 31<sup>st</sup> March as the financial year.

➤ **Date of Book Closure**

Tuesday, September 24, 2013 to Monday, September 30, 2013 (Both days inclusive)

➤ **Dividend Payment Date**

The Directors of the Company have not recommended any dividend for the year under review.

➤ **Market price Data:**

Month	BSE		NSE		SENSEX	
	High	Low	High	Low	High	Low
April 2012	86.85	75.00	87.00	73.05	17,664.10	17,010.16
May 2012	83.95	66.50	90.00	56.00	17,432.33	15,809.71
June 2012	79.95	54.00	78.00	60.00	17,448.48	15,748.98
July 2012	80.00	65.60	83.80	72.05	17,631.19	16,598.48
August 2012	80.00	66.05	80.95	61.15	17,972.54	17,026.97
September 2012	88.95	72.50	89.95	67.00	18,869.94	17,250.80
October 2012	93.95	75.00	98.00	75.70	19,137.29	18,393.42
November 2012	92.95	71.10	88.15	66.25	19,372.70	18,255.69
December 2012	95.90	80.00	108.00	76.00	19,612.18	19,149.03
January 2013	93.85	75.00	97.95	74.15	20,203.66	19,508.93
February 2013	79.00	58.05	77.70	64.0	19,966.69	18,793.97
March 2013	75.00	57.15	78.75	56.05	19,754.66	18,568.43

➤ **Listing on Stock Exchanges**

The Equity shares of the Company are listed on the following Stock Exchanges:

Name of the Stock Exchange	Scrip Code
BSE Limited	533306
National Stock Exchange of India Limited	SUMMITSEC

The ISIN of the Company: INE519C01017

The listing fees have been paid to the Stock Exchanges for the financial years 2012-13 and 2013-2014.

➤ **Compliance Officer:**

**Ms. Shruti Joshi**  
**Company Secretary**  
**Summit Securities Limited**  
**RPG House, 463, Dr. Annie Besant Road,**  
**Worli, Mumbai 400 030**  
**Tel: 91-22-2493 06 21, Fax: 91-22-2497 47 10**  
**Email: [summitsec@gmail.com](mailto:summitsec@gmail.com)**

➤ **Registrar & Share Transfer Agents:**

**Registered Office:**

**TSR DARASHAW PRIVATE LTD.**

6-10, 1<sup>st</sup> Floor, Haji Moosa Patrawala Industrial Estate,  
20 Dr.E. Moses Road, Mahalaxmi, Mumbai – 400 011

E-mail : [csg-unit@tsrdarashaw.com](mailto:csg-unit@tsrdarashaw.com)

Web : [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

Tel: 022-66568484; Fax: 022-66568494

**Branch Offices:**

**1. Bangalore**

**TSR DARASHAW PRIVATE LTD.**

503, Barton Centre (5<sup>th</sup> Floor)

84, Mahatma Gandhi Road, Bangalore – 560 001

E-mail : [tsrdlbg@tsrdarashaw.com](mailto:tsrdlbg@tsrdarashaw.com)

Tel: 080-25320321, Fax: 080-25580019

**2. Jamshedpur**

**TSR DARASHAW PRIVATE LTD.**

“E” Road, Northern Town, Bistupur,

Jamshedpur – 831 001

E-mail : [tsrdljsr@tsrdarashaw.com](mailto:tsrdljsr@tsrdarashaw.com)

Tel: 0657-2426616 Fax: 0657-2426937

**3. Kolkata**

**TSR DARASHAW PRIVATE LTD.**

Tata Centre, 1<sup>st</sup> Floor, 43, J.L.Nehru Road Road  
Kolkata – 700 071

E-mail : [tsrdlcal@tsrdarashaw.com](mailto:tsrdlcal@tsrdarashaw.com)

Tel: 033-22883087, Fax: 033-22883062

**4. New Delhi**

**TSR DARASHAW PRIVATE LTD.**

2/42, Sant Vihar, Ansari Road, Daryaganj,  
New Delhi – 110 002

E-mail : [tsrdldel@tsrdarashaw.com](mailto:tsrdldel@tsrdarashaw.com)

Tel: 011-23271805, Fax: 011-23271802

**AGENTS**

**Shah Consultancy Services Limited**

3, Sumantinath Complex, 2<sup>nd</sup> Dhal,

Pritam Nagar, Ellisbridge, Ahmedabad -380006

E-mail : [shahconsultancy8154@gmail.com](mailto:shahconsultancy8154@gmail.com)

Tel: 079-26576038

➤ **Share Transfer System**

All valid requests for transfer of Equity Shares in physical mode received for transfer at the office of the Registrar and Share Transfer Agents or at the Registered Office of the Company are processed and returned within a period of 15 days from the date of receipt.

Every effort is made to clear share transfers / transmissions and split and consolidation requests within 21 days.

## SUMMIT SECURITIES LIMITED

### ➤ Distribution of shareholding as of March 31, 2013

No. of Equity shares held		No. of Shareholders		No. of Shares		% of Equity Capital	
From	to	Physical	Demat	Physical	Demat	Physical	Demat
1	500	26,160	60,474	1,34,866	11,20,517	1.24	10.28
501	1,000	5	220	3,348	1,56,957	0.03	1.44
1,001	2,000	2	111	3,332	1,60,042	0.03	1.47
2,001	3,000	0	30	0	73,130	0.00	0.67
3,001	4,000	0	15	0	53,572	0.00	0.49
4,001	5,000	0	12	0	51,659	0.00	0.48
5,001	10,000	0	23	0	1,53,015	0.00	1.40
10,001	10,901,781	2	42	109,519	88,81,824	1.00	81.47
<b>TOTAL</b>		<b>26,169</b>	<b>60,927</b>	<b>2,51,065</b>	<b>1,06,50,716</b>	<b>2.30</b>	<b>97.70</b>

### ➤ Dematerialization of shares and liquidity

The Company has arrangement with National Securities Depositories Limited (NSDL) as well as Central Depositories Services (India) Limited (CDSL) for dematerialization of shares with ISIN, "INE519C01017" for both NSDL and CDSL.

Approximately 97.70% of the Equity shares corresponding to 10,650,716 equity shares are held in dematerialized form as of March 31, 2013.

### ➤ Categories of shareholding as of March 31, 2013

Category	No. of Shares	Percentage
Promoter Holdings (Indian and Foreign)	78,17,839	71.71
Mutual fund	86,844	0.80
Banks, Financial Institutions, Insurance Companies and others	4,12,079	3.78
Foreign Institutional Investors	2,599	0.02
Non Resident Indian	38,296	0.35
Corporate Bodies, Indian Public and Others	25,44,124	23.34
<b>TOTAL</b>	<b>1,09,01,781</b>	<b>100.00</b>

### ➤ Outstanding GDRs / ADRs / Warrants / Any other Convertible Instruments

The Company has not issued any such instruments.

### ➤ Code of Conduct

The Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company.

All Board Members and Senior Management Personnel have affirmed compliance with the code for the financial year ended March 31, 2013. A declaration to this effect signed by the Manager forms part of this report.

#### Declaration- Code of Conduct

All Board Members have, for the financial year ended March 31, 2013 affirmed compliance with the Code of Conduct laid down by the Board of Directors in terms of the Listing Agreement entered with the Stock Exchange.

For Summit Securities Limited

Shruti Joshi  
Manager

Place : Mumbai

Date : April 15, 2013

#### Compliance officer

Ms. Shruti Joshi

Company Secretary

Summit Securities Limited

RPG House, 463, Dr. Annie Besant Road,

Worli, Mumbai 400 030

Tel: 91-22-2493 06 21, Fax: 91-22-2497 4710

Email: [summitsec@gmail.com](mailto:summitsec@gmail.com)

Identified as having been approved by the Board of Directors of Summit Securities Limited.

Place : Mumbai,

Date: August 19, 2013

Shruti Joshi  
Company Secretary



## CORPORATE GOVERNANCE AUDIT REPORT

To The Members of  
**SUMMIT SECURITIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **SUMMIT SECURITIES LIMITED** (the Company) for the year ended March 31, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that based on the report issued by the Registrars of the Company to the Shareholders & Investor's Grievance Committee, as on March 31, 2013 there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

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

**For N. M. Raiji & Co.,**  
Chartered Accountants  
Firm Registration No. 108296W

**CA. Y. N. Thakkar**  
Partner  
Membership No. 33329

Place : Mumbai,  
Date : August 20, 2013

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of SUMMIT SECURITIES LIMITED**

**Report on the financial statements**

We have audited the accompanying financial statements of SUMMIT SECURITIES LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

**For N.M. RAIJI & CO.,**  
Chartered Accountants  
Firm's Registration No. 108296W

**CA Y. N. Thakkar**  
Partner  
Membership No. 33329

Mumbai  
29th May, 2013

## ANNEXURE TO THE AUDITORS' REPORT

**Referred to in paragraph 7 of the Auditor's Report to the members of the Company for the year ended March 31, 2013.**

Clause No. 4(viii), 4(xi), 4(xii), 4(xiii), 4(xvi), 4(xvii), 4(xviii), 4(xix), 4(xx), of the order is not applicable to the Company

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, physical verification of major items of fixed assets was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable having regard to the size and operations of the Company and the nature of its assets. No discrepancies were found on physical verification of assets.
- (c) The Company has not disposed off substantial part of fixed assets during the year.
- (ii) (a) All the inventories were lying with the third parties which have been confirmed by them.
- (b) In our opinion, the procedures of physical verification of inventories 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 explanations given to us, the Company is maintaining proper records of inventory. No discrepancies were noticed on physical verification of Inventories.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b), (c), (d), (f) and (g) of clause 4(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weaknesses in internal control system.
- (v) Based on the audit procedures applied by us and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956; consequently sub-clause 4(v)(b) is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.

(vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.

- (viii) (a) According to the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues as applicable. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at March 31, 2013 for a period of more than six months from the date they became payable.
- (b) According to the records made available to us and the information and explanations given by the management, the details of the dues of sales tax / income tax / custom duty / wealth tax / Service Tax / excise duty / cess, which have not been deposited on account of any dispute, are given below :

Name of the Statute	Nature of Dues	Amount (₹ in lacs)	Financial year to which the matter pertains	Forum where dispute is pending
Income Tax Act, 1961	Tax	61.41	2009-10	Tribunal

- (ix) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (x) The Company has maintained proper records of transactions and contracts for dealing in shares, Securities, Debentures and timely entries have been made in those records and the Company has held the investments in its own name.
- (xi) The Company has not given any guarantee for loans taken by others from bank or Financial Institutions.
- (xii) According to the information and explanation given to us, no fraud on or by the Company, has been noticed or reported during the year.

**For N.M. RAIJI & CO.,**  
Chartered Accountants  
Firm's Registration No. 108296W

**CA Y.N. Thakkar**  
Partner  
Membership No. 33329

Mumbai  
29th May, 2013

**SUMMIT SECURITIES LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No	As at	
		March 31, 2013 ₹ Lacs	March 31, 2012 ₹ Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	1,090.18	1,090.18
(b) Reserves and Surplus	3	40,286.58	39,469.12
(c) Money received against share warrants		-	-
<b>(2) Share application money pending allotment</b>			
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)	4	0.35	0.36
(c) Other Long term liabilities		-	-
(d) Long term provisions	5	2.11	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables	6	-	85.87
(c) Other current liabilities	7	682.97	678.34
(d) Short-term provisions		-	-
<b>Total</b>		<b>42,062.19</b>	<b>41,323.87</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<i>(a) Fixed assets</i>			
(i) Tangible assets	8	1.99	1.72
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	41,011.66	40,141.99
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables	10	-	-
(d) Cash and cash equivalents	11	475.57	656.29
(e) Short-term loans and advances	12	572.97	523.87
(f) Other current assets		-	-
<b>Total</b>		<b>42,062.19</b>	<b>41,323.87</b>

See accompanying notes to the financial statements

As per our report attached  
**For N. M. Raiji & Co.,**  
 Chartered Accountants

For and on behalf of Board of Directors

**CA Y. N. Thakkar**  
 Partner

**Shruti Joshi**  
 Company Secretary & Manager

**A. N. Misra**  
 Director

**H.N. Singh Rajpoot**  
 Director

Mumbai  
 29th May, 2013

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	Note No	2012-13	2011-12
		₹ Lacs	₹ Lacs
I. Revenue from operations	16	969.38	796.27
II. Other Income		312.60	1.97
<b>III. Total Revenue (I +II)</b>		<b>1,281.98</b>	<b>798.23</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		165.15	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		13.31	8.71
Financial costs		41.42	-
Depreciation and amortization expense	8	0.40	0.39
Other expenses	17	45.01	58.61
<b>Total Expenses</b>		<b>265.29</b>	<b>67.71</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>1,016.69</b>	<b>730.52</b>
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V + VI)		1,016.69	730.52
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>1,016.69</b>	<b>730.52</b>
X. Tax expense:			
(1) Current tax		105.00	13.10
Less: MAT Credit Entitlement		(17.50)	-
(2) Deferred tax		(0.01)	(0.00)
(3) Excess/(Short) provision of tax for earlier years		(111.73)	(10.18)
<b>XI. Profit/(Loss) from the period from continuing operations</b>	<b>(IX-X)</b>	<b>817.47</b>	<b>707.24</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>817.47</b>	<b>707.24</b>
XVI. Earning per equity share:			
- Basic and Diluted (₹)		7.50	6.49

**See accompanying notes to the financial statements**

As per our report attached  
**For N. M. Raiji & Co.,**  
Chartered Accountants

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

**CA Y. N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

**SUMMIT SECURITIES LIMITED****CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

Particulars	2012-13 ₹ Lacs	2011-12 ₹ Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
PROFIT BEFORE TAX	1,016.69	730.52
Add: Depreciation	0.40	0.39
Add: Provision for non performing assets	0.22	-
Add: Loss on sale of Investments (Net)	0.06	-
Less: Provision for non performing assets written back	95.94	102.48
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS</b>	<b>921.42</b>	<b>628.44</b>
Changes in:		
Trade and other receivables	97.15	2,810.94
Trade payables & other Liabilities	(79.02)	8.83
<b>CASH GENERATED FROM OPERATIONS</b>	<b>939.56</b>	<b>3,448.21</b>
Direct taxes paid (net of refund)	(249.76)	1.68
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(a) 689.79</b>	<b>3,449.89</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(0.68)	(0.07)
Sale of investments	131.19	426.82
Purchase of investments	(1,000.90)	(3,635.42)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(b) (870.40)</b>	<b>(3,208.67)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(c) -</b>	<b>-</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(a+b+c) (180.60)</b>	<b>241.22</b>
Cash and Cash Equivalents - Opening Balance	635.40	394.18
<b>Cash and Cash Equivalents - Closing Balance</b>	<b>454.80</b>	<b>635.40</b>

**Notes:**

- 1 Previous year's figures have been regrouped wherever necessary.
- 2 All figures in the bracket are outflows.

As per our report attached  
**For N. M. Raiji & Co.,**  
Chartered Accountants

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

**CA Y. N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Summary of significant accounting policies for the year ending March 31, 2013

#### 1.1 Basis of preparation

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and the other relevant provisions of the Companies Act, 1956.

#### 1.2 Tangible Assets

Tangible Assets are stated at acquisition cost, net of accumulated depreciation

Depreciation is provided on the Straight Line Method, at the rates prescribed in Schedule XIV of the Companies Act, 1956.

#### 1.3 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost plus brokerage and other relevant charges. Provision against diminution in the value of investments is made in case diminution is considered as other than temporary, as per criteria laid down by the Board of Directors after considering that such investments are strategic in nature.

#### 1.4 Inventories

Traded Goods are valued at lower of Cost or Net Realisable value (NRV).

#### 1.5 Revenue Recognition

Interest income is recognised in the Profit and Loss Account as it accrues except in the case of Non Performing Assets (NPA) where it is recognised, upon realisation.

Dividend on investments is accounted when the right to receive payment is established.

Profit earned from sale of securities is recognised on a trade date basis. The cost of securities is computed based on a weighted average basis.

#### 1.6 Provisions for Non Performing Assets (NPA) and Doubtful Debts

Sundry debtors, loans and advances and receivables are identified as bad/ doubtful based on the duration of the delinquency. The duration is set at appropriate levels for each product. NPA provisions are made based on the management's assessment of the degree of impairment and the level of provisioning meets the prudential norms prescribed by the Reserve Bank of India.

#### 1.7 Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

#### 1.8 Employee Benefits

- (i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit & Loss account of the year in which the related service is rendered.
- (ii) Post employment and other long term benefits are recognized as an expense in the Profit & Loss Account for the year in which the employee has rendered services. The expense is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to Profit & Loss Account.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in ₹ Lacs unless otherwise stated)

2. Share Capital

	As at	
	31st March, 2013	31st March, 2012
<b>Authorised:</b>		
14,20,00,000 (Previous year 14,20,00,000) Equity Shares of ₹ 10 each	14,200.00	14,200.00
25,00,000 (Previous year 25,00,000) Preference shares of ₹ 100 each	2,500.00	2,500.00
1,50,00,000 (Previous year 1,50,00,000) Preference shares of ₹ 10 each	1,500.00	1,500.00
	<b>18,200.00</b>	<b>18,200.00</b>
<b>Issued:</b>		
109,01,987 (Previous year 109,01,987) Equity Shares of ₹ 10 each (includes 206 Equity Shares kept in abeyance)	1,090.20	1,090.20
	<b>1,090.20</b>	<b>1,090.20</b>
<b>Subscribed and paid up:</b>		
109,01,781 (Previous year 109,01,781) Equity Shares of ₹ 10 each	1,090.18	1,090.18
	<b>1,090.18</b>	<b>1,090.18</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	No.	₹ Lacs	No.	₹ Lacs
Shares outstanding at the beginning of the year	109,01,987	1,090.20	109,01,987	1,090.20
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	109,01,987	1,090.20	109,01,987	1,090.20

(b) Terms / rights attached to equity shares

The company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Shareholders have all other rights as available to Equity Shareholders as per the provisions of the companies Act, 1956, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates (as certified by management)

	As at 31st March, 2013	As at 31st March, 2012
Holding Company (Swallow Associates Limited) till 30.10.2012 Nil (Previous year 68,50,875) Equity Shares of ₹ 10	-	685

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company (as certified by the management).

	As at 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Swallow Associates Limited( till October 30,2012)	-	-	6,850,875	62.84
Swallow Associates LLP( w.e.f. October 31,2012)	6,850,875	62.84	-	-



## NOTES TO THE FINANCIAL STATEMENTS

	As at	
	<u>31st March, 2013</u>	<u>31st March, 2012</u>
<b>3. Reserves and Surplus</b>		
General Reserve	37,967.25	37,967.25
<u>Special Reserve (as per Section 45 IC (1) of RBI Act, 1934)</u>		
Balance as at the beginning of the year	336.27	194.82
Add: Amount transferred from Surplus in Statement of Profit and Loss during the year	163.49	141.45
Balance as at the end of the year	<u>499.76</u>	<u>336.27</u>
<u>Surplus in Statement of Profit and Loss</u>		
Balance as at the beginning of the year	1,165.60	599.81
Profit for the year	817.47	707.24
Less: Appropriations		
- Transfer to Special Reserve	163.49	141.45
Balance as at the end of the year	<u>1,819.58</u>	<u>1,165.60</u>
	<b><u>40,286.58</u></b>	<b><u>39,469.12</u></b>
<b>4. Deferred Tax Liabilities (Net)</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	0.35	0.36
	<u>0.35</u>	<u>0.36</u>
<b>5 Long term provisions</b>		
Provision for Employee benefit	2.11	-
	<u>2.11</u>	<u>-</u>
<b>6. Trade Payables</b>		
Sundry Creditors	-	85.87
	<u>-</u>	<u>85.87</u>
<b>7. Other Current Liabilities</b>		
Unclaimed Dividend ##	7.91	7.10
Shares Fractional Money	12.86	12.98
Others	662.20	658.27
	<u>682.97</u>	<u>678.34</u>

## Not due to Investor Education and Protection Fund

**8. Fixed Assets**

ASSETS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK
	As at 1st April, 2012	Additions / Adjustments	Deductions / Adjustments	As at 31st March, 2013	As at 1st April, 2012	For the year	Deductions / Adjustments	As at 31st March, 2013	As at 31st March, 2013
<b>Tangible</b>									
Computers and Systems	2.31	0.44	-	2.74	1.02	0.38	-	1.40	1.34
	(2.24)	(0.07)	-	(2.31)	(0.64)	(0.37)	-	(1.02)	(1.29)
Office Equipment	0.48	0.24	-	0.72	0.05	0.02	-	0.07	0.65
	(0.48)	-	-	(0.48)	(0.03)	(0.02)	-	(0.05)	(0.43)
<b>Total</b>	<b>2.79</b>	<b>0.68</b>	<b>-</b>	<b>3.47</b>	<b>1.07</b>	<b>0.40</b>	<b>-</b>	<b>1.47</b>	<b>1.99</b>
Total	(2.72)	(0.07)	-	(2.79)	(0.67)	(0.39)	-	(1.07)	(1.72)

**Note:** Figures shown in brackets pertain to previous year.

NOTES TO THE FINANCIAL STATEMENTS

9. Investments (At Cost)	Long Term	Face value ₹	As at 31st March, 2013		As at 31st March, 2012	
			Number of Shares	₹ Lacs	Number of Shares	₹ Lacs
<b>I Quoted (Non - Trade) - Fully paid up</b>						
<b>Equity instruments</b>						
	CEAT Limited	10	901,759	814.58	696,000	609.24
	CFL Capital Financial Services Limited	10	27,318,150	271.18	27,318,150	271.18
	Harrisons Malayalam Limited	10	728,160	528.00	728,160	528.00
	KEC International Limited	2	25,178,520	4,406.45	25,084,520	4,355.98
	RPG Life Sciences Limited	8	1,774,108	589.08	1,216,159	124.64
	Sentinel Tea and Exports Limited	10	728,501	281.11	728,501	281.11
	Zensar Technologies Limited	10	4,758,076	944.28	4,632,076	663.63
<b>II Unquoted</b>						
<b>Subsidiary Company (Trade) - Fully paid up</b>						
<b>Equity instruments</b>						
	Instant Holdings Limited	10	4,510,000	32,389.85	4,510,000	32,389.85
	Sudarshan Electronics & T.V. Limited	10	-	-	170,007	0.00
<b>Others (Non Trade)</b>						
<b>Equity instruments - Fully paid up</b>						
	Bombay Mercantile Co-op Bank Limited	30	1,666	0.50	1,666	0.50
	Malabar Coastal Holdings Limited	10	1	0.00	1	0.00
	Spencer and Company Limited	10	1,964,000	786.61	1,964,000	786.61
	Ektara Enterprises Pvt Ltd	10	-	-	1,767	122.04
	Wonder Land Ltd	10	-	-	7,856	3.68
	Vayu Udaan Aircraft Pvt Ltd	10	-	-	1,767	0.24
	The Thane Janata Sahakari Bank Limited	50	10	0.01	10	0.01
<b>Non Cumulative Redeemable Preference Shares (Non Trade) - Fully paid up</b>						
	12% Trade Apartments Limited	100	-	-	287,500	0.29
<b>Debentures (Non Trade) - Fully paid up</b>						
	Off Shore India Limited	100	-	-	500,000	5.00
				<b>41,011.66</b>		<b>40,141.99</b>
	Aggregate Cost of Quoted Investments			7,834.69		6,833.78
	Market Value of Quoted Investments			29,347.52		27,243.26
	Aggregate Cost of Unquoted Investments			33,176.97		33,308.21

## NOTES TO THE FINANCIAL STATEMENTS

(All amounts in ₹ Lacs unless otherwise stated)

	As at	
	31st March, 2013	31st March, 2012
<b>10. Trade receivables</b>		
<u>Unsecured, considered good</u>		
Outstanding over six months	-	95.94
- Less: Provision*	-	(95.94)
	<u>-</u>	<u>-</u>
<b>11. Cash and Cash Equivalents</b>		
Current account	29.72	135.27
Deposit account	425.00	500.00
Cash on hand	0.08	0.14
Unclaimed Dividend Account	7.91	7.91
Fractional entitlement money*	12.86	12.98
	<u>475.57</u>	<u>656.29</u>

\* Fractional entitlement money represents dues payable to the shareholders who are entitled for fractional entitlement as per the scheme of arrangement as approved by the Hon'ble high court of judicature at Bombay, Maharashtra on December 18, 2009.

**12. Short term loans and advances**

Unsecured:

Loans and advances to related parties

(a) Considered good	-	0.30
(b) Considered doubtful	-	6.22
Less: Allowance for doubtful loans and advances	-	(6.22)
	-	0.30

Other Loans and Advances

- Advance Income Tax [Net of provision]	504.01	453.48
- Others#		
(a) Considered good	69.13	70.09
(b) Considered doubtful	-	64.82
Less: Allowance for doubtful loans and advances	-	(64.82)
Less: Allowance for Standard loans and advances*	(0.17)	-

572.97523.87

\* Provision made as required under the prudential norms prescribed by Reserve Bank of India for Non-Banking Financial Companies. Contingent Provisions against Standard Assets of ₹ 17,212/- (previous year Nil).

# Others includes sales tax deposits, deposit for consumer forum litigation.

**13. Major components of Deferred Tax:**

	₹ Lacs	
Particulars	As at 31.03.2013	As at 31.03. 2012
<b>Liabilities</b>		
Depreciation	0.35	0.36
<b>Deferred Tax Asset</b>	--	--

NOTES TO THE FINANCIAL STATEMENTS

14. Contingent liabilities not provided for:

₹ Lacs

Particulars	As at 31.03.2013	As at 31.03.2012
Income Tax	177.98	366.94
Civil Suits (excluding interest – Amount indeterminable)	158.86	138.81

15. There are no outstanding to parties covered under the Micro, Small and Medium Enterprises as per Micro Small Medium Enterprises Development Act, 2006.

₹ Lacs

Year ended

2012-13

2011-12

16. Revenue from operations

Interest	16.56	66.65
Dividend	689.12	627.13
Sale of Commodities	167.76	-
Provision for non performing assets written back(Net)	95.94	102.49
	<b>969.38</b>	<b>796.27</b>

17. Other expenses

Auditor's Remuneration		
- Audit Fees	0.84	0.83
- Audit certification	1.13	1.54
- Audit certification Taxation	0.39	0.33
- Out of Pocket Expenses	0.06	0.07
Insurance	1.69	2.15
Professional Fees	10.51	15.21
Loss on Sale of Shares (Net)	0.05	-
Provision for non performing assets	0.21	-
Rent	0.29	0.17
Warehouse Rent	0.32	-
Miscellaneous Expenditure	29.52	38.31
	<b>45.01</b>	<b>58.61</b>

18. Earnings Per Share (EPS):

	As at 31.03.2013	As at 31.03. 2012
Weighted average Number of Equity Shares for calculation of Basic and Diluted EPS	10,901,781	10,901,781
Net Profit available for equity shareholders (Rs Lacs)	817.47	707.24
Face Value per share (Rs)	10	10
Basic and Diluted EPS (Rs)	7.50	6.49

19. Related Party Transactions:

**Related Party Relationship (As identified and certified by the management);**

Swallow Associates Limited \*(Holding Company upto October 30, 2012)

Swallow Associates LLP (directly holding more than 50% shareholding with effect from October 31, 2012)

Instant Holdings Limited (Instant), Wholly owned Subsidiary Company

Sudarshan Electronics & T.V. Limited,

- Subsidiary Company upto March 05, 2013.
- Step Down Subsidiary w.e.f March 06, 2013.

\* Converted to a Limited Liability partnership and is now known as Swallow Associates LLP with effect from October 31, 2012.

Key Managerial Personnel: Ms. Shruti Joshi

## NOTES TO THE FINANCIAL STATEMENTS

## Transaction with Related Party;

₹ Lacs

Transactions during the year	2012-13	2011-12
<b>Sudarshan Electronics &amp; T.V. Limited</b>		
Payment of expenses	-	3.55
Advance Settled & repaid	-	2.00
Advance Written off	5.93	-
<b>Instant Holdings Limited</b>		
Advances given & repaid	452.00	689.83
Advance for purchase of investments	-	461.25
Sale of Investments	-	251.82
Subscription to share capital	-	2492.33
<b>Swallow Associates Ltd.</b>		
Advances given & repaid	50.00	-
<b>Key Managerial Personnel</b>		
Salary	0.18	0.18

## Balance due from / (due to) related parties;

₹ Lacs

Related party	As at 31.03.2013	As at 31.03.2012
Sudarshan Electronics & T.V. Limited	--	5.89

- 20 The disclosures required under Accounting Standard 15 related to "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below :

**Defined Benefit Scheme**

The employee's gratuity scheme is a defined benefit plan. The present value of obligations are determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the obligation. The obligation for Leave Encashment is recognised in the same manner as gratuity.

₹ Lacs

		Current Year		Previous year	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
<b>I</b>	<b>Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :</b>				
1	Liability at the beginning of the year	0.00	0.00	-	-
2	Interest Cost	0.00	0.00	-	-
3	Current Service Cost	0.21	0.20	-	-
4	Actuarial (Gains) / Loss on obligations	1.07	0.64	-	-
5	Benefits paid	-	-	-	-
6	Net Acquisitions	0.00	0.00	-	-
7	Liability at the end of the year	<b>1.28</b>	<b>0.84</b>	-	-

NOTES TO THE FINANCIAL STATEMENTS

<b>II</b>	<b>Amount Recognised in Balance Sheet</b>					
1	Liability at the end of the year		1.28	0.84	-	-
2	Fair value of Plan Assets at the end of the year		0.00	0.00	-	-
3	Amount recognised in the Balance Sheet		<b>1.28</b>	<b>0.84</b>	-	-
<b>III</b>	<b>Expenses Recognised in the Income Statement</b>					
1	Current Service Cost		1.28	0.84	-	-
2	Interest Cost		0.00	0.00	-	-
3	Expected Return on Plan Assets		0.00	0.00	-	-
4	Net Actuarial (gain) /loss to be Recognised		-0.09	-0.03	-	-
5	Expenses Recognised in Profit & Loss Account		<b>1.19</b>	<b>0.80</b>	-	-
<b>IV</b>	<b>Balance Sheet Reconciliation</b>					
1	Opening Net Liability		0.00	0.00	-	-
2	Expenses as above		1.28	0.84	-	-
3	Employers Contribution		0.00	0.00	-	-
4	Net Acquisitions		0.00	0.00	-	-
5	<b>Amount Recognised in Balance Sheet</b>		<b>1.28</b>	<b>0.84</b>	-	-
<b>V</b>	<b>Actuarial Assumptions</b>					
1	Discount Rate ( % )		8.00	8.00	-	-
2	Expected Return on Plan Assets ( % )		N.A.	N.A.	N.A.	N.A.

21. Details of Traded Goods

Commodity	2012-13		2011-12	
	Purchase	Sale	Purchase	Sale
Paddy Basmati	255000 Kg	255000 Kg	--	--
Cottonseed Wash Oil	135000 Kg	135000 Kg	--	--

22. Revenue from operations include Dividend Income ₹ 689.11 Lacs for FY 2012-13 (PY ₹ 627.13 Lacs)
23. Other Income Includes Interest on Income Tax Refund related to earlier years.
24. During the year Company had recognized MAT credit for ₹ 17.50 lacs to the extent of its virtual certainty available as per prevailing Tax law.
25. The Company is a NBFC and primarily engaged in investment in securities which is considered as one segment. As such, there is no other separate reportable segment as defined by Accounting Standard -17 "Segment Reporting" as notified by the Companies (Accounting Standards) Rules, 2006.
26. General Instructions for preparation of Balance Sheet and Profit and Loss Statement as per Schedule VI are given to the extent they are applicable to the Company.
27. Previous year's figures have been regrouped wherever necessary to conform to current year's classification.

As per our report attached

**For N. M. Raiji & Co.,**  
Chartered Accountants

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

**CA Y.N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

**Annexure to Notes to Accounts:**

Disclosure of details as required in terms of Paragraph 13 of Non- Banking Financial  
(Non- Depositing Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

(₹ in Lakh)

<b>Particulars</b>		Amount outstanding	Amount overdue
<b>Liabilities Side :</b>			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a)	Debtures : Secured	NIL	NIL
	: Unsecured (Other than falling within the meaning of public deposit*)	NIL	NIL
(b)	Deferred Credits	NIL	NIL
(c)	Term Loans	NIL	NIL
(d)	Inter-corporate loans and borrowings	NIL	NIL
(e)	Commercial Paper	NIL	NIL
(f)	Other Loans (specify nature) (Please see note 1 below)	NIL	NIL
<b>Assets side :</b>			
(2)	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:		Amounting outstanding
(a)	Secured		NIL
(b)	Unsecured		69.13
(3)	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i)	Lease assets including lease rentals under sundry debtors:		
(a)	Financial lease		NA
(b)	Operating lease		NA
(ii)	Stock on hire including hire charges under sundry debtors:		
(a)	Assets on hire		NA
(b)	Repossessed Assets		NA
(iii)	Other loans counting towards AFC activities		
(a)	Loans where assets have been repossessed		NA
(b)	Loans other than (a) above		NA
(4)	Break up of Investments :		
<u>Current Investments :</u>			
1 <u>Quoted :</u>			
(i)	Shares : (a) Equity		NIL
	(b) Preference		NIL
(ii)	Debtures and Bonds		NIL
(iii)	Units of mutual funds		NIL
(iv)	Government Securities		NIL
(v)	Others (please specify)		NIL
2 <u>Unquoted :</u>			
(i)	Shares : (a) Equity		
	(b) Preference		NIL
(ii)	Debtures and Bonds		NIL
(iii)	Units of mutual funds		NIL
(iv)	Government Securities		NIL
(v)	Others (please specify)		NIL

## SUMMIT SECURITIES LIMITED

### Long Term Investments:

#### 1 Quoted :

(i) Shares : (a) Equity	7,834.69
(b) Preference	NIL
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify)	NIL

#### 2 Unquoted :

(i) Shares : (a) Equity	33,176.97
(b) Preference	-
(ii) Debentures and Bonds	NIL
(iii) Units of mutual funds	NIL
(iv) Government Securities	NIL
(v) Others (please specify) Warrants	0.00

- (5) Borrower group- wise classification of assets financed as in (2) and (3) above:  
(Please see Note 2 below)

#### Category

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group#	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	69.13	69.13
Total	-	<u>69.13</u>	<u>69.13</u>

- (6) Investor group-wise classification of all investments (current and long term ) in shares and securities (both quoted and unquoted):  
(Please see note 3 below)

#### Category

Category	Market value / break up or fair value or NAV	Book value (net of provision)
1. Related Parties **		
(a) Subsidiaries (Unquoted, hence disclosed at break up value)	32,389.85	32,389.85
(b) Companies in the same group#	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	30,134.63	8,621.80
<b>Total</b>	<u>62,524.48</u>	<u>41,011.65</u>

\*\* As per Accounting Standard of ICAI (Please see Note 3)

# Identified in terms of Section 370(1B) of Companies Act, 1956

Break up values are computed based on latest available financial statements/reports.

#### (7) Other information

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



**Notes:**

- 1 As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

**Disclosure of details as required by Para 5 of Reserve Bank of India Circular No RBI 2008-09/116 DNBS (PD).CC.No. 125/03.05.002/2008-09.**

(8)	CRAR		
	Items	Current year	Previous Year
	i) CRAR (%)	82.89	97.07
	ii) CRAR - Tier I Capital (%)	82.89	97.07
	iii) CRAR - Tier II Capital (%)	-	-
(9)	Exposures		
	Exposure to Real Estate Sector		
	Category	Current year	Previous Year
a)	Direct exposure		
(i)	Residential Mortgages -	Nil	Nil
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented ; (Individual housing loans up to Rs 15 lakh may be shown separately)		
(ii)	Commercial Real Estate -	Nil	Nil
	Lending secured by mortgages on Commercial Real Estates (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition development and construction, etc.) Exposure would also include non-fund based (NFB) limits		
(iii)	Investments in Mortgage Backed securities (MBS) and other securitised exposure		
	a. Residential	Nil	Nil
	b. Commercial Real Estate	Nil	Nil
b)	Indirect Exposure	Nil	Nil
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Company (HFCs)		
(10)	Asset Liability Management (At book values)		
	Maturity pattern of certain items of assets and liabilities		

	1 day to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 year	Over 5 years	Total
<b>Liabilities</b>									
Borrowing from Banks	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
<b>Assets</b>									
Advances	-	-	-	-	-	-	69.13	-	69.13
Investments	-	-	-	-	-	-	-	41,011.66	41,011.66

**SUMMIT SECURITIES LIMITED****Statement under Section 212 (8) of the Companies Act, 1956 relating to Subsidiary Companies**

Name of Subsidiary Companies: a) Instant Holdings Limited (Instant)

**Financial Information of Subsidiary Companies**

(₹ in Lakhs)

<b>Particulars</b>	<b>Instant</b>
Capital	452.00
Reserves	34,739.84
Total Assets	35,222.77
Total Liabilities	35,222.77
Investment other than Investment in Subsidiary	33,759.59
Turnover	573.06
Profit/(Loss) Before Tax	537.25
Provision for Tax	16.56
Profit After Tax	520.69
Dividend	-

**For and on behalf of Board of Directors****Shruti Joshi**  
Company Secretary & Manager**A. N. Misra**  
Director**H.N. Singh Rajpoot**  
DirectorMumbai  
29th May, 2013

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of **SUMMIT SECURITIES LIMITED**

### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of **SUMMIT SECURITIES LIMITED** ("the Company") and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2013, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

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

#### Auditor's Responsibility

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

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

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

#### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiary. The financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

#### Other Matter

7. We did not audit the financial statements of the subsidiary of, Instant Holdings Limited i.e Sudarshan Electronics and TV Limited. The financial statements of Sudarshan Electronics and TV Limited reflect total assets of ₹ 9.18 lacs as at March 31, 2013 and total revenue of ₹ 0.14 lacs and the net cash outflow amounting to ₹ 1.47 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other information of the subsidiary have been audited by other firm of Chartered Accountants, and our opinion, in so far as it relates to the amounts included in respect of the subsidiary are based solely on their audit report.

**For N.M. RAIJI & CO.,**  
Chartered Accountants  
Firm's Registration No. 108296W

**CA Y.N. Thakkar**  
Partner  
Membership No. 33329

Mumbai  
29th May, 2013

**SUMMIT SECURITIES LIMITED**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013**

Particulars	Note No	As at	
		March 31, 2013 ₹ Lacs	March 31, 2012 ₹ Lacs
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	1,056.61	1,056.61
(b) Reserves and Surplus	3	41,936.16	40,601.01
(c) Share Capital Suspense Account		-	1.00
(d) Preference Shares Issued by Subsidiary		1.00	-
<b>(2) Share application money pending allotment</b>		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities	4	0.59	0.63
(c) Other Long term liabilities		-	-
(d) Long term provisions	5	4.63	-
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	6	1.55	-
(b) Trade payables	7	25.46	103.85
(c) Other current liabilities	8	695.83	695.48
(d) Short-term provisions		-	-
<b>Total</b>		<b>43,721.83</b>	<b>42,458.58</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) <i>Fixed assets</i>	9		
(i) Tangible assets		2.78	2.78
(ii) Intangible assets		0.07	0.11
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	42,021.55	40,880.93
(c) Deferred tax assets		-	-
(d) Long term loans and advances		-	-
(e) Other non-current assets		-	-
<b>(2) Current assets</b>			
(a) Current investments	11	450.21	10.51
(b) Inventories		-	-
(c) Trade receivables	12	-	4.94
(d) Cash and cash equivalents	13	642.14	1,006.07
(e) Short-term loans and advances	14	605.08	553.24
(f) Other current assets		-	-
<b>Total</b>		<b>43,721.83</b>	<b>42,458.58</b>

See accompanying notes to the financial statements

As per our report attached  
For **N. M. Raiji & Co.**,  
Chartered Accountants

For and on behalf of Board of Directors

**CA Y.N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013**

Particulars	Note No	2012-13 ₹ Lacs	2011-12 ₹ Lacs
I. Revenue from operations	18	1,542.46	1,461.74
II. Other Income	19	312.60	1.97
<b>III. Total Revenue (I +II)</b>		<b>1,855.06</b>	<b>1,463.71</b>
<i>IV. Expenses:</i>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		165.15	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		25.44	16.74
Financial costs		41.42	-
Depreciation and amortization expense	9	0.73	0.71
Other expenses	20	68.59	98.32
<b>Total Expenses</b>		<b>301.33</b>	<b>115.77</b>
<b>V. Profit before exceptional and extraordinary items and tax</b>	<b>(III - IV)</b>	<b>1,553.73</b>	<b>1,347.94</b>
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		1,553.73	1,347.94
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>1,553.73</b>	<b>1,347.94</b>
X. Tax expense:			
(1) Current tax		114.50	17.85
Less : MAT Credit Entitlement		(18.94)	-
(2) Deferred tax		(0.03)	0.06
(3) Excess/(Short) provision of tax for earlier years		(120.26)	(72.02)
<b>XI. Profit/(Loss) from the period from continuing operations</b>	<b>(IX-X)</b>	<b>1,337.94</b>	<b>1,258.01</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>1,337.94</b>	<b>1,258.01</b>
XVI. Earning per equity share:			
- Basic and Diluted (₹)		12.66	11.91

See accompanying notes to the financial statements

As per our report attached  
For **N. M. Raiji & Co.**,  
Chartered Accountants

For and on behalf of Board of Directors

**CA Y.N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

**SUMMIT SECURITIES LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013**

Particulars	2012-13 ₹ Lacs	2011-12 ₹ Lacs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
PROFIT BEFORE TAX	1,550.98	1,347.95
Add: Depreciation	0.73	0.70
Add: Other receivables written off	0.05	8.00
Add: Loss/(profit) on sale of Investments	10.80	-
Add: Provision for non performing assets	3.62	-
Less: Provision for non performing assets written back	95.94	425.10
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES AND OTHER ADJUSTMENTS</b>	<b>1,470.24</b>	<b>931.55</b>
Changes in:		
Trade and other receivables	105.59	(377.31)
Trade payables & Other Liabilities	(68.36)	(422.82)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>1,507.47</b>	<b>131.41</b>
Direct taxes paid (net of refunds)	(281.02)	(7.97)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(a) 1,226.45</b>	<b>123.45</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets	(0.68)	(0.75)
Sale of Investments	(731.72)	1,410.00
Purchase of investments	(859.40)	(1,408.78)
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(b) (1,591.80)</b>	<b>0.47</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Borrowings	1.54	-
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(c) 1.54</b>	<b>-</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(a+b+c) (363.81)</b>	<b>123.92</b>
Cash and Cash Equivalents - Opening Balance	985.18	585.55
Adjustment of Opening Cash Balances of Subsidiary Company as a result of amalgamation	-	(3.53)
Adjustment for Cash Balances of Subsidiary Company acquired during the period	-	279.25
Cash and Cash Equivalents - Closing Balance	<u>621.37</u>	<u>985.18</u>

1 Previous year's figures have been regrouped wherever necessary.

2 All figures in the bracket are outflows.

As per our report attached  
**For N. M. Raiji & Co.,**  
Chartered Accountants

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

**CA Y.N. Thakkar**  
Partner

**Shruti Joshi**  
Company Secretary & Manager

**A. N. Misra**  
Director

**H.N. Singh Rajpoot**  
Director

Mumbai  
29th May, 2013

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Principles of Consolidation:

The consolidated financial statements relate to Summit Securities Limited (the Company), and its Subsidiary (the Group). The Consolidated Financial Statements have been prepared in accordance with Accounting Standard – 21 (AS-21) “Consolidated Financial Statements” notified by the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements have been prepared on the following basis;

1. The Financial Statements of the Company and its subsidiary company have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealized profits or losses have been fully eliminated.
2. The difference between the costs of investments in subsidiary over the book value of the subsidiary’s net assets on the date of acquisition is recognised in the consolidated financial statements as goodwill where the difference is positive and as capital reserve where the difference is negative.
3. The Financial Statements of the subsidiary are drawn up to March 31, 2013.

Name of the Company	Country of Incorporation	Nature of Relation	% of ownership interest and voting power
Instant Holdings Limited (Instant)	India	Subsidiary	100%
Sudarshan Electronics & TV Ltd.	India	Step Down Subsidiary	100%

Above Subsidiary Company have been considered in the presentation of these consolidated statements.

4. Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated position of the companies. Recognising this purpose, the Company has disclosed only such Notes from the individual financial statements, which fairly present the needed disclosures.
5. The accounting policies of the parent are best viewed in its independent financial statements under Note 1 of parent company’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in ₹ Lacs unless otherwise stated)

2. Share Capital

	As at	
	31st March, 2013	31st March, 2012
<b>Authorised:</b>		
14,20,00,000 (Previous year 14,20,00,000) Equity Shares of ₹ 10 each	14,200.00	14,200.00
25,00,000 (Previous year 25,00,000) Preference shares of ₹ 100 each	2,500.00	2,500.00
1,50,00,000 (Previous year 1,50,00,000) Preference shares of ₹ 10 each	1,500.00	1,500.00
	<b>18,200.00</b>	<b>18,200.00</b>
<b>Issued:</b>		
109,01,987 (Previous year 109,01,987) Equity Shares of ₹ 10 each (includes 206 Equity Shares kept in abeyance)	1,090.20	1,090.20
	<b>1,090.20</b>	<b>1,090.20</b>
<b>(A) Subscribed and paid up:</b>		
105,66,141 (Previous year 105,66,141) Equity Shares of ₹ 10 each	1,056.61	1,056.61
	<b>1,056.61</b>	<b>1,056.61</b>

(a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	No.	₹ in Lacs	No.	₹ in Lacs
Shares outstanding at the beginning of the year	10,566,141	1,056.61	10,566,141	1,056.61
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	10,566,141	1,056.61	10,566,141	1,056.61

(b) Terms / rights attached

(i) **Equity Shares:** The company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The Shareholders have all other rights as available to Equity Shareholders as per the provisions of the companies Act, 1956, read together with the Memorandum of Association and Articles of Association of the Company, as applicable.

(c) Shares held by holding/ultimate holding company and/or their subsidiaries/associates

	As at	
	31st March, 2013	31st March, 2012
Holding Company (Swallow Associates Limited) NIL (Previous year 68,50,875) Equity Shares of 10 each	-	685

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company .

	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Swallow Associates Limited( till October 30,2012)	-	-	6,850,875	62.84
Swallow Associates LLP( w.e.f. October 31,2012)	6,850,875	62.84	-	-

Swallow Associate Limited was the Holding Company of Summit Securities Ltd. ( upto October 30, 2012)

Swallow Associate LLP directly holds more than 50% shares in Summit Securities Ltd. ( w.e.f. October 31, 2012)



## NOTES TO THE FINANCIAL STATEMENTS

	As at	
	<u>31st March, 2013</u>	<u>31st March, 2012</u>
<b>3. Reserves and Surplus</b>		
General Reserve	36,710.33	36,710.33
<u>Capital Reserve</u>		
Opening Balance	1,413.64	1,366.33
Add: Arise as a result of Merger	-	35.20
Add: Goodwill added back as a result of amalgamation of Subsidiary Company	-	12.11
Less: Goodwill arisen on acquisition and desubsidiarisation of stake in Subsidiary Company	14.21	-
	<u>1,399.43</u>	<u>1,413.64</u>
<u>Special Reserve (as per Section 45 IC (1) of RBI Act, 1934)</u>		
Balance as at the beginning of the year	646.86	392.97
Add: Amount transferred from Surplus in Statement of Profit and Loss during the year	267.63	253.89
Balance as at the end of the year	<u>914.49</u>	<u>646.86</u>
<u>Surplus in Statement of Profit and Loss</u>		
Balance as at the beginning of the year	1,830.17	824.76
Profit for the year	1,337.94	1,258.02
Add: earlier year loss of subsidiary added back as a result of amalgamation of Subsidiary Company	11.42	1.28
Less: Appropriations		
- Transfer to Special Reserve	267.63	253.89
Balance as at the end of the year	<u>2,911.91</u>	<u>1,830.17</u>
	<u><b>41,936.16</b></u>	<u><b>40,601.01</b></u>
<b>4. Deferred Tax Liabilities (Net)</b>		
Fixed Assets: Impact of difference between tax depreciation and depreciation charged for the financial reporting	0.59	0.63
	<u><b>0.59</b></u>	<u><b>0.63</b></u>
<b>5. Long term Provisions</b>		
Provision for Employee benefit	4.63	-
	<u><b>4.63</b></u>	<u>-</u>
<b>6. Short-term borrowings</b>		
Loans repayable on Demand		
- From others	1.55	-
	<u><b>1.55</b></u>	<u>-</u>
<b>7. Trade Payables</b>		
Sundry Creditors	25.46	103.85
	<u><b>25.46</b></u>	<u><b>103.85</b></u>
<b>8. Other Current Liabilities</b>		
Unclaimed Dividend ##	7.91	7.10
Shares Fractional Money	12.86	12.98
Others	675.06	675.40
	<u><b>695.83</b></u>	<u><b>695.48</b></u>

## Not due to Investor Education and Protection Fund

NOTES TO THE FINANCIAL STATEMENTS

(All amounts in ₹ Lacs unless otherwise stated)

9. Fixed Assets									
ASSETS	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK
	As at 1st April, 2012	Additions / Adjustments	Deductions / Adjustment	As at 31st March, 2013	As at 1st April, 2012	For the year	Deductions / Adjustment	As at 31st March, 2013	As at 31st March, 2013
<b>Tangible</b>									
Computers and Systems	4.05	0.44	-	4.49	1.70	0.66	-	2.36	2.13
	(3.30)	(0.75)	-	(4.05)	(1.06)	(0.64)	-	(1.70)	(2.35)
Office Equipment	0.48	0.24	-	0.72	0.05	0.02	-	0.07	0.65
	(0.48)	-	-	(0.48)	(0.03)	(0.02)	-	(0.05)	(0.43)
<b>Tangible Total</b>	<b>4.53</b>	<b>0.68</b>	<b>-</b>	<b>5.21</b>	<b>1.75</b>	<b>0.69</b>	<b>-</b>	<b>2.44</b>	<b>2.78</b>
<b>Intangible</b>									
Software	0.26	-	-	0.26	0.14	0.04	-	0.18	0.07
	(0.26)			(0.26)	(0.10)	(0.04)	-	(0.14)	(0.11)
<b>Intangible Total</b>	<b>0.26</b>	<b>-</b>	<b>-</b>	<b>0.26</b>	<b>0.14</b>	<b>0.04</b>	<b>-</b>	<b>0.18</b>	<b>0.07</b>
<b>Grand Total</b>	<b>4.79</b>	<b>0.68</b>	<b>-</b>	<b>5.47</b>	<b>1.89</b>	<b>0.73</b>	<b>-</b>	<b>2.62</b>	<b>2.85</b>
Total	(4.04)	(0.75)	-	(4.79)	(1.19)	(0.71)	-	(1.89)	(2.90)

Notes:

1) Figures shown in brackets are of previous year.

	As at	
	31st March, 2013	31st March, 2012
	₹ Lacs	₹ Lacs
<b>10. Non-current Investments (At Cost)</b>		
<b>LONG TERM - Non Trade</b>		
<b>I Quoted</b>		
Equity Shares (fully paid up)	32,305.31	30,517.22
<b>II Unquoted</b>		
Equity Shares (Fully paid up)	9,716.24	9,994.45
Warrants (Partly paid up)	-	363.97
Non Cumulative Redeemable Preference Shares (Fully paid up)	-	0.29
Zero % optional Convertible Debentures (Fully paid up)	-	5.00
	<b>42,021.55</b>	<b>40,880.93</b>
Aggregate Cost of Quoted Investments	32,305.31	30,517.23
Aggregate Cost of Unquoted Investments	9,716.24	10,363.70
Market Value of Quoted Investments	50,572.18	53,613.66
<b>11. Current Investments</b>		
Mutual Funds (Unquoted):		
HDFC Mutual Fund – Daily Dividend Reinvestment (1,05,669 Units, PY: 98778 Units)	11.24	10.51
Warrants (Partly paid up)		
CEAT Limited (No. of warrants 1712176, P.Y. Nil) Convertible within 18 months from the date of issue i.e. March 12, 2012.	363.97	-
Chattarpati Investments Ltd ( 75000 9% Redeemable non convertible debenture of ₹ 100 each redeemable with in 12 months from date of allotment i.e. 28.02.13)	75.00	-
	<b>450.21</b>	<b>10.51</b>

## NOTES TO THE FINANCIAL STATEMENTS

(All amounts in ₹ Lacs unless otherwise stated)

	<b>As at</b>	
	<b>31st March, 2013</b>	<b>31st March, 2012</b>
	₹ Lacs	₹ Lacs
<b>12. Trade receivables</b>		
<u>Unsecured, considered good</u>		
Outstanding over six months	0.00	101.52
- Less: Provision*	(0.00)	(96.59)
	<u>-</u>	<u>4.94</u>
<b>13. Cash and Cash Equivalents</b>		
Current account	193.34	155.61
Deposit account	425.00	823.97
Margin Deposit Account	-	2.52
Cash on hand	3.03	3.09
Unclaimed Dividend Account	7.91	7.91
Fractional entitlement money*	12.86	12.98
	<u>642.14</u>	<u>1,006.07</u>

\* Fractional entitlement money represents dues payable to the shareholders who are entitled for fractional entitlement as per the scheme of arrangement as approved by the Hon'ble high court of judicature at Bombay, Maharashtra on December 18, 2009.

**14. Short term loans and advances**

Unsecured:

Loans and advances to related parties

(a) Considered good	-	0.30
(b) Considered doubtful	-	6.22
Less: Allowance for doubtful loans and advances	-	(6.22)
	<u>-</u>	<u>0.30</u>

Other Loans and Advances

- Advance Income Tax [Net of provision]	531.94	476.47
- Others#	-	
(a) Considered good	75.34	82.66
(b) Considered doubtful	4.50	95.98
Less: Allowance for doubtful loans and advances	(4.50)	(102.17)
Less: Allowance for Standard loans and advances*	(2.20)	-
	<u>605.08</u>	<u>553.24</u>

\* Provision made as required under the prudential norms prescribed by Reserve Bank of India for Non-Banking Financial Companies.

# Others includes sales tax deposits, deposit for consumer forum litigation.

NOTES TO THE FINANCIAL STATEMENTS

15. Major components of Deferred Tax:

Particulars	₹ Lacs.	
	As at 31.03. 2013	As at 31.03. 2012
<b>Liabilities</b>		
Depreciation	0.59	0.63
<b>Deferred Tax Liability</b>	<b>0.59</b>	<b>0.63</b>

16. Contingent liabilities not provided for:

Particulars	₹ Lacs.	
	As at 31.03. 2013	As at 31.03. 2012
Income Tax	371.00	638.98
Civil Suits (excluding interest - amount indeterminable)	158.86	138.81
Central Excise Act	18.78	18.78
Sales Tax	1.97	1.97

17. Partly paid Convertible Warrant of CEAT Limited : ₹ 10,91,89,743/- ( previous year- ₹10,91,89,743)

	2012-13	2011-12
<b>18. Revenue from operations</b>		
Interest	42.21	82.02
Dividend	1,236.54	954.62
Sale of Commodities	167.77	-
Provision for non performing assets written back	95.94	425.10
	<b>1,542.46</b>	<b>1,461.74</b>
<b>19. Other Income</b>		
Miscellaneous Income	312.60	1.97
	<b>312.60</b>	<b>1.97</b>

20. Other expenses

Payment to Auditor		
- Audit fees	1.41	1.41
- Audit certification	1.58	2.98
- Audit fee taxation	0.39	0.33
- Out of Pocket Expenses	0.06	0.07
Professional Fees	10.51	15.26
Loss on sale of Shares	10.80	-
Rent	0.42	0.17
Provision for non performing assets	3.62	-
Amalgamation Exp	3.21	11.43
Warehouse Rent	0.32	-
Insurance	1.69	2.15
Miscellaneous Expenditure	34.58	64.53
	<b>68.59</b>	<b>98.32</b>

## NOTES TO THE FINANCIAL STATEMENTS

21. The disclosures required under Accounting Standard 15 related to "Employee Benefits" notified in the Companies (Accounting Standards) Rules 2006, are given below :

### **Defined Benefit Scheme**

The employee's gratuity scheme is a defined benefit plan. The present value of obligations are determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the obligation. The obligation for Leave Encashment is recognised in the same manner as gratuity.

		Current Year		Previous year		
		Gratuity	Leave Encashment	Gratuity	Leave Encashment	
		Unfunded	Unfunded	Unfunded	Unfunded	
<b>I</b>	<b>Change in the present value of the defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows :</b>					
	1	Liability at the beginning of the year	2.33	1.49	-	-
	2	Interest Cost	0.19	0.12	-	-
	3	Current Service Cost	0.47	0.33	-	-
	4	Actuarial (Gains) / Loss on obligations	(0.19)	(0.11)	-	-
	5	Benefits paid	-	-	-	-
	6	Net Acquisitions	-	-	-	-
	7	Liability at the end of the year	<b>2.80</b>	<b>1.83</b>	-	-
<b>II</b>	<b>Amount Recognised in Balance Sheet</b>					
	1	Liability at the end of the year	2.80	1.83	-	-
	2	Fair value of Plan Assets at the end of the year	-	-	-	-
	3	Amount recognised in the Balance Sheet	<b>2.80</b>	<b>1.83</b>	-	-
<b>III</b>	<b>Expenses Recognised in the Income Statement</b>					
	1	Current Service Cost	0.47	0.33	-	-
	2	Interest Cost	0.19	0.12	-	-
	3	Expected Return on Plan Assets	-	-	-	-
	4	Net Actuarial (gain) /loss to be Recognised	(0.19)	(0.11)	-	-
	5	Expenses Recognised in Profit & Loss Account	<b>0.47</b>	<b>0.34</b>	-	-
<b>IV</b>	<b>Balance Sheet Reconciliation</b>					
	1	Opening Net Liability	2.33	1.49	-	-
	2	Expenses as above	0.47	0.34	-	-
	3	Employers Contribution	-	-	-	-
	4	Net Acquisitions	-	-	-	-
	4	<b>Amount Recognised in Balance Sheet</b>	<b>2.80</b>	<b>1.83</b>	-	-
<b>V</b>	<b>Actuarial Assumptions</b>					
	1	Discount Rate ( % )	8.00	8.00	-	-
	2	Expected Return on Plan Assets ( % )	N.A.	N.A.	N.A.	N.A.

### **22. Earnings Per Share (EPS):**

	<b>As at 31.03. 2013</b>	<b>As at 31.03. 2012</b>
Weighted average Number of Equity Shares for calculation of Basic and Diluted EPS	10,566,141	10,566,141
Net Profit available for equity shareholders ( ₹ Lacs)	1337.94	1258.01
Face Value per share ( ₹ )	10.00	10.00
Basic and Diluted EPS ( ₹ )	12.66	11.91

**NOTES TO THE FINANCIAL STATEMENTS**

**23. Related Party Transactions:**

**Related Party Relationship (As identified and certified by the management);**

Swallow Associates Limited \*(Holding Company up to October 30, 2012)

Swallow Associates LLP (directly holding more than 50% shareholding with effect from October 31, 2012)

**KEY MANAGERIAL PERSONNEL:**

- Ms. Shruti Joshi

\* Converted to a Limited Liability partnership and is now known as Swallow Associates LLP with effect from October 31, 2012.

**Transaction with Related Party;**

	₹ Lacs.	
	2012-13	2011-12
<b>Swallow Associate Limited</b>		
Advance Given & Repaid	50	-
<b>Key Managerial Personnel</b>		
Salary	0.18	0.21

**24. Details of Goods Traded**

Commodity	2012-13		2011-12	
	Purchase	Sale	Purchase	Sale
Paddy Basmati	255000 Kg	255000 Kg	-----	-----
Cottonseed Wash Oil	135000 Kg	135000 Kg	-----	-----

- Revenue from operations include Dividend Income ₹ 1236.54 Lacs for FY 2012-13 (PY ₹954.62 Lacs ).
- Other Income Includes Interest on Income Tax Refund related to earlier years.
- The Company is a NBFC and primarily engaged in investment in securities which is considered as one segment. As such, there is no other separate reportable segment as defined by Accounting Standard -17 "Segment Reporting" as notified by the Companies (Accounting Standards) Rules, 2006.
- During the year Company had recognized MAT credit ₹ 18.94 Lacs to the extent of its virtual certainty available as per prevailing Tax law.
- Previous year's figures have been regrouped wherever necessary to conform to current year's classification.

As per our report attached  
**For N. M. Raiji & Co.,**  
 Chartered Accountants

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

**CA Y.N. Thakkar**  
 Partner

**Shruti Joshi**  
 Company Secretary & Manager

**A. N. Misra**  
 Director

**H.N. Singh Rajpoot**  
 Director

Mumbai  
 29th May, 2013

**ATTENDANCE SLIP**  
**SUMMIT SECURITIES LIMITED**

Registered Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai – 400 030

Registrar & Share Transfer Agents: TSR Darashaw Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai – 400 011

**Monday, September 30, 2013 – 4.00 p.m. – The Auditorium of Sasmira, Sasmira Marg, Worli, Mumbai - 400030**

DP ID No.		Folio No.	
Client ID No.		No. of Shares	

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signature registered with the Company. The admission will, however, be subject to verification of signature(s) and such other checks, as may be necessary. Under no circumstances will any duplicate slip be issued at the entrance of the meeting hall.

I/ We hereby record my/our attendance at the Annual General Meeting being held on September 30, 2013 and/or at any adjournment thereof.

NAME OF THE SHAREHOLDER (IN BLOCK CAPITALS)

---

SIGNATURE OF THE SHAREHOLDER OR PROXY

---

**PROXY FORM**  
**SUMMIT SECURITIES LIMITED**

Registered Office: RPG House, 463, Dr. Annie Besant Road, Worli, Mumbai - 400 030

Registrar & Share Transfer Agents: TSR Darashaw Private Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011

I/We \_\_\_\_\_  
of \_\_\_\_\_  
\_\_\_\_\_ being member(s) of **SUMMIT SECURITIES LIMITED**

hereby appoint (1) \_\_\_\_\_ of \_\_\_\_\_  
or failing him (2) \_\_\_\_\_ of \_\_\_\_\_  
or failing him (3) \_\_\_\_\_ of \_\_\_\_\_

as my/our proxy to vote for me/us and my/our behalf at the Annual General Meeting of the Company to be held on September 30, 2013 and/or at any adjournment thereof.

Their respective signature(s) is/are as under: As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2013

- (1)
- (2)
- (3)

Signed by the said

Folio No.	DP ID No.	Client ID No.
-----------	-----------	---------------

Affix  
 Revenue  
 Stamp

**Note:** The proxy must be returned so as to reach the Registered Office of the Company or the office of the Company's Registrars not less than 48 hours before the commencement of the meeting

# Book Post

If undelivered, please return to:

**Summit Securities Limited**

RPG House, 463,  
Dr. Annie Besant Road,  
Worli, Mumbai 400 030  
Phone: +91-22-2493 0621