



**STANDARD INDUSTRIES LTD.**

118th ANNUAL REPORT 2014-2015

# STANDARD INDUSTRIES LTD.

Registered Office:

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 65162883/65162890 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

## NOTICE

Notice is hereby given that the **ONE HUNDRED & EIGHTEENTH ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai – 400 614, on Tuesday, the 29th September, 2015, at 3.00 P.M. to transact the following business :

### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - a. Audited Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
  - b. Consolidated Audited Balance Sheet as at 31st March, 2015 and Consolidated Statement of Profit and Loss for the financial year ended on that date together with the Report of the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Smt. Divya P. Mafatlal (holding DIN 00011525), who retires by rotation and is eligible for re-appointment.
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (as amended from time to time) M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm’s Registration No. 117366W/W-100018), be and are hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors.”

### SPECIAL BUSINESS

5. To consider and, if thought fit, to pass, with or without modifications, the following :

#### AS A SPECIAL RESOLUTION

“RESOLVED THAT the consent of the Company be and is hereby accorded

pursuant to Section 188 of the Companies Act, 2013 (including any statutory modifications or amendments thereto) and other applicable provisions, if any, and Clause 49(VII)(C) of the Listing Agreement (including any statutory modifications or amendments thereto) for the following material related party transactions with Shanudeep Private Limited :

- A. Leave & Licence Agreement for use of Office Premises admeasuring 9,000 Sq.ft. or thereabouts, at Vijjalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, from 1st April, 2014 to 18th August, 2015, at a licence fee of ₹ 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.
- B. Entering into fresh Leave and Licence Agreement for use of above premises referred in (A) above for a period of one year from 19th August, 2015 to 18th August, 2016 at a licence fee of ₹ 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.
- C. Sharing of Facilities and/or Services at Vijjalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, from 1st April, 2014 to 20th August, 2016, at service charges of ₹ 10,89,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

### NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.

# STANDARD INDUSTRIES LTD.

Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy who shall not, act as proxy for any other Member. A Proxy Form is annexed to this Report.

- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 15th September, 2015, to Tuesday, the 29th September, 2015, (both days inclusive) for the purpose of Annual General Meeting & payment of dividend for the Financial Year ended 31st March, 2015. Those Members whose names appear in the Register of Members of the Company as on 14th September, 2015, will be eligible for dividend.

(c) **National Electronic Clearing Service (NECS):**

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the National Electronic Clearing Service (NECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

Members holding shares in electronic form may intimate any change in their bank account details to their respective Depository Participant. Shareholders holding shares in physical form may communicate the change in their bank account details to the Company's Registrar & Share Transfer Agent, in which case the communication may be made in the Mandate Form separately enclosed in this Annual Report.

Shareholders holding shares in physical form who have not yet opted for the NECS Mandate Facility, are urged to avail of the same as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as

per specimen registered with the Depository Participant/Company's Registrar & Share Transfer Agent) and are communicated before 14th September, 2015, to facilitate receipt of dividend. Please note that if your new Core Bank Account Number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned. Kindly refer to the Mandate Form enclosed in this Annual Report for further details.

(d) **Voting through electronic means**

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 118th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
2. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Friday, 25th September, 2015 (9.00 a.m.) and ends on Monday 28th September, 2015 (5.00 p.m.). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on

the cut-off date of 22nd September 2015, may cast their vote by remote e-voting.

The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

5. The process and manner for remote e-voting are as under :

A. In case a Member receives an e-mail from NSDL [for members whose email IDs are registered with the Company/Depository Participant(s)] :

- (i) Open email and open PDF file viz. "Standard Industries remote e-Voting.pdf" with your Client ID or Folio Number as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL : <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters of combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-Voting: Active Voting Cycles.

(vii) Select "EVEN" of Standard Industries Limited.

(viii) Now you are ready for remote e-voting as Cast Vote page opens.

(ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.

(x) Upon confirmation, the message "Vote cast successfully" will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [jatin@bnp-associates.com](mailto:jatin@bnp-associates.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

<b>EVEN</b> (E-voting Event Number)	USER ID	PASSWORD/ PIN
---	---------	------------------

(ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

# STANDARD INDUSTRIES LTD.

- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no. : 1800-222-990.
  - III. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
  - IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
  - V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off-date of 22nd September, 2015.
  - VI. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off-date, i.e. 22nd September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on Toll free no. : 1800-222-990.
  - VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off-date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
  - VIII. Mr. Jatin S. Popat, Partner, BNP & Associates Practicing Company Secretary, (Membership No. 4047) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - X. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.standardindustries.co](http://www.standardindustries.co) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
- (e) The Dividend as recommended by the Directors when declared at the Annual General Meeting will be paid by dividend warrants drawn on designated Branches of HDFC Bank Limited from Wednesday, the 7th October, 2015, to those shareholders who have not opted for NECS Mandates. For those shareholders who have submitted their NECS Mandates, the dividend will be credited directly to their respective Bank Accounts.
- (f) The Company has already transferred on 30th April, 2015, the unclaimed dividends for the period April, 2006 to September, 2007, to the Investors' Education & Protection Fund (IEPF). The unclaimed dividend for the Accounting Periods ending 31st March, 2009, onwards are to

be transferred to the IEPF on the dates given in the table below :

Financial Year	Date of Declaration of Dividend	Date for transfer to IEPF
October, 2007 To March, 2009	26.09.2008 (Interim Dividend)	26.10.2015
October, 2007 To March, 2009	25.08.2009 (Final Dividend)	25.09.2016
April, 2009 To March, 2010	09.08.2010	08.09.2017
April, 2010 To March, 2011	04.08.2011	04.09.2018
April, 2011 To March, 2012	14.08.2012	14.09.2019
April, 2012 To March, 2013	14.08.2013	15.09.2020
April, 2013 To March, 2014	14.08.2014	15.09.2021

Members who have so far not encashed the Dividend Warrants for the financial years ended March, 2009, onwards, are advised to submit their claims to the Company's Registrar and Share Transfer Agents, M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, or the Company's Registered Office at Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai – 400 710.

- (g) Members holding shares in physical form are advised to avail of the nomination facility by filling the prescribed Form No. SH-13 which is available with M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialised form are requested to contact their depository participant, for recording their nomination.
- (h) In case of transfers, deletion of name of deceased shareholder, transmission and

transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.

- (i) The Company's securities are listed on the following Stock Exchanges:

Sr. No.	Name & Address of the Stock Exchange	Nature of Security
1.	Bombay Stock Exchange Ltd., Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023.	Equity Shares
2.	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	— do —

The Company has paid Annual Listing fees to the above Stock Exchanges upto 31st March, 2016.

- (j) As part of the Green Initiative in Corporate Governance, and as permitted by Section 101 and Section 136 of the Companies Act, 2013 and rules made thereunder (as amended from time to time), listed companies are allowed to send notice and financial statements through electronic mode.

To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with Sharepro Services (I) Pvt. Ltd. (Unit: Standard Industries Limited), 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400 072.

The Annual Report of the Company circulated to the members of the Company,

# STANDARD INDUSTRIES LTD.

is available on the Company's website: [www.standardindustries.co](http://www.standardindustries.co)

(k) Appointment/Re-appointment of Directors:

Details to be furnished in respect of the Directors being proposed for appointment/re-appointment at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement relating to Corporate Governance are given hereunder:

1. Born on October 5, 1968, Smt. Divya P. Mafatlal is the wife of Shri Pradeep R. Mafatlal from the illustrious House of Mafatlals. She has completed her Bachelor's degree in Commerce from the Sydenham College, Mumbai University and is also holding a Diploma Certificate in Child Care and Psychology from the Sophia College.

She is a Director of Standard Industries Ltd., Shanudeep Pvt. Ltd., Sheiladeep Investments Pvt. Ltd., Vinadeep Investments Pvt. Ltd., Pradeep Investments Pvt. Ltd., Gagalbhai

Investments Pvt. Ltd. and Umiya Real Estate Pvt. Ltd. She is a Trustee of The Pransukhlal Mafatlal Hindu Swimming Bath & Boat Club Trust and a Member of the Poona Club Ltd.

Smt. Divya P. Mafatlal is a Promoter of the Company. She does not hold any shares in the Company. She has attended 4 Board Meetings during the Financial Year 2014-2015.

By Order of the Board

TANAZ B. PANTHAKI  
*Vice President (Legal)*  
& Company Secretary

*Registered Office:*

Plot No. 4, TTC Industrial Area,  
Thane Belapur Road,  
P.O. Millenium Business Park,  
Navi Mumbai - 400 710.  
CIN : L17110MH1892PLC000089  
Dated : 29th May, 2015

**ANNEXURE TO THE NOTICE**

Explanatory Statement as required under Section 102 of the Companies Act, 2013 :

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Item No. 5 contained in the accompanying Notice dated 29th May, 2015.

**Item No. 5**

Shanudeep Private Limited, one of the promoters of the company, is a private limited company wherein the directors of the Company are directors and/or members and hence a related party under Section 2(76) of the Companies Act, 2013.

The Company had entered into Leave & Licence Agreement with Shanudeep Pvt. Ltd., for use of their Office Premises admeasuring 9,000 Sq.ft. or thereabouts, at Vijjalaxmi Mafatal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of 5 years from 19th August, 2010 to 18th August, 2015, at a licence fee of ₹ 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

The Company had entered into an arrangement for sharing of Facilities and/or Services, with Shanudeep Pvt. Ltd., at above mentioned premises for a period of 3 years from 21st August, 2013 to 20th August, 2016, for better enjoyment of the premises at service charges of ₹ 10,89,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

As per Section 297 of the Companies Act, 1956, Central Government approval was required for entering into Facilities & Services Agreement with Shanudeep Private Limited. Such approval was obtained by the Company and details of such transactions were entered in the Register of Contracts and noted by the Board of Directors in their Meeting held on 30th October, 2013.

The aforesaid transactions with Shanudeep Private Limited are in the ordinary course of business and at arms' length basis.

The value of transactions with Shanudeep Private Limited pursuant to the Leave &

Licence Agreement and Facilities & Services Agreement during the financial year 2014-15 has exceeded the materiality threshold specified in Clause 49 of the Listing Agreement i.e. 10% of the consolidated turnover of the Company and hence pursuant to Clause 49(VII)(C) of the Listing Agreement, approval of shareholders by special resolution at the Annual General Meeting will be required. In terms of Para 4.2 of SEBI Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 (as amended), the above material related party transactions with Shanudeep Private Limited were subsisting on April 17, 2014 and are continuing beyond 31st March, 2015. Therefore, the approval of shareholders is sought by way of special resolution for these material related party transactions.

All related parties cannot vote on such special resolution.

Further the Company proposes to renew the Leave and Licence Agreement for a period of one year from 19th August, 2015 to 18th August, 2016 at a licence fee of ₹ 8,10,000/- p.m. exclusive of all applicable taxes, levies and sharing of common expenses.

The Audit Committee has approved entering into the above Agreement at its meeting held on 29th May, 2015 and has approved the said Leave and Licence Agreement and Facilities & Services Agreement as it is in the ordinary course of business and at arm's length basis. The Audit Committee also noted that the transactions with Shanudeep Private Limited pursuant to the new agreement proposed to be entered into will exceed the materiality threshold of 10% of the consolidated turnover of the Company during each of the financial years for the tenure of the Leave and Licence Agreement and Facilities & Services Agreement and hence will require approval of the shareholders by special resolution as per Clause 49 of the Listing Agreement.

The Board of Directors at its meeting held on 29th May, 2015, have approved entering into the said Leave and Licence Agreement as material related party transactions subject



# STANDARD INDUSTRIES LTD.

to approval of the shareholders by special resolution.

The information required pursuant to Rule 15(3) of the Companies (Meeting of Board and its Powers) Rules, 2014 is provided in the Resolution and Explanatory Statement.

The Board of Directors of your Company recommend the Resolution at Item No. 5 for your approval as special resolution.

Shri Pradeep R. Mafatlal, Smt. Divya P. Mafatlal and Smt. Pravina R. Mafatlal may be regarded as interested in the Resolution to the extent of their shareholdings/directorships in Shanudeep Private Limited. None of the other Directors or

Key Managerial Personnel or their relatives is concerned or interested in this Resolution.

By Order of the Board

TANAZ B. PANTHAKI  
*Vice President (Legal)*  
& *Company Secretary*

*Registered Office:*

Plot No. 4, TTC Industrial Area,  
Thane Belapur Road,  
P.O. Millenium Business Park,  
Navi Mumbai - 400 710.

CIN : L17110MH1892PLC000089

Dated : 29th May, 2015

# STANDARD INDUSTRIES LTD.

## CONTENTS

	Pages
Board of Directors, etc. ....	2
Management Team .....	3
Financial Statistics .....	4-5
Directors' Report .....	6-22
Corporate Governance .....	23-30
Management Discussion and Analysis.....	31-32
Auditors' Report .....	33-35
Balance Sheet.....	36
Statement of Profit & Loss .....	37
Cash Flow Statement.....	38-39
Notes 1 to 25.....	40-61
Salient features of financial statement of subsidiaries.....	62
Consolidated Accounts.....	63-88
Payment of Dividend through NECS .....	89-90
Green Initiative Form.....	91

Shareholders are requested kindly to bring their copy of the Annual Report to the Meeting as copies of Annual Report will not be distributed at the Meeting as a measure of economy.

# STANDARD INDUSTRIES LTD.

## BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL

*Chairman*

SHRI RUSSI JAL TARAPOREVALA

SHRI M. L. APTE

SHRI F. M. PARDIWALLA

SHRI K. J. PARDIWALLA

SMT. DIVYA P. MAFATLAL

SHRI D. H. PAREKH

*Executive Director*

SHRI SHOBHAN DIWANJI

## BANKERS

HDFC BANK LIMITED

ICICI BANK LIMITED

IDBI BANK

THE HONGKONG AND SHANGHAI BANKING CORPN. LTD.

UCO BANK

## AUDITORS

MESSRS. DELOITTE HASKINS & SELLS LLP,

*Chartered Accountants*

## ADVOCATES & SOLICITORS

M/S. ALMT LEGAL

## REGISTERED OFFICE

PLOT NO. 4, TTC INDUSTRIAL AREA,

THANE BELAPUR ROAD,

P.O. MILLENIUM BUSINESS PARK,

NAVI MUMBAI - 400 710

CIN : L17110MH1892PLC000089

WEBSITE : [www.standardindustries.co](http://www.standardindustries.co)

EMAIL : [standardgrievances@rediffmail.com](mailto:standardgrievances@rediffmail.com)

## CORPORATE OFFICE

VIJYALAXMI MAFATLAL CENTRE,

57A, DR. G. DESHMUKH MARG,

MUMBAI - 400 026.

## CITY OFFICE

59, THE ARCADE, 1<sup>ST</sup> FLOOR,

WORLD TRADE CENTRE,

CUFFE PARADE, COLABA,

MUMBAI - 400 005.

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Sharepro Services (India) Pvt. Ltd.,

13 AB, Samhita Warehousing Complex, 2nd Floor,

Sakinaka Telephone Exchange Lane,

Off Andheri Kurla Road,

Sakinaka, Andheri (East),

Mumbai - 400 072.

Tel. Nos. : (022) 67720300/400

Fax No. : (022) 2859 1568

E-mail : [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)

**MANAGEMENT TEAM**

SHRI D. H. PAREKH

*Executive Director*

SHRI D. M. NADKARNI

*Vice-President (Projects)*

SMT. TANAZ B. PANTHAKI

*Vice President (Legal) & Company Secretary*

SHRI J. R. SHAH

*Chief Financial Officer*

# STANDARD INDUSTRIES LTD.

## FINANCIAL STATISTICS

	1-10-2004 to 30-9-2005	1-10-2005 to 31-3-2006 (6 mths.)	1-4-2006 to 30-9-2007 (18 mths.)	1-10-2007 to 31-3-2009 (18 mths.)
<b>COMPANY OWNED:</b>				
1. Fixed Assets (Net) .....	12760	12800	1984	1870
2. Investments .....	72	425	634	1443
3. Net Current Assets .....	260	(238)	6542	12629
4. Miscellaneous Expenditure .....	—	—	2296	—
Total Assets (Net) .....	12572	12987	11456	15942
<b>COMPANY OWED:</b>				
1. Loan funds .....	1351	1149	—	—
2. Company's Net Worth:				
Equity Share Capital .....	3216	3216	3216	3216
Reserves and Surplus .....	8005	8622	8240	12726
Total Capital Employed .....	12572	12987	11456	15942
Debt/Equity Ratio# .....	0.12:1.00†	0.08:1.00†	0.00:1.00†	0.00:1.00†
Income .....	23763	8325	12226	24683
Raw Materials .....	1584	670	—	—
Salaries and Wages .....	1966	696	759	334
Operation and Other Expenses etc. ....	11879	4446	9527	15680
Interest .....	394	64	168	8
Excise duty .....	3184	963	23	—
Profit before Depreciation and Taxes ..	4756	1486	1749	8661
Depreciation .....	1047	527	1489	132
Profit before extra ordinary item and taxes .....	3709	959	260	8529
Taxes .....	(321)	(110)	(67)	(3158)
Profit after Taxes .....	3388	849	193	5371
Refund of Income-tax .....	—	—	—	—
Balance brought forward from Previous Year .....	1861	4705	5325	4943
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013 .....	—	—	—	—
Amount for Appropriation .....	5249*	5554*	5518*	10314*
Dividends .....	402	201	483	643
Tax on Dividends .....	57	28	82	109
Balance retained in business .....	4790	5325	4953	9562
Earnings per Equity Share ₹ .....	5.27**	1.32**	0.30**	8.35**
Dividend paid per Equity Share ₹ .....	0.625**	0.3125**	0.75**	1.00**

# On Long term borrowings.

\* Includes balance amount of profit brought forward from previous year.

† Without Revaluation Reserve.

\*\* On equity Shares of ₹ 5/-.

(₹ in lakhs)

1-4-2009 to 31-3-2010	1-4-2010 to 31-3-2011	1-4-2011 to 31-3-2012	1-4-2012 to 31-3-2013	1-4-2013 to 31-3-2014	1-4-2014 to 31-3-2015
3546	1371	2887	2878	2790	<b>2603</b>
6238	914	293	983	574	<b>164</b>
6463	12938	11472	9713	8502	<b>8096</b>
—	—	—	—	—	—
<b>16247</b>	<b>15223</b>	<b>14652</b>	<b>13574</b>	<b>11866</b>	<b>10863</b>
—	—	—	—	—	—
3216	3216	3216	3216	3216	<b>3216</b>
13031	12007	11436	10358	8650	<b>7647</b>
<b>16247</b>	<b>15223</b>	<b>14652</b>	<b>13574</b>	<b>11866</b>	<b>10863</b>
0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†	<b>0.00:1.00†</b>
3782	1834	2334	1762	1432	<b>1581</b>
—	—	—	—	—	—
242	169	239	195	176	<b>180</b>
2375	1828	2042	2083	2305	<b>1652</b>
—	—	—	—	—	—
—	—	—	—	—	—
1165	(163)	53	(516)	(1049)	<b>(251)</b>
106	133	89	95	95	<b>149</b>
1059	(296)	(36)	(611)	(1144)	<b>(400)</b>
(193)	—	—	—	—	—
866	(296)	(36)	(611)	(1144)	<b>(400)</b>
7	19	26	97	—	—
9022	9287	8449	7879	6801	<b>5093</b>
—	—	—	—	—	<b>22</b>
9895*	9010*	8439*	7365*	5657*	<b>4671*</b>
482	482	482	482	482	<b>482</b>
80	78	78	82	82	<b>98</b>
9333	8450	7879	6801	5093	<b>4091</b>
1.36**	(0.43)**	(0.02)**	(0.80)**	(1.78)**	<b>(0.62)**</b>
0.75**	0.75**	0.75**	0.75**	0.75**	<b>0.75**</b>

# STANDARD INDUSTRIES LTD.

## DIRECTORS' REPORT

To

The Members,

Standard Industries Limited.

Your Directors hereby present the 118th Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2015.

### FINANCIAL RESULTS

	<b>Current Year</b> <b>01.04.2014 to</b> <b>31.03.2015</b> (₹ in lakhs)	<i>Previous Year</i> <i>01.04.2013 to</i> <i>31.03.2014</i> (₹ in lakhs)
Gross Operating Profit before depreciation and tax.....	<b>(251.38)</b>	<i>(1048.65)</i>
Less: Depreciation.....	<b>148.75</b>	<i>94.88</i>
Profit before Taxes.....	<b>(400.13)</b>	<i>(1143.53)</i>
Current Tax.....	—	—
Profit after Taxes.....	<b>(400.13)</b>	<i>(1143.53)</i>
Balance brought forward from previous year.....	<b>5092.77</b>	<i>6800.77</i>
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013.....	<b>(21.32)</b>	—
Amount available for Appropriation.....	<b>4671.32</b>	<i>5657.24</i>
APPROPRIATIONS :		
Proposed Dividend on Equity Shares.....	<b>482.47</b>	<i>482.47</i>
Corporate Tax on Dividend.....	<b>98.24</b>	<i>82.00</i>
Balance of Profit & Loss A/c. carried to Balance Sheet.....	<b>4090.61</b>	<i>5092.77</i>

In view of the absence of profits in the financial year, no amount is proposed to be transferred to the General Reserve.

Your Directors recommend the following dividend for the Financial Year 1st April, 2014 to 31st March, 2015, which, if approved by the Shareholders at the forthcoming Annual General Meeting to be held on 29th September, 2015, will be paid to those Shareholders whose names appear on the Register of Members of the Company on 14th September, 2015.

	<b>Current Year</b> <b>01.04.2014 to</b> <b>31.03.2015</b> ₹	<i>Previous Year</i> <i>01.04.2013 to</i> <i>31.03.2014</i> ₹
₹ 0.75 per Equity Share of ₹ 5/- each on 6,43,28,941 Equity Shares [Previous year ₹ 0.75 per Equity Share of ₹ 5/- each on 6,43,28,941 Equity Shares].....	<b>4,82,46,705.75</b>	<i>4,82,46,705.75</i>
	<b>4,82,46,705.75</b>	<i>4,82,46,705.75</i>

### REAL ESTATE DIVISION

The Company had leasehold land of an area of 92 acres and 10 gunthas (approx. 92.25 acres) at Thane-Belapur Road, Navi Mumbai, for a term of 100 years computed from 1.8.1965. The Company had transferred and assigned to LOMA IT Park Developers Private Limited (LOMA), Singapore, an area of 30 acres located within the larger property of approx. 92.25 acres, for the remaining tenure of the lease with MIDC.

Efforts are on to assign/develop the balance portion of 62.25 acres of the Company's leasehold land for, inter-alia, establishing a large-scale industry for Information Technology, Software Unit/IT Park and in this connection proposals are on for negotiations with various parties/facilitators for the assignment/development so as to monetize the balance 62.25 acres of the Company's lease hold land at Navi Mumbai.

With tight liquidity and credit available for Indian Corporates/individuals, the Real Estate Sector continues to face a challenging environment.

The Company owns a piece or parcel of land admeasuring 5413.92 sq. mtrs. or thereabouts being C.S. No. 211 under Parel-Sewree Division. Under the Development Plan, the said property is shown as reserved for recreation ground. Under the D.C. Regulation, in lieu of the reservation for recreation ground, the Company is entitled to either the market value of the land or Transferable Development Rights (TDR) benefits.

#### **TRADING DIVISION**

For the Financial Year under review, i.e. April, 2014 to March, 2015, the Company has achieved a Textile Trading turnover of ₹ 673 lakhs in comparison with ₹ 847 lakhs for the previous Financial Year.

The Company is planning this year also to add few more products such as Cotton Sarees/Punjabi Suits (ready-to-stitch) etc. in addition to new range of Bed Sheets/Towels/Bath Mats, etc.

#### **NATURE OF BUSINESS OF THE COMPANY**

There has been no change in the nature of business of the Company.

#### **HUMAN RESOURCES**

Relations remain cordial with the employees during the year and there was all round co-operation.

#### **PARTICULARS OF EMPLOYEES**

The Company has no employees in respect of whom the information as per Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is required to be given.

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

The Company is not engaged in manufacturing activities during the year. Therefore, there is no information to submit in respect of conservation of energy and absorption of technology.

The Company has no foreign exchange earnings and outgoings during the year.

#### **FIXED DEPOSITS**

There are no outstanding deposits remaining unpaid as on 31st March, 2015. The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 and rules made thereunder.

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

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that :

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2015, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis; and
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **DETAILS OF SUBSIDIARIES**

1. Standard Salt Works Ltd.
2. Mafatlal Enterprises Limited
3. Stan Plaza Limited, a 100% subsidiary of the Company, ceased to be a subsidiary a with effect from 13th March, 2015 vide a Share Purchase Agreement executed between the Company, Stan Plaza Limited (one of its erstwhile wholly owned and non-material subsidiary companies) and Stanrose Mafatlal Investments And Finance Limited (Promoter of the Company). The Company has sold its entire equity shareholding in Stan Plaza Limited to Stanrose Mafatlal Investments And Finance Limited, on arm's length basis.

The Company has framed a "Policy for determining Material Subsidiaries" for identifying material subsidiaries. The Policy is available on the website of the Company, viz. [www.standardindustries.co](http://www.standardindustries.co).

#### **DONATIONS**

During the Financial Year, the Company has contributed a sum of ₹19.77 lakhs to various Charitable and Educational Institutions.

#### **DIRECTORS:**

##### **A) Directors and Key Managerial Personnel**

During the year the Board of Directors appointed the following Key Managerial Personnel, to inter-alia, shoulder the responsibilities in their respective



# STANDARD INDUSTRIES LTD.

fields as envisaged under the provisions of the Companies Act, 2013:

1. Shri D. H. Parekh, Executive Director
2. Smt. T. B. Panthaki, Vice President (Legal) & Company Secretary
3. Shri J. R. Shah, Chief Financial Officer

Pursuant to Article 158 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Smt. Divya P. Mafatlal is due to retire at the ensuing Annual General Meeting and is eligible for reappointment.

## **B) Declarations by Independent Directors and re-appointment**

Shri R. J. Taraporevala, Shri M. L. Apte, Shri F. M. Pardiwalla and Shri Shobhan Diwanji were appointed as Independent Directors to hold office for a term of five consecutive years from 14th August, 2014.

Declarations have been received from all the Independent Directors affirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Companies Act, 2013.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

## **SIGNIFICANT AND MATERIAL ORDERS**

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

## **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

M/s. S. U. Kapasi & Co., Chartered Accountants, are the Internal Auditors of the Company and their remuneration is approved by the Audit Committee. The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use on disposition and transactions are authorized, recorded and reported correctly.

Internal control systems are supplemented by Internal Audit Reviews, coupled with guidelines and procedures updated from time to time by the Management.

Internal control systems are established to ensure that the financial and other records are reliable for preparing financial statements.

Internal Audit System is engaged in evaluation of internal control systems. Internal audit findings and recommendations are reviewed by the Management and Audit Committee of the Board of Directors.

## **AUDITORS QUALIFICATIONS**

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective reports.

## **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

A separate statement containing the salient features of the financial statement of its subsidiaries in the prescribed form (AOC -1) is annexed to the financial statements of the Company.

## **EXTRACT OF THE ANNUAL RETURN**

The extracts of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in Form MGT-9 in **Annexure A** of this Report.

## **FORMAL ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board, based on recommendations of the Nomination and Remuneration Committee, has carried out an annual performance evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and that of the individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link <http://www.standardindustries.co/FamiliarizationProgrammeForIndependentDirectors.aspx>

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year 4 Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report. The gap between the meetings was within the period prescribed under Section 173 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

## **AUDIT COMMITTEE**

The Audit Committee constituted by the Board of Directors of the Company comprises 3 Independent Non-Executive Directors :

Shri F. M. Pardiwalla	—	Chairman
Shri R. J. Taraporevala	—	Member
Shri M. L. Apte	—	Member

## **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES**

Vigil Mechanism/Whistle Blower Policy has been formulated with a view to provide a mechanism for

Directors and Employees of the Company to approach the Audit Committee of the Board of Directors of the Company or any member of such Audit Committee. It aims to provide a platform for the Whistle Blower to raise concerns on serious matters regarding ethical values, probity and integrity or any violation of the Company's Code, including the operations of the Company. The said Code has been displayed on the Company's website [www.standardindustries.co](http://www.standardindustries.co)

There have been no cases of frauds reported to the Audit Committee/Board during the year under review.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women in the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

There have been no complaints received during the year.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises Shri R. J. Taraporevala, Chairman, Shri M. L. Apte, Shri F. M. Pardiwalla, Shri K. J. Pardiwalla and Shri Shobhan Diwanji, Members. The Committee has laid down the Company's Policy on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other related matters.

Pursuant to Section 134(3)(e), Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company's Policy on Directors appointment & remuneration is attached as **Annexure B** to this Report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the Notes to the Financial Statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, is disclosed in Form No. AOC-2 (Please refer **Annexure C** to the Directors' Report). The Company has framed a Policy on Related Party Transactions. The same is available on the website of the Company, viz. [www.standardindustries.co](http://www.standardindustries.co)

#### **DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The requisite details relating to ratio of remuneration, percentage increase in remuneration etc. as stipulated under the above Rules are annexed as **Annexure D** to this Report.

#### **SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s. Ratan Kapadia & Associates, to undertake the secretarial audit of the Company. Report of the Secretarial Auditor is annexed herewith as **Annexure E**.

#### **RISK MANAGEMENT POLICY**

During the year, your Directors have constituted a Risk Management Committee. The main responsibility of the Committee is to recognize the core principles/policy for managing risks that the Organisation faces such as liquidity, regulatory, property market transparency, macroeconomic, competition and demand risks and adopting measures to ensure that there is an adequate risk management infrastructure in place capable of addressing those risks.

#### **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges a separate Report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed.

#### **MANAGEMENT DISCUSSIONS AND ANALYSIS**

Pursuant to Clause 49 of the Listing Agreement a Management Discussion and Analysis Report is annexed to this Report.

#### **INSURANCE**

All the properties/assets including buildings, furnitures/fixtures, etc. and insurable interests of the Company are adequately insured.

#### **AUDITORS**

It is proposed to appoint M/s. Deloitte Haskins & Sells LLP, the existing statutory auditors of the Company for the current year.

In terms of Section 139 of the Companies Act, 2013 the members are requested to appoint Auditors for the current year. The Auditors have confirmed their eligibility under Section 141 of the Act & the Rules framed thereunder for reappointment as Auditors of the Company. As required under Clause 49 of the Listing Agreement, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

For and on behalf of the Board

**PRADEEP R. MAFATLAL**  
Chairman

Mumbai

Dated : 29th May, 2015.

# STANDARD INDUSTRIES LTD.

## ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2015

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS :

i.	<b>CIN</b>	L17110MH1892PLC000089
ii.	<b>Registration Date</b>	25th January, 1892
iii.	<b>Name of the Company</b>	STANDARD INDUSTRIES LIMITED
iv.	<b>Category/Sub-Category of the Company</b>	Public Company Limited by Shares
v.	<b>Address of the Registered Office and contact details</b>	Plot No. 4, TTC Industrial Area, Thane Belapur Road, PO Millenium Business Park, Navi Mumbai - 400 710 Tel. : 91 22 6516 2883, 6516 2890 Fax : 91 22 2778 0175 E-Mail : standardgrievances@rediffmail.com
vi.	<b>Whether listed company</b>	Yes
vii.	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	M/s. Sharepro Services (India) Pvt. Ltd., 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai - 400 072. Tel. Nos. : (022) 67720300/400 Fax No. : (022) 2859 1568 E-mail : sharepro@shareproservices.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Real estate activities	68100	90%
2.	Polyster cotton grey fabrics	46411	10%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Standard Salt Works Ltd. 912 Alishan Awaas, Diwali Baugh, Athwa Lines Nanpura, Surat 395 001. Gujarat.	U24110GJ1979PLC003315	Subsidiary	100%	Sec 2(87)
2.	Mafatlal Enterprises Limited 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai 400 005. Maharashtra.	U24242MH1995PLC089649	Subsidiary	100%	Sec 2(87)
3.	Stan Plaza Limited 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai 400 005. Maharashtra.	U24100MH1996PLC098394	Ceased to be a subsidiary w.e.f. 13th March, 2015	—	—

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2014)				No. of Shares held at the end of the year (31-03-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A) Promoters</b>									
<b>(1) Indian</b>									
(a) Individuals/H.U.F	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	12926487	0	12926487	20.10	12948487	0	12948487	20.13	0.03
(e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A)(1)</b>	<b>12926487</b>	<b>0</b>	<b>12926487</b>	<b>20.10</b>	<b>12948487</b>	<b>0</b>	<b>12948487</b>	<b>20.13</b>	<b>0.03</b>
<b>(2) Foreign</b>									
(a) Non Resident Individuals	13555	0	13555	0.02	13555	0	13555	0.02	0.00
(b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (A)(2)</b>	<b>13555</b>	<b>0</b>	<b>13555</b>	<b>0.02</b>	<b>13555</b>	<b>0</b>	<b>13555</b>	<b>0.02</b>	<b>0.00</b>
<b>Total shareholding of Promoters (A)=(A)(1)+(A)(2)</b>	<b>12940042</b>	<b>0</b>	<b>12940042</b>	<b>20.12</b>	<b>12962042</b>	<b>0</b>	<b>12962042</b>	<b>20.15</b>	<b>0.03</b>
<b>(B) Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Fund	3892	64167	68059	0.11	3892	64167	68059	0.11	0.00
(b) Banks/Financial Institutions	1337603	16292	1353895	2.10	1337603	16292	1353895	2.10	0.00
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	1782803	560	1783363	2.77	1782803	560	1783363	2.77	0.00
(g) Foreign Institutional Investors	97119	3000	100119	0.16	97119	3000	100119	0.16	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>	<b>3221417</b>	<b>84019</b>	<b>3305436</b>	<b>5.14</b>	<b>3221417</b>	<b>84019</b>	<b>3305436</b>	<b>5.14</b>	<b>0.00</b>
<b>(2) Non Institutions</b>									
(a) Bodies Corporate									
i) Indian	2899969	54327	2954296	4.59	3284725	54111	3338836	5.19	0.60
ii) Overseas	0	25000000	25000000	38.86	0	25000000	25000000	38.86	0.00
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	11051464	2137487	13188951	20.50	10524839	2074354	12599193	19.59	-0.92
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6470600	0	6470600	10.06	6613002	0	6613002	10.28	0.22
(c) Others (specify)									
Non resident individuals	458340	11276	469616	0.73	499156	11276	510432	0.79	0.06
<b>Sub-Total (B)(2)</b>	<b>20880373</b>	<b>27203090</b>	<b>48083463</b>	<b>74.74</b>	<b>20921722</b>	<b>27139741</b>	<b>48061463</b>	<b>74.71</b>	<b>-0.03</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>24101790</b>	<b>27287109</b>	<b>51388899</b>	<b>79.88</b>	<b>24143139</b>	<b>27223760</b>	<b>51366899</b>	<b>79.85</b>	<b>-0.03</b>
<b>(C) Shares held by Custodians for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL (A) + (B) + (C)</b>	<b>37041832</b>	<b>27287109</b>	<b>64328941</b>	<b>100.00</b>	<b>37105181</b>	<b>27223760</b>	<b>64328941</b>	<b>100.00</b>	<b>0.00</b>

# STANDARD INDUSTRIES LTD.

## (ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	No. of Shares held at the beginning of the year (01-04-2014)			No. of Shares held at the end of the year (31-03-2015)			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1.	Stanrose Mafatnal Investments And Finance Limited	12404487	19.28	0.00	12404487	19.28	0.00	0.00
2.	Shanudeep Private Limited	500000	0.78	0.00	500000	0.78	0.00	0.00
3.	Shri Pradeep Rasesh Mafatnal	13555	0.02	0.00	13555	0.02	0.00	0.00
4.	Sheiladeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
5.	Vinadeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
6.	Gagalbhai Investments Private Limited	0	0.00	0.00	11000	0.02	0.00	0.02
7.	Pradeep Investments Private Limited	0	0.00	0.00	11000	0.02	0.00	0.02
	<b>TOTAL</b>	<b>12940042</b>	<b>20.12</b>	<b>0.00</b>	<b>12962042</b>	<b>20.15</b>	<b>0.00</b>	<b>0.03</b>

## (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2014)		Remarks	Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
1.	Gagalbhai Investments Private Limited	0	0.00	As per the Disclosure Received	11,000	0.02
2.	Pradeep Investments Private Limited	0	0.00		11,000	0.02

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2014)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Satin Limited	25000000	38.86	—	—	25000000	38.86
2.	Tushad K. Cooper	1439199	2.24	—	—	1439199	2.24
3.	Life Insurance Corporation of India	1311631	2.04	—	—	1311631	2.04
4.	The Oriental Insurance Company Limited	1128472	1.75	—	—	1128472	1.75
5.	The New India Assurance Company Limited	529316	0.82	—	—	529316	0.82
6.	Krishna C. Tandon (HUF)	407643	0.63	—	—	407643	0.63
7.	Krishna Chandra Tandon	406773	0.63	—	—	406773	0.63
8.	Jay Anand Stock Broking (P) Ltd.	348006	0.54	—	—	348006	0.54
9.	Sarojini Krishna Tandon	318217	0.49	—	—	318217	0.49
10.	New Consolidated Construction Co. Limited	250650	0.39	350	Purchase	260000	0.40
				9000	Purchase		

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2014)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Shri P. R. Mafatlal	13555	0.02	—	—	13555	0.02
2.	Shri R. J. Taraporevala	3482	0.01	—	—	3482	0.01
3.	Shri M. L. Apte	2300	0.00	—	—	2300	0.00
4.	Shri F. M. Pardiwalla	4650	0.01	—	—	4650	0.01
5.	Shri K. J. Pardiwalla	—	—	—	—	—	—
6.	Smt. Divya P. Mafatlal	—	—	—	—	—	—
7.	Shri D. H. Parekh	—	—	—	—	—	—
8.	Shri Shobhan Diwanji	—	—	—	—	—	—
9.	Smt. T. B. Panthaki	1175	0.00	—	—	1175	0.00
10.	Shri J. R. Shah	300	0.00	—	—	300	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

# STANDARD INDUSTRIES LTD.

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD Manager	
		Shri D. H. Parekh	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	22,45,833	22,45,833
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	8,66,039	8,66,039
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission — as % of profit — others	—	—
5.	Others	—	—
	Total (A)	31,11,872	31,11,872
	Ceiling as per Act	In view of losses sustained by the Company, the remuneration is as per Schedule V of the Companies Act, 2013.	

### B. Remuneration to other Directors:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri R. J. Taraporevala	Shri M. L. Apte	Shri F. M. Pardiwalla	Shri Shobhan Diwanji	
1.	Independent Directors					
	• Fee for attending board committee meetings	0.80	2.00	2.60	1.20	6.60
	• Commission					
	• Others, please specify					
	Total (1)	0.80	2.00	2.60	1.20	6.60
		Shri P. R. Mafatlal	Shri K. J. Pardiwalla	Smt D. P. Mafatlal		
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	1.60	1.60	0.80		4.00
	• Commission					
	• Others, please specify					
	Total (2)	1.60	1.60	0.80		4.00
	Total (B)=(1+2)					10.60
	Total Managerial Remuneration					
	Overall ceiling as per the Act					

**C. Remuneration to Key Managerial Personnel other than MD/Manger/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Smt T. B. Panthaki (Vice President (Legal) & Company Secretary)	Shri J. R. Shah Chief Financial Officer	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	10,21,129	6,37,798	16,58,927
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	32,400	—	32,400
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961			
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission — as % of profit — others			
5.	Others	—	—	—
	Total (A)	10,53,529	6,37,798	16,91,327
	Ceiling as per Act			

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any
<b>A. Company</b>					
Penalty Punishment Compounding			NONE		
<b>B. Directors</b>					
Penalty Punishment Compounding			NONE		
<b>C. Other Officers in Default</b>					
Penalty Punishment Compounding			NONE		



## ANNEXURE B TO THE DIRECTORS' REPORT

### POLICY ON DIRECTORS APPOINTMENT & REMUNERATION

#### *Nomination & Remuneration Policy*

The Remuneration Committee of Standard Industries Limited ("the Company") was constituted on 9th December, 2002. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board on May 13, 2014 renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

#### OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement.

The Key Objectives of the Committee would be:

- a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

#### DEFINITIONS

**(a) Key Managerial Personnel:** Key Managerial Personnel means—

- i. Chief Executive Officer or the Managing Director or the Manager
- ii. Company Secretary
- iii. Chief Financial Officer and
- iv. such other officer as may be prescribed.

**(b) Senior Management:** Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the Executive Directors including all functional heads.

#### ROLE OF COMMITTEE

The role of the Committee inter alia will be the following:

- a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director;
- b) to recommend to the Board the appointment and removal of Senior Management;
- c) to carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance;
- d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive;
- e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;
- f) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- g) to devise a policy on Board diversity;
- h) to develop a succession plan for the Board and to regularly review the plan.

#### MEMBERSHIP

- a) The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- b) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

**COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

**SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

**VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

**NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board.

**REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate with regard to the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee.
- to consider any other matters as may be requested by the Board;

**MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

## ANNEXURE C TO THE DIRECTORS' REPORT

### FORM NO. AOC – 2

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1.	Details of contracts or arrangements or transactions not at arm's length basis: N. A.	
2.	Details of material contracts or arrangements or transactions at arm's length basis:	
(a)	Name(s) of the related party and Nature of relationship	Shanudeep Private Limited is the promoter of the Company. It holds 0.78% shares in the Company. The Chairman of the Company is also the shareholder and Chairman of Shanudeep Private Limited. His wife Smt. Divya P. Mafatlal, Director of the Company is also a Director of Shanudeep Private Limited. His mother, Smt. Pravina R. Mafatlal is also a Director and shareholder of Shanudeep Private Limited.
(b)	Nature of contracts/arrangements/ transactions	(i) Use of office premises on Leave and Licence. (ii) Availing facilities and services.
(c)	Duration of the contracts/arrangements/ transactions	(i) From 19th August, 2010 to 18th August, 2015. Extended for a period of 1 year i.e. from 19th August, 2015 to 18th August, 2016. (ii) From 21st August, 2013 to 20th August, 2016.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 4500 sq. ft. or thereabouts on the 1st Floor and 4500 sq. ft. or thereabouts on the 3rd Floor of Vijjalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai on leave and licence basis at licence fees of ₹ 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses. (ii) Availing Facilities and Services at the aforesaid premises by paying ₹ 10,89,000/- p.m. as service charges excluding applicable taxes, levies and sharing of common expenses.
(e)	Date(s) of approval by the Board, if any:	(i) 26th May, 2010 and 29th May, 2015 (ii) 21st May, 2013
(f)	Amount paid as advances, if any:	Nil

**ANNEXURE D TO THE DIRECTORS' REPORT**

**Disclosure under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

**A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the financial year 2014-15 is as follow:**

Name of the Director	Total Remuneration (₹)	Ratio of remuneration of Director to the median remuneration
D. H. Parekh	31,11,872/-	4.93

Notes.

- The Information provided above is on standalone basis.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2014-15
- Median remuneration of the Company for all its employees is ₹ 6,31,576/- for the financial year 2014-15.

**B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2014-15.**

Name	Designation	Remuneration (in ₹)		Increase %
		2014-15	2013-14	
D. H. Parekh	Executive Director	31,11,872	32,64,465	—
T. B. Panthaki	V.P. (Legal) & Company Secretary	10,53,529	8,78,942	19.86*
J. R. Shah	Chief Financial Officer	6,37,798	6,40,602	—

\*On account of perquisite not availed during the previous year which was availed during current year.

Note: Remuneration to Executive Director is within the overall limits approved by the Shareholders.

**C. Percentage increase in the median remuneration of all employees in the financial year 2014-15**

Particulars	2014-15 (₹)	2013-14 (₹)	Increase %
Median remuneration of all employees per annum	6,31,576	6,23,195	1.34

**D. Number of permanent employees on the rolls of the Company as on 31st March, 2015**

Particulars	Number of employees
Executive/Manager Cadre	13
Staff	2
Total	15

**E. Explanation on the relationship between average increase in the remuneration and Company performance:**

The increase in average remuneration of all employees in the financial year 2014-15 as compared to the financial year 2013-14 was 4.64%

The key indices of Company's performance are:

Particulars	2014-15	2013-14	₹ in lakhs
			Growth %
Net Revenue from Operations	690	943	—
(Loss) Before Tax and Exceptional items	(400)	(1,144)	65
(Loss) After tax	(400)	(1,144)	65

The Company is committed in ensuing fair pay and a healthy work environment for all its employees. The Company offers competitive compensation to its employees. The pay also incorporates external factors like cost of living to maintain concurrence with the environment. Your Company maintains a simple compensation structure.

# STANDARD INDUSTRIES LTD.

Thus, there will be a positive correlation in the increase in remuneration of employees and the Company's performance.

**F. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.**

The remuneration of Key Managerial Personnel increased by around 0.40% in 2014-15, compared to 2013-14, whereas the Loss Before Tax and exceptional items decreased by 65% in 2014-15, compared to 2013-14.

**G. Details of Share price and market capitalization:**

The details of variation in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years are as follows:

Particulars	As on 31st March, 2015	As on 31st March, 2014	Increase/ (Decrease) %
Price Earnings Ratio	<b>Negative</b>	<i>Negative</i>	Negative
Market Capitalization (₹ in crores)	<b>140.88</b>	73.91	90.60

Comparison of share price at the time of last public offer and market price of the share as on 31st March, 2015

Particulars	Amount in ₹
Market Price as on 31st March, 2015	21.90
Price at the time of last public offer in year 1994	60.00
% decrease of market price over the price at the time of last public offer	63.50%

**H. Comparison of average % increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration.**

(Amount in ₹)

Particulars	2014-15	2013-14	Increase %
Average salary of all employees	<b>6,02,589</b>	5,83,913	3.20
Key Managerial Personnel:			
Salary of Executive Director	<b>31,11,872</b>	32,64,465	—
Salary of CFO and CS	<b>16,91,327</b>	15,19,544	11.30*

\* On account of perquisite not availed during the previous year which was availed during current year.

**I. The key parameters for any variable component of remuneration availed by the Directors: Not applicable**

**J. The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None**

**K. It is affirmed that the remuneration paid is as per the Nomination and Remuneration policy of the Company.**

**ANNEXURE E TO THE DIRECTORS' REPORT****Form No. MR- 3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2015

To,  
The Members,  
**Standard Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Standard Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2015, Standard Industries Limited has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Standard Industries Limited ("the Company") for the financial year ended on 31st March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable laws of the Listing Agreements entered into by the Company with Bombay Stock Exchange and National Stock Exchange;

**I report that** during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above.

**I further report that**, there were no actions/events in pursuance of:

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

# STANDARD INDUSTRIES LTD.

requiring compliance thereof by the Company during the financial year and the Secretarial Standards issued by The Institute of Company Secretaries of India were not applicable during the year.

**I further report that**, based on the information provided by the Company, its officers and authorized representatives during the conduct of the Audit, and also the review of the quarterly compliances reports by respective department heads/company secretary taken on record by the Board of Directors of the Company, in my opinion, adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law and environmental laws.

**I further report that**, the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the Company has not carried out any events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

*Place: Mumbai*

*Date: 29th May, 2015*

MRS. RATAN KAPADIA

*FCS No: 1395*

*C P No.: 957*

## CORPORATE GOVERNANCE

### INTRODUCTION

#### Company's Philosophy on Corporate Governance

Corporate Governance aims at achieving long-term viability of business keeping in mind effective relationship with shareholders and establishing systems that help the Board in monitoring risks. Your Company has been practicing principles of good Corporate Governance over the years and has been uploading fair and ethical business and corporate practices and transparency in its dealings, laying emphasis on timely regulatory compliance.

### I. BOARD OF DIRECTORS

#### A. Composition and category of Directors is as follows:

Name of Directors	Category Executive/ Non-Executive/ Independent	No. of Board Meetings attended during 2014-2015	Whether attended AGM held on 14th August, 2014	No. of other Directorships and Committee Memberships	
				Other Directorships (including Private Companies)	Other Committee Memberships**
Shri Pradeep R. Mafatlal Chairman	Promoter Non-Executive	4	No	9*	1
Shri Russi Jal Taraporevala	Non-Executive & Independent	1	No	2	2 (1)
Shri M. L. Apte	Non-Executive & Independent	4	No	5	6
Shri F. M. Pardiwalla	Non-Executive & Independent	4	Yes	1	2 (2)
Shri K. J. Pardiwalla	Non-Executive	4	Yes	3	1
Smt Divya P. Mafatlal	Promoter Non-Executive	4	No	6	—
Shri D. H. Parekh	Executive Director	4	Yes	4	—
Shri Shobhan Diwanji	Non-Executive & Independent	4	No	2*	2

\* Including Foreign Companies.

\*\* Figure in brackets indicate Committee Chairmanships.

50% of the strength of the Board of Directors comprises Non-Executive Independent Directors.

**Note:** Smt. Divya P. Mafatlal is the wife of Shri Pradeep R. Mafatlal, Chairman of the Company.



# STANDARD INDUSTRIES LTD.

## B. Number of Board Meetings held and dates on which such Meetings were held.

Four Board Meetings were held during the Financial Year from 1st April, 2014 to 31st March, 2015. The dates of such Board Meetings are 13.05.2014, 11.08.2014, 1.11.2014 and 16.01.2015.

## II. AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors of the Company comprises 3 Independent Non-Executive Directors.

Shri F. M. Pardiwalla	..	Chairman
Shri R. J. Taraporevala	..	Member
Shri M. L. Apte	..	Member

The Vice President (Legal) & Company Secretary acts as a Secretary to the Committee. Shri P. R. Mafatlal, Chairman, Shri D. H. Parekh, Executive Director, Shri Jayantkumar R. Shah, CFO, the Statutory Auditors and Internal Auditor attend the Meetings on invitation from the Chairman of the Committee.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement and inter alia includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and examining, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Directors' report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements

- Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

During the Financial Year ended 31st March, 2015 the Audit Committee met four times. Attendance during the Financial Year is as under:

Members	Meetings attended
Shri F. M. Pardiwalla, Chairman	4
Shri R. J. Taraporevala	1
Shri M. L. Apte	4

## III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee deals with matters relating to shareholders/investors grievances viz. non-receipt of Annual Reports, non-receipt of declared Dividend and its redressal.

During the Financial Year ended 31st March, 2015, the aforesaid Committee met 4 times.

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	4
Shri R. J. Taraporevala	1
Shri P. R. Mafatlal	4
Shri F. M. Pardiwalla	4

Name and designation : Smt. T. B. Panthaki,  
of the Compliance Officer Vice President (Legal)  
& Company Secretary.

Number of Shareholders' : Nil  
Complaints received during  
the financial year 1st April,  
2014 to 31st March, 2015.

Number of complaints not : Nil  
resolved to the satisfaction  
of shareholders.

Number of pending share : Nil  
Transfers/complaints

### Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

**IV. NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration Committee comprises five Non-Executive Directors, viz. Shri Russi Jal Taraporevala, Chairman, Shri M. L. Apte, Shri F. M. Pardiwalla, Shri K. J. Pardiwalla & Shri Shobhan Diwanji.

The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down; and recommend to the Board their appointment and removal.

The aforesaid Committee met once during the Financial Year from 1st April, 2014 to 31st March, 2015.

Members	Meetings attended
Shri R. J. Taraporevala, Chairman	—
Shri M. L. Apte	1
Shri F. M. Pardiwalla (w.e.f. 11th August, 2014)	—
Shri K. J. Pardiwalla (w.e.f. 11th August, 2014)	—
Shri Shobhan Diwanji	1

**Remuneration Policy**

Payment of remuneration to the Executive Director is as per the terms of his appointment. The terms of his appointment were approved by the Nomination & Remuneration Committee, the Board and the shareholders in the year 2014. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity.

The Nomination and Remuneration Policy as approved by the Board of Directors is annexed as Annexure B to the Directors' Report.

The remuneration paid to Shri D. H. Parekh, Executive Director, during the Financial Year, is as under:  
(₹ in lakhs)

	Salary	Per- quisites	Contri- butions	Total
Shri D. H. Parekh	24.88	5.10	7.42*	37.40

\* Includes the Company's contribution to Provident Fund, Superannuation Fund & Gratuity.

**Performance Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement, the Board, based on recommendations of the Nomination and Remuneration Committee, has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance at the meetings, professional conduct, participation and contribution, independence of judgment safeguarding the interest of the Company and its stakeholders including minority shareholder, etc. Performance evaluation of Executive Director was carried out on parameters such as contribution towards strategic planning, compliance and governance, rewards and recognition, leadership, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

**V. INDEPENDENT DIRECTORS' COMMITTEE**

The Independent Directors' Committee comprises the following Directors:

Shri Russi Jal Taraporevala	.. Member
Shri M. L. Apte	.. Member
Shri F. M. Pardiwalla	.. Member
Shri Shobhan Diwanji	.. Member

The Independent Directors met once during the financial year viz. on 11th August, 2014, inter-alia, to consider

- the performance for Non-Independent Directors and the Board as a whole;
- the performance of the Chairman of the Company
- assessing the quality, quantity and timeliness of flow of information.

**VI. INVESTMENT COMMITTEE**

The Investment Committee is vested with powers to invest an amount not exceeding ₹ 125 crores from the excess funds available with the Company in Initial Public Offers (IPOs), purchase of shares from Secondary Markets, Mutual Funds/Fixed Deposits with various Banks, etc. The said Committee has been formed under the provisions of Section 179(3) of the Companies Act, 2013.

The Investment Committee comprises two Directors, viz. Shri Pradeep R. Mafatlal and Shri K. J. Pardiwalla. The Committee met four times during the Financial Year i.e. 13.05.2014, 11.08.2014, 1.11.2014 and 16.01.2015.

**VII. RISK MANAGEMENT COMMITTEE**

During the Financial Year under review, a detailed exercise on Business Risk Management was carried

# STANDARD INDUSTRIES LTD.

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

The Risk Management Committee comprises the following Directors/Senior Management Officials:

Shri F. M. Pardiwalla	..	Chairman
Shri K. J. Pardiwalla	..	Director (Member)
Shri D. H. Parekh	..	Executive Director (Member)
Smt. T. B. Panthaki	..	Vice President (Legal) & Company Secretary (Member)

The Company has laid down a Risk Management Policy and the Risk Management Committee implements, monitors and reviews the Risk Management Plan. The Policy lays down the role and responsibilities of the Risk Management Committee.

## VIII. CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for the Directors as also for the Members of Senior Management. The said Code has been communicated to all the Directors and Members of the Senior Management and they have affirmed their compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Executive Director of the Company, forms part of this Report.

A copy of the Code has been put on the Company's website [www.standardindustries.co](http://www.standardindustries.co).

## IX. DIRECTORS' REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED 31st MARCH, 2015

Name of the Directors	Remuneration paid during April, 2014 to March, 2015			No. of shares held as on 31.03.2015
	Sitting Fees ₹	Salary & Perks ₹	Total ₹	
Shri Pradeep R. Mafatlal, Chairman	1,60,000	-	1,60,000	13,555
Shri Russi Jal Taraporevala	80,000	-	80,000	3,482
Shri M. L. Apte	2,00,000	-	2,00,000	2,300
Shri F. M. Pardiwalla	2,60,000	-	2,60,000	4,650
Shri K. J. Pardiwalla	1,60,000	-	1,60,000	-
Smt. Divya P. Mafatlal	80,000	-	80,000	-
Shri D. H. Parekh, Executive Director	-	37,40,436*	37,40,436*	-
Shri Shobhan Diwanji	1,20,000	-	1,20,000	-
<b>TOTAL</b>	<b>10,60,000</b>	<b>37,40,436</b>	<b>48,00,436</b>	

\* Includes the Company's contribution to Provident Fund; Superannuation Fund & Gratuity.

The Company does not pay any remuneration to its Non-Executive Directors, apart from Sitting Fees paid to them for the Board Meetings and Committee Meetings attended by them during the year.

No fixed component and performance linked incentives have been paid or is payable to Directors for the year under review.

The tenure of appointment of the Executive Director is for a period of 3 years ending 1st August, 2017. Either party is entitled to terminate the appointment by giving 3 months' Notice from either side or by giving him 3 months' salary in lieu of Notice.

## X. SHAREHOLDERS INFORMATION

### (a) Location and time where the last 3 AGM/EGM were held:

Year	AGM	Location	Date and Time
2013-2014	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	14-08-2014 at 1.00 p.m.
2012-2013	AGM	---do---	14-08-2013 at 3.00 p.m.
2011-2012	AGM	---do---	14-08-2012 at 3.00 p.m.

### (b) Whether any Special Resolutions were passed in the previous 3 Annual General Meetings:

Year	Special Resolutions
2013-2014	Re-appointment of Shri D. H. Parekh as an Executive Director for a period of 3 years w.e.f. 2nd August, 2014.
2012-2013	Payment of commission not exceeding 1% of the net profits of the Company to the Non-Executive Directors of the Company for a period of 5 years commencing from 1st October, 2012.
2011-2012	None

### (c) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern:

No Special Resolution was put through postal ballot during the year under review. As of date, the Company does not have any proposal for postal ballot.

## XI. DISCLOSURES

(a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the Directors or the Management, their subsidiaries

or relative etc. that may have potential conflict with the interests of the Company at large:

None of the transactions with any of the related parties were in conflict with the interest of the Company.

Transactions with the related parties are disclosed in Note No. 25(e) to the 'Notes on Accounts' annexed to the Financial Statements for the year under review.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

None

- (c) Whistle Blower Policy

The Company has formulated a Vigil Mechanism/Whistle Blower Policy with a view to provide a mechanism for Directors and employees to approach the Audit Committee or any member of Audit Committee. During the year under review no employee was denied access to the Audit Committee.

- (d) The Company has complied with all the mandatory requirements of clause 49 in respect of corporate governance.

The following non-mandatory requirements have been adopted by the Company.

- (a) Auditor's Report does not contain any qualifications.
- (b) The Company has appointed separate persons to the posts of Chairman and Executive Director.
- (c) The Internal Auditors report directly to the Audit Committee.

## **XII. MEANS OF COMMUNICATION**

The Board of Directors of the Company approves and takes on record the Unaudited Quarterly Results and Audited Annual Results in the proforma prescribed by the Stock Exchanges and announces forthwith the results to all the Stock Exchanges where the shares of the Company are listed. The same are published within 48 hours in Free Press Journal (Mumbai edition) and Nav Shakti (Mumbai edition) and are also uploaded on the Company's website [www.standardindustries.co](http://www.standardindustries.co)

The Management Discussion and Analysis Report forms part of the Annual Report.

## **XIII. GENERAL SHAREHOLDERS' INFORMATION**

### **1. Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate

Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L17110MH1892PLC000089.

### **2. Annual General Meeting**

**Date & Time** : 29th September, 2015  
at 3.00 p.m.

**Venue** : The Park Navi Mumbai,  
Plot No.1, Sector 10,  
CBD Belapur,  
Navi Mumbai - 400 614.

### **3. Financial Calendar (tentative)**

Financial Reporting : Mid August, 2015.  
for the Quarter  
ended 30th  
June, 2015.

Financial Reporting : Mid November, 2015.  
for the Quarter  
ended 30th  
September, 2015.

Financial Reporting : Mid February, 2016.  
for the Quarter  
ended 31st  
December, 2015.

Financial Reporting : End May, 2016.  
for the Year ending  
31st March, 2016.

Annual General Meeting for the year ending 31st March, 2016. : August/September, 2016.

4. **Book Closure Date** : 15.9.2015 to 29.9.2015  
(both days inclusive)

5. **Dividend Payment Date** : 7th October, 2015.

6. **Listing of Equity Shares on the Stock Exchanges** : 1. Bombay Stock Exchange Limited,  
P. J. Towers,  
Dalal Street, Fort,  
Mumbai-400 023.
2. National Stock Exchange of India Ltd.  
Exchange Plaza,  
5th Floor, Plot No. C/1,  
G Block, Bandra-Kurla  
Complex, Bandra (E),  
Mumbai-400 051.

The Company has paid Listing Fees to the above Stock Exchanges upto 31st March, 2016.

# STANDARD INDUSTRIES LTD.

## 7. Stock Code

(a)	Stock Exchange	Stock Code
1.	Bombay Stock Exchange Limited, P. J. Towers, Dalal Street, Fort, Mumbai – 400 023.	530017
2.	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	SIL
(b)	Demat ISIN Numbers in NSDL & CDSL for Equity Shares.	INE 173A01025

8. **Stock Market Data** : Please see Annexure “1”

9. **Stock performance** : Please see Annexure “2”

10. **Registrar & Share Transfer Agents (R & STA)** : Sharepro Services (India) Pvt. Ltd.  
13 AB, Samhita Warehousing Complex,  
2nd floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka, Andheri (East),  
Mumbai – 400 072.  
Tel. No. 67720300/400  
E-mail: sharepro@shareproservices.com  
Fax No. 28591568.  
All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & STA at the above address.

11. **Share Transfer System** : Shares sent for transfer in physical form are registered by the Registrar & Share Transfer Agents M/s. Sharepro Services (India) Pvt. Ltd. and are transferred within 15 days from the date of receipt, if documents are in order in all respects. Shares under objections are returned within 15 days of the receipt.

12. **Requirement of PAN for transfer of shares, etc. in physical form** In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.

## 13. Distribution of Shareholdings as on 31st March, 2015:

No. of Equity Shares held	No. of Share-holders	No. of Shares held	% Share-holding
1 to 50	14,751	3,92,667	0.61
51 to 100	6,257	5,27,064	0.82
101 to 200	5,227	8,28,539	1.29
201 to 500	5,095	17,95,687	2.79
501 to 1000	2,010	16,29,685	2.53
1001 to 5000	1,750	41,77,354	6.50
5001 to 10000	294	21,54,790	3.35
10001 & above	291	5,28,23,155	82.11
<b>TOTAL</b>	<b>35,675</b>	<b>6,43,28,941</b>	<b>100.00</b>

## 14. Categories of Shareholding as on 31st March, 2015:

Categories	No. of Share-Holders	No. of Shares held	% Share-holding
Promoters/ Group Companies	7	1,29,62,042	20.15
Public/Pvt. Limited Companies	437	33,38,836	5.19
Insurance Companies	7	17,83,363	2.77
Public Financial Institutions/Banks	23	13,53,895	2.10
Mutual Funds/UTI	14	68,059	0.11
Foreign Institutional holding	2	1,00,119	0.16
NRIs/OCBs	181	2,55,10,432	39.65
Resident Individuals	35,004	1,92,12,195	29.87
<b>TOTAL</b>	<b>35,675</b>	<b>6,43,28,941</b>	<b>100.00</b>

## 15. Dematerialisation of shares and liquidity:

57.60% of the total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2015. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 8th May, 2000, as per notification issued by the Securities and Exchange Board of India (SEBI). All shares held by Promoters/Promoter Group Companies have been dematerialised.

## 16. Address for Correspondence

### i. Investor correspondence of transfer/dematerialisation of shares and any other query relating to shares of the Company:

#### For Shares held in Physical Form

Sharepro Services (India) Pvt. Ltd.  
13 AB, Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka,  
Andheri (East), Mumbai-400 072.  
Tel. No. : 67720300/400

E-mail : sharepro@shareproservices.com  
Fax No. : 28591568

#### For Shares held in Dematerialised Form To the Depository Participant

ii. **Any query on Annual Report:**  
 Standard Industries Limited,  
 Secretarial Department,  
 Plot No. 4, TTC Industrial Area,  
 Thane Belapur Road,  
 P. O. Millenium Business Park,  
 Navi Mumai-400 710.  
 Tel. No. : 91 22 6516 2883, 6516 2890  
 Fax: No. : 91 22 2778 0175  
 E-mail : standardgrievances@rediffmail.com

like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by you.

To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with Sharepro Services (India) Pvt. Ltd. (Unit: Standard Industries Limited), 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072.

**17. Green Initiative**

As part of the Green Initiative in Corporate Governance and as permitted by the Companies Act, 2013, listed companies are allowed to send Notice and Financial Statements through electronic mode. In view of the above and as part of the Company's Green Initiative, we propose to send documents

**ANNEXURE – “1”**

Month	Month's High Price		Month's Low Price		No. of Shares Traded		Value ₹ (in lakhs)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
April 2014	16.25	16.25	10.90	10.50	361884	142846	48.43	20.05
May 2014	17.43	17.10	12.32	12.60	342055	142583	50.51	20.79
June 2014	19.70	19.75	15.55	15.60	476206	128277	85.94	23.23
July 2014	21.40	21.60	17.30	17.25	445967	194356	87.03	37.63
Aug. 2014	17.95	18.00	16.10	16.20	126238	54255	21.48	9.27
Sept. 2014	20.10	20.10	16.60	16.00	240333	207156	43.65	38.25
Oct. 2014	17.80	18.05	16.10	15.70	111948	39348	18.92	6.62
Nov. 2014	17.60	17.45	16.05	15.85	148040	85107	24.72	14.21
Dec. 2014	19.95	19.80	16.20	16.45	271312	133542	48.17	23.53
Jan. 2015	23.65	23.60	17.90	17.90	345071	208485	71.13	42.77
Feb. 2015	21.15	21.25	18.15	17.65	152842	55129	29.91	10.69
March 2015	21.90	22.05	17.85	18.00	367530	207417	73.50	42.62

**ANNEXURE – “2”**

**SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES –  
 BSE SENSEX AND NSE NIFTY**

(a) SIL share price performance relative to BSE Sensex based on share price on 31st March, 2015.

Period	Share price	Sensex	Relative to Sensex
01.04.2014 to 31.03.2015	+ 100.92%	+ 24.50%	+ 76.42%

(b) SIL share price performance relative to NSE Nifty based on share price on 31st March, 2015.

Period	Share price	Nifty	Relative to Nifty
01.04.2014 to 31.03.2015	+ 107.04%	+ 26.18%	+ 80.86%

# STANDARD INDUSTRIES LTD.

## DECLARATION OF COMPLIANCE TO THE CODE OF CONDUCT BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

To

The Directors,  
Standard Industries Limited

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Executive Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors.

I confirm that the Company has in respect of the financial year ended 31st March, 2015, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

D. H. PAREKH  
Executive Director

*Mumbai*  
*Dated : 28<sup>th</sup> April, 2015*

---

## AUDITORS' CERTIFICATE

To the Members of  
Standard Industries Limited

We have examined the compliance of conditions of Corporate Governance by Standard Industries Limited (the Company) for the year ended March 31, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with the stock exchanges.

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

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

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

For Deloitte Haskins & Sells LLP  
*Chartered Accountants*  
(Firm's Registration No. 117366W/W-100018)

A. SIDDHARTH  
*Partner*  
Membership No. 31467

*Mumbai*  
*Dated : May 29, 2015*

## MANAGEMENT DISCUSSION AND ANALYSIS

### REAL ESTATE DIVISION

The fiscal year 2015 remains an extremely challenging year for the real estate business. The Company had leasehold land of an area of 92 acres and 10 gunthas (approx. 92.25 acres) at Thane-Belapur Road, Navi Mumbai, for a term of 100 years computed from 1.8.1965. The Company has transferred and assigned to LOMA IT Park Developers Private Limited (LOMA), Singapore, an area of 30 acres located within the larger property of approx. 92.25 acres, for the remaining tenure of the lease with MIDC.

### OUTLOOK

Efforts are on to assign/develop the balance portion of 62.25 acres of the Company's leasehold land for, inter-alia, establishing a large-scale Industry for Information Technology, Software Unit/IT Park and in this connection proposals are on for negotiations with various parties/facilitators for the assignment/development so as to monetize the balance 62.25 acres of the Company's leasehold land at Navi Mumbai.

### INDUSTRY OVERVIEW

The property market in India has traditionally been unorganized and fragmented. However, the recent past has seen a consolidation of positions in the market as developers are stretching their capacities to the maximum in order to meet the growing market demand, which in turn has encouraged large projects with sourced financing.

Whilst the Indian real estate market still lacks transparency and liquidity compared to more mature real estate markets, the increasing requirements of multi-national occupiers, as well as the influx of international property consultancies has led to the introduction of greater availability of market information, both in published and private form pushing the sector to an organized market form.

### COMPANY OVERVIEW

The various segments which may be broadly classified for Company's business are Information Technology Parks, Commercial Offices, Hospitality Projects, Malls, Banking and Financial Services, etc. whether on its own or as a joint venture/joint development or otherwise in one or more tranches in a commercially viable manner.

The major drivers supporting real estate sector include urbanization, rising income level and strong expected growth in the manufacturing and service sector.

The Company is making every possible effort to assign/develop 62.25 acres of the Company's leasehold land at Plot No. 4 situated at Trans-Thane Creek Industrial Area

in the villages of Ghansoli and Savali, Taluka Thane, District Thane.

### Strengths:

1. Significant rise in consumerism due to improvement in infrastructure facilities in Navi Mumbai.
2. Rapid urbanization.
3. Historical low cost of land
4. The Company has its presence in Navi Mumbai area since 5 decades which is fast developing. The company has huge potential to develop its realty space as desired by it. With the State and National level policies of on-going reforms to provide sufficient impetus to infrastructure construction and Real Estate activity, there may be a boom for the Real Estate Industry in the long run.
5. Easy availability of I.T and Financial Professionals in Navi Mumbai.
6. Congestion and costly office/I.T. space in Mumbai attract people to Navi Mumbai.
7. The Indian Government has allowed foreign direct investment of upto 100% under the automatic route in real estate projects. This will be for housing, townships, commercial and industrial construction to boost infrastructure activities in India.

### Weakness:

1. Tight liquidity and tight credit availability for Indian Corporates/individuals.
2. Global economic recession.
3. Fall in market demand.
4. MIDC is the Lessor of the lease-hold land held by the Company in Navi Mumbai. MIDC has stringent policies with regard to development of land, huge transfer charges and premium for the same.

### OPPORTUNITIES & CHALLENGES

1. The Company has approx. 62.25 acres of land at a very low historical cost.
2. The Company has potential to develop the realty space as desired i.e. to take up development on its own or through joint venture/joint development or outright sale of land.

### RISKS & CONCERNS

1. Liquidity problems coupled with recessionary trends in the market may lead to stagnation in development of commercial properties.



# STANDARD INDUSTRIES LTD.

2. As the Company has lease-hold land with MIDC, any drastic revision in transfer charges may be detrimental to the interest of the Company.
3. The Indian Real Estate sector is experiencing slow down in demand.

## TRADING DIVISION

For the Financial Year under review, i.e. April 2014 to March, 2015, the Company has achieved a Textile Trading turnover of ₹ 673 lakhs in comparison with ₹ 847.00 lakhs for the previous Financial Year.

## OUTLOOK

The Company is planning this year to add few more products such as Cotton Sarees/Punjabi Suits (ready-to-stitch) etc. in addition to new range of Bed Sheets/Towels/Bath Mats, etc.

### 1. SEGMENT-WISE PERFORMANCE

Segment-wise performance together with discussion on financial performance with reference to the operational performance has been dealt with in the Directors' Report which should be treated as forming part of the Management Discussion and Analysis.

### 2. INTERNAL CONTROL SYSTEMS & ADEQUACIES

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use on disposition and transactions are authorized, recorded and reported correctly.

Internal control systems are supplemented by Internal Audit Reviews, coupled with guidelines and procedures updated from time to time by the Management.

Internal control systems are established to ensure that the financial and other records are reliable for preparing financial statements.

Internal Audit System is engaged in evaluation of internal control systems. Internal audit findings and recommendations are reviewed by the Management and Audit Committee of the Board of Directors.

### 3. HUMAN RESOURCES

As on 31st March, 2015, the employees' strength (on permanent roll) of the Company is 15.

## **INDEPENDENT AUDITORS' REPORT**

TO  
THE MEMBERS OF STANDARD INDUSTRIES LIMITED

### **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of Standard Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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**

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2015, and its loss and its cash flows for the year ended on that date.

### **Emphasis of Matter**

8. We draw attention to Note 25 (n) to the Financial Statements regarding the Company's financial involvement (viz. equity investment of ₹ 60.78 lakhs and loans and advances aggregating ₹ 4058.22 lakhs) in Standard Salt Works Limited, a wholly owned subsidiary company. The Company considers no provision for any loss is currently necessary in the Financial Statements for the reasons stated in the note. Our opinion is not qualified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

# STANDARD INDUSTRIES LTD.

- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on March 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements in accordance with the generally accepted accounting practice – Also refer Note 25 (a) to the financial statements.
- (ii) The Company did not have any long-term contracts (including derivative contracts) for which a provision is required for material foreseeable losses under the applicable law or accounting standards.
- (iii) There are no amounts that are due to be transferred during the year to the Investor Education and Protection Fund by the Company.

For Deloitte Haskins & Sells LLP  
*Chartered Accountants*  
(Firm's Registration No.: 117366W/W-100018)

A. SIDDHARTH  
Partner  
Membership No.: 31467

Mumbai,  
Dated: May 29, 2015

---

## ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

### (REFERRED TO IN PARAGRAPH 9 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS' SECTION OF OUR REPORT OF EVEN DATE ON THE ACCOUNT OF STANDARD INDUSTRIES LIMITED ("THE COMPANY") FOR THE YEAR ENDED MARCH 31, 2015)

- (i) In respect of its fixed assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (ii) In respect of its inventories:
- (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management were 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 has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Act, and accordingly, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the Company.
- (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 weakness in such internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits, and accordingly, the provisions of clause

- (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government under Section 148 of the Act, are not applicable to the Company.
- (vii) According to the information and explanation given to us and the records of the Company examined by us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth-tax, Service Tax, Customs duty, Excise duty, Value Added Tax, cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of the aforesaid dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- (b) There were no dues of Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Value Added Tax and Cess, as applicable, which have not been deposited as at March 31, 2015 on account of any dispute with the relevant authorities. The details of dues of Income Tax and Duty of Excise which have not been deposited as at March 31, 2015 on account of any disputes are given below:
- (c) There are no amounts that are required to be transferred during the year to the Investor Education and Protection Fund by the Company, and accordingly, the provisions of clause (viic) of paragraph 3 of the Order are not applicable to the Company.
- (viii) The Company does not have accumulated losses at the end of the financial year and the Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has neither taken any loan from financial institutions, banks nor have issued any debentures during the year, and accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (xi) According to the information and explanations given to us, the Company has not obtained any term loans during the year, and accordingly, the provisions of clause (xi) of paragraph 3 of the Order are not applicable to the Company.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no significant fraud on the Company or no fraud by the Company was noticed or reported during the year.

Name of statute	Nature of the dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-Tax Act, 1961	Income-tax	39.95	2008-09	Appellate Authority – Commissioner level
Central Excise Act, 1944	Excise duty	106.93	1996-97 to 1998-99	Appellate Authority – Commissioner level
	Excise duty	175.11	1981-82 to-1983-84, 1983-84 to-1987-88, 1994-1995 and 1996-97 to- 1999-2000	Appellate Authority – Tribunal level
	Excise duty	138.87	1996-97 to-1997-1998, and 1999-2000	Appellate Authority – Assistant/Deputy Commissioner level
	Excise duty	129.37	1995-96 to-1997-1998	High Court of Bombay

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No.: 117366W/W-100018)

A. SIDDHARTH  
Partner

Membership No.: 31467

*Mumbai,*  
*Dated: May 29, 2015*

# STANDARD INDUSTRIES LTD.

## BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No.	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share capital .....	3	3216.45	3216.45
(b) Reserves and surplus .....	4	7647.07	8649.23
		<b>10863.52</b>	<b>11865.68</b>
<b>2. Non-Current Liabilities</b>			
(a) Long-term provisions .....	5	24.43	24.14
<b>3. Current Liabilities</b>			
(a) Trade payables.....	6	183.91	138.50
(b) Other current liabilities.....	7	401.12	403.56
(c) Short-term provisions.....	8	1246.52	1227.64
		<b>1831.55</b>	<b>1769.70</b>
Total.....		<b>12719.50</b>	<b>13659.52</b>
<b>II. ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible assets .....		1511.65	1698.74
(ii) Capital work-in-progress.....		1090.89	1090.89
		<b>2602.54</b>	<b>2789.63</b>
(b) Non-current investments.....	10	93.79	208.93
(c) Long-term loans and advances.....	11	6181.06	6735.51
(d) Other non-current assets.....	12	785.99	482.83
		<b>9663.38</b>	<b>10216.90</b>
<b>2. Current Assets</b>			
(a) Current investments.....	13	70.09	364.75
(b) Inventories .....	14	39.01	62.61
(c) Property under development.....	15	2209.68	2209.68
(d) Trade receivables .....	16	206.52	178.63
(e) Cash and cash equivalents .....	17	346.34	421.71
(f) Short-term loans and advances .....	18	161.66	197.98
(g) Other current assets .....	19	22.82	7.26
		<b>3056.12</b>	<b>3442.62</b>
Total.....		<b>12719.50</b>	<b>13659.52</b>

See accompanying notes forming part of the financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. SIDDHARTH  
Partner

Mumbai, Dated: May 29, 2015

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

JAYANTKUMAR R. SHAH  
Chief Financial Officer

Mumbai, Dated: May 29, 2015

For and on behalf of Board of Directors

P. R. MAFATLAL  
Chairman

M. L. APTE  
F. M. PARDIWALLA  
K. J. PARDIWALLA  
S. I. DIWANJI

D. H. PAREKH  
Executive Director

} Directors

**STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	Note No.	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
<b>(I) INCOME</b>			
(a) Revenue from operations.....	20	689.91	942.82
(b) Other income.....	21	891.28	488.78
Total.....		<u>1581.19</u>	<u>1431.60</u>
<b>(II) EXPENSES</b>			
(a) Purchase of traded goods.....		619.90	776.05
(b) Changes in Inventory of Stock-in-trade.....	22	23.60	29.02
(c) Employee benefits expenses.....	23	179.78	175.64
(d) Reversal of Sale of Transferable Development Rights [Refer Note 25(m)] .....		—	403.80
(e) Depreciation .....	9	148.75	94.88
(f) Other expenses .....	24	1009.29	1095.74
Total.....		<u>1981.32</u>	<u>2575.13</u>
<b>(III) (LOSS) BEFORE TAXES (I-II) .....</b>		<b>(400.13)</b>	<b>(1143.53)</b>
<b>(IV) TAX EXPENSE</b>			
Current tax .....		—	—
<b>(V) (LOSS) FOR THE YEAR (III-IV) .....</b>		<b>(400.13)</b>	<b>(1143.53)</b>
<b>(VI) EARNINGS PER SHARE - BASIC AND DILUTED ₹ .....</b>		<b>(0.62)</b>	<b>(1.78)</b>
Nominal value per share ₹ [Refer Note 25(g)] .....		5.00	5.00
<b>See accompanying notes forming part of the financial statements</b>			

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. SIDDHARTH  
Partner

Mumbai, Dated: May 29, 2015

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

JAYANTKUMAR R. SHAH  
Chief Financial Officer

Mumbai, Dated: May 29, 2015

For and on behalf of Board of Directors

P. R. MAFATLAL  
Chairman

M. L. APTE  
F. M. PARDIWALLA  
K. J. PARDIWALLA  
S. I. DIWANJI

D. H. PAREKH  
Executive Director

} Directors

# STANDARD INDUSTRIES LTD.

## CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(i) <b>(Loss) before Taxes</b> .....	<b>(400.13)</b>	<b>(1143.53)</b>
Adjustments for:		
Depreciation .....	148.75	94.88
Profit on sale of fixed assets (net).....	(217.23)	(0.02)
Reversal of Sale of transferable development rights....	—	403.80
Profit on Sale of long-term investment.....	(108.67)	—
Profit on Sale of long-term Investment in Subsidiary...	(5.00)	—
Dividend on current Investments.....	(12.34)	(12.25)
Dividend on long-term Investments .....	(3.96)	(3.83)
Interest income on fixed deposits with banks .....	(33.09)	(105.91)
Interest income from loan to subsidiaries.....	(476.84)	(277.02)
Interest income on inter corporate deposits.....	—	(71.58)
	<b>(708.38)</b>	<b>28.07</b>
(ii) <b>Operating (Loss) before working capital changes</b>	<b>(1108.51)</b>	<b>(1115.46)</b>
Changes in working capital:		
Decrease/(Increase) in trade and other receivables ....	5.28	(1346.07)
Decrease in inventories.....	23.60	32.23
Increase/(Decrease) in trade and other payables .....	49.46	(35.12)
	<b>78.34</b>	<b>(1348.96)</b>
	<b>(1030.17)</b>	<b>(2464.42)</b>
Direct taxes Refund received/(paid) .....	16.17	(47.97)
NET CASH FLOW (USED IN) OPERATING ACTIVITIES (A).....	<b>(1014.00)</b>	<b>(2512.39)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets .....	(17.06)	(7.01)
Sale of fixed assets .....	251.31	0.06
Purchase of current investments .....	(692.34)	(905.32)
Purchase of long-term investments .....	—	(25.00)
Sale of current investments.....	987.00	1340.00
Sale of long-term investments .....	218.81	—
Sale of long-term investment in Subsidiary.....	10.00	—
Loans and advances given to related parties.....	—	(3044.45)
Loan and advances repaid back by related parties .....	531.48	80.63
Dividend on current investments .....	12.34	12.25
Dividend on long-term investments .....	3.96	3.83
Balance in Earmarked accounts.....	(6.39)	4.81
Interest income on fixed deposits with banks.....	33.80	125.24
Interest income from loan to related parties .....	157.41	—
Interest income on Inter corporate deposits .....	—	71.58
Inter corporate deposit received back.....	—	3500.00
NET CASH FLOW FROM INVESTING ACTIVITIES (B).....	<b>1490.32</b>	<b>1156.62</b>

**CASH FLOW STATEMENT (Contd.)**  
**FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Dividend paid .....	(476.08)	(483.12)
Corporate dividend tax paid.....	(82.00)	(82.00)
NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C) .....	<u>(558.08)</u>	<u>(565.12)</u>
NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C).....	<b>(81.76)</b>	(1920.89)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR.....	<b>386.19</b>	2307.08
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR.....	<u><b>304.43</b></u>	<u>386.19</u>

Notes:

- Components of cash and cash equivalents include cash and bank balances (Refer Note 17 forming part of the financial statement).
- Cash and cash equivalents excludes deposits having bank lien against which bank guarantee has been issued by the bank to the excise authorities on behalf of the Company for a period exceeding 12 months aggregating to ₹105.23 lakhs and accordingly the same has been disclosed in 'Other non-current assets in the Note 12'.
- Reconciliation of Cash and cash equivalents with the financial statement.  

Cash and cash equivalents as per financial statement (Refer Note 17).....	346.34	421.71
Less: Earmarked accounts (Unpaid dividend accounts) not considered as Cash and cash equivalents as defined in AS 3 'Cash Flow Statements' .....	41.91	35.52
Cash and Cash equivalents at the end of the year .....	<u>304.43</u>	<u>386.19</u>
- The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 3 on "Cash Flow Statement".

**See accompanying notes forming part of the financial statements.**

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

A. SIDDHARTH  
Partner

Mumbai, Dated: May 29, 2015

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

JAYANTKUMAR R. SHAH  
Chief Financial Officer

Mumbai, Dated: May 29, 2015

For and on behalf of Board of Directors

P. R. MAFATLAL  
Chairman

M. L. APTE  
F. M. PARDIWALLA  
K. J. PARDIWALLA  
S. I. DIWANJI

D. H. PAREKH  
Executive Director

} Directors



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 1:

#### Corporate Information

Standard Mills Company Limited was incorporated in the year 1892 under the Indian Companies Act, 1882. In line with the diverse nature of its business, it had changed its name from Standard Mills Company Limited to STANDARD INDUSTRIES LIMITED, ('the Company') in October 1989. The Company was engaged in the business of manufacturing textiles, chemicals and garments. With a change in focus, the Company further diversified into Real Estate Business. Presently, the Company is in the business of Real Estate and Trading in Textiles and Chemicals.

### Note 2:

#### Significant Accounting Policies:

##### (a) Basis of accounting and preparation of financial statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

##### (b) Use of Estimates:

The preparation of the financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Differences between actual results and estimates are recognized in the year in which the results are known/materialized.

##### (c) Inventories:

Inventories (Traded Goods) are valued at lower of cost and net realizable value.

##### (d) Cash and cash equivalents (for purposes of Cash Flow Statement):

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

##### (e) Cash flow statement:

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

##### (f) Property under Development:

Property under development represents leasehold land converted into stock-in-trade on the basis of lower of the cost and fair value as valued by external valuers on the date of conversion.

##### (g) Depreciation Policy:

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line-method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for Computers (Desktop, Laptops, etc.) has been assessed for 6 years based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

##### (h) Revenue Recognition:

Revenue from sale of products is recognised net of returns and on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods. Sales exclude sales tax and value added tax. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive the same is established. Revenue (income) is recognized when no significant uncertainty as to determination/realization exists.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)****Note 2: (Contd.)****(i) Fixed Assets:**

Fixed Assets are stated at cost of acquisition or construction and include amounts added on revaluation less accumulated depreciation and impairment loss.

Fixed Assets viz. land, buildings, plant and machinery as on December 31, 1984 had been revalued on the basis of their current replacement price as on December 31, 1985 and related factors. Accordingly, they were stated at revalued cost

**(j) Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using closing rates of exchange. Exchange differences arising thereon and on realization/payment of foreign exchange are accounted, in the relevant year, as income or expense.

**(k) Investments:**

Current Investments are carried at lower of cost and fair value. Long-term (non-current) investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognize the decline.

**(l) Employee Benefits:**

- (i) Contributions payable to the Company's Provident fund and Superannuation Fund, which is defined contribution scheme, are charged to revenue.
- (ii) The Company's liability for Gratuity funds is defined benefit scheme, which is funded through Trust set-up by the Company. The difference between the actuarial valuation for Gratuity and the balance in the Fund maintained by Trust as at the year-end is provided for in the accounts.
- (iii) Liability in respect of compensated absences is charged on the basis of actuarial valuation as at the year-end.

**(m) Segment reporting:**

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

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

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

**(n) Taxes on Income:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same. [Also refer note 25(h)].

Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-tax Act, 1961, is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI)

**(o) Impairment of Assets:**

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) on 'Impairment of Assets'. An impairment loss is charged to the Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### (p) Provisions and Contingencies:

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

### (q) Doubtful Debts/Advances:

Provision is made in the accounts for debts/advances which are considered doubtful of recovery.

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 3:</b>		
<b>Share Capital</b>		
Authorized:		
15,00,00,000 Equity Shares of ₹ 5/- each .....	7500.00	7500.00
	<u>7500.00</u>	<u>7500.00</u>
Issued, Subscribed and Paid-up		
6,43,28,941 Equity Shares of ₹ 5/- each fully paid-up.....	3216.45	3216.45
Total.....	<u>3216.45</u>	<u>3216.45</u>

Notes:

(i) Details of Equity Shares held by each shareholder holding more than 5% Equity shares.

Name of the Equity Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Stanrose Mafatlal Investments & Finance Limited ....	1,24,04,487	19.28	1,24,04,487	19.28
Satin Limited .....	2,50,00,000	38.86	2,50,00,000	38.86

(ii) Reconciliation of the number of Equity Shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
	No. of fully paid Equity Shares	₹ in Lakhs	No. of fully paid Equity Shares	₹ in Lakhs
Equity Shares outstanding at the beginning of the year .....	6,43,28,941	3216.45	6,43,28,941	3216.45
Fresh issue of Equity Shares .....	—	—	—	—
Equity Shares outstanding at the end of the year.....	6,43,28,941	3216.45	6,43,28,941	3216.45

(iii) All Equity Shares carry similar voting rights and have an equal right to dividends and in case of repayment of capital.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS** (Contd.)

	<b>As at March 31, 2015 ₹ in Lakhs</b>	<i>As at March 31, 2014 ₹ in Lakhs</i>
<b>Note 4:</b>		
<b>Reserves and Surplus</b>		
(a) Capital Redemption Reserve:		
As per last Balance Sheet.....	12.00	12.00
(b) Securities Premium Account:		
As per last Balance Sheet.....	2526.90	2526.90
(c) Revaluation Reserve:		
As per last Balance Sheet.....	13.56	13.56
(d) General Reserve:		
As per last balance Sheet.....	1004.00	1004.00
(e) Surplus in Statement of Profit and Loss		
Balance at the beginning of the year .....	5092.77	6800.77
Less: Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013 [Refer Note 25 (o)] .....	(21.32)	—
Less:(Loss) for the year .....	(400.13)	(1143.53)
	4671.32	5657.24
Less: Proposed Dividend on Equity Shares .....	482.47	482.47
Corporate Tax on Dividend .....	98.24	82.00
	580.71	564.47
Closing Balance .....	4090.61	5092.77
Total.....	7647.07	8649.23
 <b>Note 5:</b>		
<b>Long Term Provisions</b>		
Provision for employee benefits		
– For Compensated Absences .....	1.86	1.57
– For Gratuity [Refer Note 25(p)] .....	22.57	22.57
Total....	24.43	24.14
 <b>Note:</b>		
The Company did not have any long-term contracts including derivative contracts for which any provision was required for foreseeable losses.		
 <b>Note 6:</b>		
<b>Trade Payables</b>		
(a) Total Outstanding dues of Micro, Small and Medium Enterprises [Refer Note 25(b)] .....	—	—
(b) Total Outstanding dues of other than Micro, Small and Medium Enterprises.....	183.91	138.50
Total....	183.91	138.50

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 7:</b>		
<b>Other Current Liabilities</b>		
(a) Unpaid Dividends .....	41.91	35.52
(b) Other Payables		
(i) Statutory Liabilities .....	194.54	192.36
(ii) Payable on account of Fixed Assets .....	136.57	136.57
(iii) Advance from Customers [Including ₹ 2.20 lakhs (Previous year ₹ 2.20 lakhs) trade deposit received] .....	13.79	14.85
(iv) Others [Refer Note 25(q)] .....	14.31	24.26
Total....	<u>401.12</u>	<u>403.56</u>

### Note 8:

#### Short-term Provisions

(a) Provision for employee benefits		
(i) For Compensated Absences .....	29.48	26.84
(ii) For Gratuity [Refer Note 25(p)] .....	5.06	5.06
(b) Others:		
(i) For Income-tax (Net of Provisions) .....	47.61	47.61
(ii) Proposed Dividend on Equity shares.....	482.47	482.47
(iii) Corporate Dividend Tax .....	98.24	82.00
(iv) For Disputed Rent [Refer Note 11 and 25(a)(vii)] .....	583.66	583.66
Total....	<u>1246.52</u>	<u>1227.64</u>

### Note 9:

#### FIXED ASSETS

₹ in Lakhs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
	As at April 1, 2014	Additions	Deduction	As at March 31, 2015	Up to March 31, 2014	For the year	Adjustment [Refer Note 25(o)]	Deduction	Up to March 31, 2015	As at March 31, 2015
<b>(I) Tangible Assets (Owned)</b>										
(a) Freehold Land [Refer Note 25(m)]	24.42	—	—	24.42	—	—	—	—	—	24.42
(Previous Year).....	(24.42)	—	—	(24.42)	—	—	—	—	—	(24.42)
(b) Buildings	1469.46	—	43.79	1425.67	222.94	23.73	—	12.46	234.21	1191.46
(Previous Year).....	(1467.26)	(2.20)	—	(1469.46)	(199.02)	(23.92)	—	—	(222.94)	(1246.52)
(c) Plant and Equipment	188.45	2.17	0.28	190.34	110.69	12.27	0.19	0.05	123.10	67.24
(Previous Year).....	(187.21)	(1.91)	(0.67)	(188.45)	(101.66)	(9.66)	—	(0.63)	(110.69)	(77.76)
(d) Furniture and Fixtures	188.96	—	—	188.96	78.43	41.07	—	—	119.50	69.46
(Previous Year).....	(186.78)	(2.18)	—	(188.96)	(66.56)	(11.87)	—	—	(78.43)	(110.53)
(e) Office Equipments	62.05	0.50	—	62.55	21.49	8.46	15.84	—	45.79	16.76
(Previous Year).....	(61.23)	(0.82)	—	(62.05)	(18.46)	(3.03)	—	—	(21.49)	(40.56)
(f) Vehicles	501.77	14.39	12.93	503.23	302.82	63.22	5.29	10.41	360.92	142.31
(Previous Year).....	(501.77)	—	—	(501.77)	(256.42)	(46.40)	—	—	(302.82)	(198.95)
Total	2435.11	17.06	57.00	2395.17	736.37	148.75	21.32	22.92	883.52	1511.65
(Previous Year).....	(2428.67)	(7.11)	(0.67)	(2435.11)	(642.12)	(94.88)	—	(0.63)	(736.37)	(1698.74)
<b>(II) Capital Work-In-Progress:</b>										
(a) Assets under Construction										1090.89
(Previous Year)										(1090.89)

Note:  
(1) Buildings include ₹ 1158.36 lakhs (Previous year ₹ 1202.15 lakhs) being the cost of ownership flats. The Company holds 150 Shares (Previous year 175 Shares) of the aggregate face value of ₹ 0.08 lakh (Previous year ₹ 0.09 lakh) in Co-operative Societies under the bye-laws of Societies. The shares in respect of certain flats are yet to be received

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 10:</b>		
<b>Non-Current Investments (At Cost)</b>		
Other Investments (non-trade)		
Investments in Equity shares		
<b>(I) Of Subsidiaries (Unquoted)</b>		
(a) Standard Salt Works Limited [Refer Note 25(n)]		
223 Equity Shares of the face value of ₹ 100/- each fully paid-up.....	0.89	0.89
46,777 Equity Shares of the face value of ₹ 100/- each ₹ 30/ per share paid-up.....	59.89	59.89
(b) Stan Plaza Limited		
Nil (Previous year 50007) Shares of the face value of ₹ 10/- each fully paid-up sold during the year.....	—	5.00
(c) Mafatlal Enterprises Limited		
50,007 Equity Shares of the face value of ₹ 10/- each fully paid-up.....	5.00	5.00
	<u>65.78</u>	<u>70.78</u>
<b>(II) Of Other Companies (Quoted)</b>		
(a) Nocil Limited		
13,320 Equity Shares of face value of ₹ 10/- each....	0.17	0.17
(b) Stanrose Mafatlal Investment and Finance Limited		
19,009 Equity Shares of face value of ₹ 10/- each.....	19.15	19.15
(c) Finolex Industries Limited		
Nil (Previous year 20,000) Equity Shares of face value of ₹10/- each sold during the year.....	—	11.44
(d) HDFC Bank Limited		
Nil (Previous year 8,750) Equity Shares of face value of ₹ 2/- each sold during the year.....	—	44.05
(e) State Bank of India		
Nil (Previous year 2,400) Equity Shares of face value of ₹ 10/- each sold during the year.....	—	38.16
(f) HDFC Limited		
Nil (Previous year 2,000) Equity Shares of face value of ₹ 2/- each sold during the year.....	—	16.49
	<u>19.32</u>	<u>129.46</u>
<b>(III) Of Other Companies (Unquoted)</b>		
(a) Stanrose Mafatlal Lubechem Limited		
200 Equity Shares of face value of ₹ 5/- each*.....	—	—
(b) Syngenta India Limited		
2,000 Equity Shares of face value of ₹ 10/-each.....	8.69	8.69
	<u>8.69</u>	<u>8.69</u>
Total.....	<u><u>93.79</u></u>	<u><u>208.93</u></u>

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Note:

	Cost ₹ in Lakhs	Market Value ₹ in Lakhs
Aggregate of quoted investments	19.32	27.83
Previous year	129.46	182.92
Aggregate of unquoted investments	74.47	
Previous year	79.47	
Total.....	<u>93.79</u>	
Previous year.....	<u>208.93</u>	

\* The cost of these shares as on March 31, 2015/March 31, 2014 is ₹ 1

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 11:</b>		
<b>Long-Term Loans and Advances</b>		
(Unsecured, considered good)		
(a) Security Deposits.....	23.47	23.44
(b) Loan to subsidiary companies [Refer Note 25(e),(l) and (n)] .....	3961.37	4673.00
(c) Loan to Group company .....	197.74	—
(d) Advance Tax (Net of Provisions).....	264.52	415.59
(e) Amounts deposited against disputed rent [Refer Note 8 and 25(a)(vii)] .....	1153.26	1153.26
(f) Other Loan and Advances		
(i) Balance with Government authorities (Includes deposit paid under protest to Excise authorities etc.).....	335.99	350.46
(ii) Advance to creditors:		
— Considered good	100.31	100.31
— Considered doubtful	109.88	109.88
Less: Provision	<u>109.88</u>	<u>109.88</u>
(iii) Others (Refer Note below) .....	144.40	19.45
Total.....	<u>6181.06</u>	<u>6735.51</u>

**Note:**

Includes Income-tax refund receivable for various Assessment years. The Company has preferred appeal against Assessment orders passed by the Income-tax department for various adjustments/ disallowances.

**Note 12:**

### Other Non-Current Assets

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
(Unsecured, considered good)		
(a) Interest accrued on unsecured loan to subsidiary [Refer Note 25(e) & (n)] .....	680.76	377.60
(b) Fixed Deposits with banks-under lien .....	105.23	105.23
Total.....	<u>785.99</u>	<u>482.83</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 13:</b>		
<b>Current Investments</b>		
(unquoted-at cost)		
<b>Investments in Mutual Funds (Unquoted)</b>		
(a) HDFC Cash Management Fund 112777.926 units (Previous year 106407.402) of ₹ 10/- each.....	11.31	10.67
(b) Templeton India Cash Management Fund 112180.713 units (Previous year 3474316.619) of ₹ 10/- each.....	11.23	347.73
(c) Birla Sun Life Cash Manager Fund 47357.801 Units (Previous year 6325.347) of ₹ 100/- each.....	47.55	6.35
Total.....	<u>70.09</u>	<u>364.75</u>
<b>Note 14:</b>		
<b>Inventories</b>		
(at lower of cost and net realisable value)		
Stock-in-trade (Traded Goods).....	39.01	62.61
Total.....	<u>39.01</u>	<u>62.61</u>
<b>Note 15:</b>		
<b>Property under Development</b>		
(at lower of cost and net realisable value)		
As per Last Balance Sheet.....	2209.68	2209.68
Total.....	<u>2209.68</u>	<u>2209.68</u>
<b>Note 16:</b>		
<b>Trade Receivables</b>		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment:		
— Considered good .....	109.29	4.21
— Considered doubtful .....	381.73	381.73
Less : Provision.....	<u>381.73</u>	<u>381.73</u>
	—	—
(b) Others (considered good).....	97.23	174.42
Total.....	<u>206.52</u>	<u>178.63</u>



# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 17:</b>		
<b>Cash and Cash Equivalents</b>		
(Refer note below)		
(a) Cash on hand.....	5.15	5.70
(b) Balance with Banks		
(i) In current accounts.....	126.97	144.69
(ii) In earmarked accounts – Unpaid dividend accounts.....	41.91	35.52
(iii) In deposits accounts.....	172.31	235.80
	<u>341.19</u>	<u>416.01</u>
Total.....	<u>346.34</u>	<u>421.71</u>
 <b>Note:</b>		
Of the above, the balances that meet the definition of cash and cash equivalent as per AS 3, aggregate (excluding earmarked accounts): .....		
	<u>304.43</u>	<u>386.19</u>
 <b>Note 18:</b>		
<b>Short-Term Loans and Advances</b>		
(Unsecured, considered good)		
(a) Loan to subsidiary company [Refer Note 25(e), (l) and (n)].....	96.85	111.25
(b) Advances to subsidiary companies [Refer Note 25(e) and (l)] .....	0.22	3.41
(c) Prepaid expenses.....	14.50	12.13
(d) Other Short-term Advances		
(i) Advance to creditors.....	25.54	50.64
(ii) Others.....	24.55	20.55
	<u>161.66</u>	<u>197.98</u>
Total.....	<u>161.66</u>	<u>197.98</u>
 <b>Note 19:</b>		
<b>Other current assets</b>		
(Unsecured, considered good)		
Interest accrued but not due on bank deposits etc.	6.55	7.26
Receivable from a Group Company	16.27	—
	<u>22.82</u>	<u>7.26</u>
Total.....	<u>22.82</u>	<u>7.26</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
<b>Note 20:</b>		
<b>Revenue from Operations</b>		
<b>(I) Sale of traded goods</b>		
(a) Cloth .....	659.97	829.35
(b) Made-Ups .....	13.14	17.55
	<u>673.11</u>	<u>846.90</u>
<b>(II) Other Operating Income</b>		
(a) Royalty received.....	16.80	15.24
(b) Refund of regulatory liability charges.....	—	80.68
	<u>16.80</u>	<u>95.92</u>
Total.....	<u><u>689.91</u></u>	<u><u>942.82</u></u>
<b>Note 21:</b>		
<b>Other Income</b>		
<b>(a) Interest Income</b>		
On Fixed Deposits with Banks.....	33.09	105.91
On Inter-corporate deposit.....	—	71.58
On Loan to Subsidiary .....	476.84	277.02
On Income-tax refund .....	21.55	—
On Others (security deposits etc.) .....	3.65	1.94
	<u>535.13</u>	<u>456.45</u>
(b) Dividend on non-current (long-term) investments .....	3.96	3.83
(c) Dividend on current investments .....	12.34	12.25
<b>(d) Other Non-operating Income</b>		
(i) Sundry Credit Balances written back.....	6.45	1.89
(ii) Profit on sale of Fixed Assets .....	217.46	0.02
(iii) Profit on sale of long-term Investments (quoted) .....	108.67	—
(iv) Profit on sale of long-term Investment in Subsidiary .....	5.00	—
(v) Provision for doubtful debts written back .....	—	13.95
(vi) Miscellaneous Income .....	2.27	0.39
	<u>339.85</u>	<u>16.25</u>
Total.....	<u><u>891.28</u></u>	<u><u>488.78</u></u>
<b>Note 22:</b>		
<b>Changes in Inventories of Stock in Trade</b>		
(a) Inventories at the end of year.....	39.01	62.61
(b) Inventories at the beginning of year.....	62.61	91.63
Net Decrease.....	<u><u>23.60</u></u>	<u><u>29.02</u></u>

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
<b>Note 23:</b>		
<b>Employee benefit expenses</b>		
(a) Salaries .....	137.96	133.96
(b) Contribution to Provident and other Funds.....	16.25	15.70
(c) Staff Welfare expense.....	25.57	25.98
Total.....	<u>179.78</u>	<u>175.64</u>
<b>Note 24:</b>		
<b>Other expenses</b>		
(a) Packing Material consumed.....	3.98	6.06
(b) Power and Fuel .....	37.19	39.85
(c) Rent.....	16.53	16.07
(d) Leave and Licence fees [Refer Note 25(f)] .....	107.74	107.74
(e) Charges for Corporate Office service and facilities [Refer Note 25(e)] .....	155.01	133.48
(f) Repairs:		
To Buildings .....	9.54	15.65
To Machinery .....	17.13	17.24
To Others .....	8.08	10.66
	<u>34.75</u>	<u>43.55</u>
(g) Insurance .....	5.07	5.34
(h) Rates and Taxes .....	55.18	116.00
(i) Stationery, Printing, Advertisement, Postage and Telegrams etc. ....	66.15	62.15
(j) Donations.....	19.77	16.52
(k) Legal and Professional fees [Also Refer Note 25(c)] .....	94.21	135.67
(l) Consulting fees.....	55.66	52.06
(m) Sundry Debit Balances written Off .....	0.21	0.35
(n) Loss on write-off of Fixed Assets.....	0.23	—
(o) Directors' Fees.....	11.91	11.46
(p) Travelling and Conveyance Expenses.....	33.12	9.39
(q) Security Charges .....	61.50	77.97
(r) Vehicle Expenses .....	63.13	57.83
(s) Temporary Manpower.....	57.14	54.99
(t) Miscellaneous Expenses.....	130.81	149.26
Total.....	<u>1009.29</u>	<u>1095.74</u>

Note: Miscellaneous expenses include fees, subscription and general charges, etc.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

	<b>As at March 31, 2015 ₹ in Lakhs</b>	<i>As at March 31, 2014 ₹ in Lakhs</i>
<b>Note 25:</b>		
<b>Additional information to the financial statements and disclosure under Accounting Standards</b>		
(a) Contingent Liabilities in respect of:		
(i) Claims against the Company not acknowledged as debts		
1. ESIC claims in respect of contractor's workers .....	19.22	19.22
2. Claims in respect of labour matters.....	112.13	124.37
The above claims are pending before various authorities/court. The Company is confident that the cases will be successfully contested.		
(ii) Uncalled liability on shares partly paid held as investments in subsidiary company. ....		
	32.74	32.74
(iii) Excise Duty, etc. Represents demands raised by Excise authorities in the matter of disputes relating to classification of ICL fabrics, captive consumption of yarn and various other matters for which appeals are pending before various appellate authorities. The Company is confident that the cases will be successfully contested.....		
	550.28	553.77
(iv) Guarantees given by Bank on behalf of Company to Government authority.....		
	105.23	105.23
(v) The Government of Maharashtra vide Notification No.ELD-2000/CR-1022(ii) NRG-1 dated April 1, 2000 and No.ELD-2001/CR-1069/ NRG-1 dated April 4, 2001 had sought to charge electricity duty on the power generated by Captive Power Plant (CPP). The Companies having CPP had petitioned the Hon'ble High Court at Mumbai against the said Notification contesting the aforesaid levy of duty. The Hon'ble High Court vide Order dated February 23, 2010 quashed and set aside the aforesaid Notification. Accordingly, the Company during the year 2009/2010, has written back the provision for the said duty provided in earlier years aggregating to ₹ 1375.74 lakhs. The Government of Maharashtra has filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court of India against the aforesaid Order of the Hon'ble High Court at Mumbai. The Company is confident of success in this SLP when heard. ....		
	1375.74	1375.74
(vi) Disputed demands of Income Tax These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Company is confident that all these cases can be successfully contested. ....		
	39.95	154.41
(vii) The Company had disputed the claim for rent, mesne profit and related interest claimed by the owner of the premises which were used by the Company in earlier years. On the application of the Company, the Hon'able High Court of Judicature at Bombay granted a stay against the unfavorable Order of the Small Causes Court and directed the Company to deposit an amount of ₹ 1,153.26 lakhs pending resolution of the related Writ Petition filed by the Company, which the Company has deposited. Out of the above the Company has already provided/paid for amounts aggregating ₹ 635.39 lakhs and the balance amount of ₹ 517.87 lakhs has not been provided as the Company is hopeful of succeeding in its Petition.....		
	1364.17	1364.17

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

	As at March 31, 2015 ₹ in Lakhs	As at March 31, 2014 ₹ in Lakhs
<b>Note 25:</b>		
<b>Additional information to the financial statements and disclosure under Accounting Standards (Contd.)</b>		
(b) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act have been given accordingly in Note 6.		
(c) Payments to Auditors*:		
(i) As Auditors .....	9.75	9.75
(ii) For Tax Audit .....	2.50	2.50
(iii) In respect of certification, etc. ....	1.45	1.45
(iv) For Taxation matters.....	21.61	16.19
(v) For expenses.....	0.25	0.10
(vi) For service tax.....	4.40	3.71
	<b>39.96</b>	<b>33.70</b>

(\* includes payment for taxation matters to an affiliated firm in view of the networking arrangement which is registered with the ICAI).

### (d) Segment Information

Information about primary business segments.

The Company's primary business segments are as follows:

- (i) Real Estate
- (ii) Trading

	Real Estate	Trading	Total (₹ in lakhs)
REVENUE.....	16.80 95.92	673.11 846.90	689.91 942.82
<b>RESULT:</b>			
Segment Result .....	(130.74) (402.34)	3.16 9.86	(127.58) (392.48)
Unallocated Corporate Expenses .....			(1163.83) (1239.83)
Operating Loss .....			(1291.41) (1632.31)
Unallocated Income.....			891.28 488.78
(Loss) after tax.....			(400.13) (1143.53)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 25:**

**Additional information to the financial statements and disclosure under Accounting Standards (Contd.)**

(d) Segment Information (Contd.)

	<b>Real Estate</b>	<b>Trading</b>	(₹ in lakhs)
	<u>Real Estate</u>	<u>Trading</u>	<u>Total</u>
<b>OTHER INFORMATION:</b>			
Segment Assets.....	<b>5719.50</b>	<b>278.84</b>	<b>5998.34</b>
	<i>7211.03</i>	<i>274.51</i>	<i>7485.54</i>
Unallocated Corporate Assets .....			<b>6721.16</b>
			<i>6173.98</i>
Total Assets.....			<b>12719.50</b>
			<i>13659.52</i>
Segment Liabilities.....	<b>476.83</b>	<b>38.11</b>	<b>514.94</b>
	<i>433.41</i>	<i>31.28</i>	<i>464.69</i>
Unallocated Corporate Liabilities .....			<b>1341.04</b>
			<i>1329.15</i>
Total Liabilities.....			<b>1855.98</b>
			<i>1793.84</i>
Capital Expenditure .....	<b>17.06</b>	—	<b>17.06</b>
	<i>7.00</i>	<i>0.11</i>	<i>7.11</i>
Depreciation.....	<b>147.54</b>	<b>1.21</b>	<b>148.75</b>
	<i>94.12</i>	<i>0.76</i>	<i>94.88</i>

Note:

- (i) The Company does not have any reportable secondary segments.
- (ii) Figures shown in *italics* are for previous year

(e) Related Party Disclosure:

(i) Names of related parties where control exists:

<b>Name of the related party</b>	<b>Relationship</b>
Standard Salt Works Limited	Subsidiary
Stan Plaza Limited	Subsidiary (upto March 13, 2015)
Mafatlal Enterprises Limited	Subsidiary

(ii) Related parties with whom transactions have taken place:

Shanudeep Private Limited      Enterprise over which key management personnel and their relatives are able to exercise significant influence.

<b>Name of the related party</b>	<b>Relationship</b>
Mr. Pradeep R. Mafatlal	Key Management Personnel
Mrs. Divya P. Mafatlal	Key Management Personnel
Mr. D. H. Parekh	Key Management Personnel

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 25:

#### Additional information to the financial statements and disclosure under Accounting Standards (Contd.)

##### (e) Related Party Disclosure: (Contd.)

##### (iii) Details of transactions with related parties:

(₹ in lakhs)

Nature of transactions	Subsidiaries	Enterprise over which key management personnel and their relatives are able to exercise significant influence	Key Management personnel	Total
<b>Leave and Licence fees</b>				
Shanudeep Private Limited .....	— (—)	107.74 (107.74)	— (—)	107.74 (107.74)
<b>Corporate Office and Service facilities</b>				
Shanudeep Private Limited .....	— (—)	155.01 (133.48)	— (—)	155.01 (133.48)
<b>Payment of common expenses</b>				
Shanudeep Private Limited .....	— (—)	32.94 (82.86)	— (—)	32.94 (82.86)
<b>Interest Income on Unsecured Loan</b>				
Standard Salt Works Limited .....	336.84 (277.02)	— (—)	— (—)	336.84 (277.02)
Stan Plaza Limited (Upto March 13, 2015) .....	140.00 (—)	— (—)	— (—)	140.00 (—)
<b>Unsecured Loan given</b>				
Standard Salt Works Limited .....	5.60 (3319.96)	— (—)	— (—)	5.60 (3319.96)
<b>Unsecured Loan received back</b>				
Stan Plaza Limited (Upto March 13, 2015) .....	513.89 (—)	— (—)	— (—)	513.89 (—)
Standard Salt Works Limited .....	20.00 (80.00)	— (—)	— (—)	20.00 (80.00)
<b>Advances Given</b>				
Stan Plaza Limited (Upto March 13, 2015) .....	1.30 (0.85)	— (—)	— (—)	1.30 (0.85)
Mafatlal Enterprises Limited .....	0.02 (0.03)	— (—)	— (—)	0.02 (0.03)
<b>Advances Received Back</b>				
Stan Plaza Limited (Upto March 13, 2015) .....	4.52 (—)	— (—)	— (—)	4.52 (—)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 25:**

**Additional information to the financial statements and disclosure under Accounting Standards (Contd.)**

(e) Related Party Disclosure: (Contd.)

(iii) Details of transactions with related parties: (Contd.)

(₹ in lakhs)

<u>Nature of transactions</u>	<u>Subsidiaries</u>	<u>Enterprise over which key management personnel and their relatives are able to exercise significant influence</u>	<u>Key Management personnel</u>	<u>Total</u>
<b>Managerial Remuneration</b> (including perquisites)				
Mr. D. H. Parekh .....	— (—)	— (—)	<b>37.40</b> (38.71)	<b>37.40</b> (38.71)
<b>Directors' Sitting Fees</b>				
Mr. Pradeep R. Mafatlal .....	— (—)	— (—)	<b>1.60</b> (1.60)	<b>1.60</b> (1.60)
Mrs. Divya P. Mafatlal .....	— (—)	— (—)	<b>0.80</b> (0.80)	<b>0.80</b> (0.80)
<b>Outstanding balance as on March 31, 2015</b>				
<b>Standard Salt Works Limited</b>				
Unsecured Loan .....	<b>4058.22</b> (4072.62)	— (—)	— (—)	<b>4058.22</b> (4072.62)
Interest accrued and not due.....	<b>680.76</b> (377.60)	— (—)	— (—)	<b>680.76</b> (377.60)
<b>Stan Plaza Limited</b>				
Unsecured Loan .....	— (711.63)	— (—)	— (—)	— (711.63)
Other payable	— (10.00)	— (—)	— (—)	— (10.00)
Advances receivable.....	— (3.22)	— (—)	— (—)	— (3.22)
<b>Mafatlal Enterprises Limited</b>				
Advances receivable.....	<b>0.22</b> (0.19)	— (—)	— (—)	<b>0.22</b> (0.19)

Notes:

- Figures shown in bracket pertains to previous year.
- There are no provisions for doubtful debts or written back during the year for debts due from or due to related parties.



# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 25:

#### Additional information to the financial statements and disclosure under Accounting Standards (Contd.)

Particulars	Year ended March 31, 2015 ₹ in Lakhs	Year ended March 31, 2014 ₹ in Lakhs
(f) Assets taken on operating lease: (Leave and Licence)		
(i) Future lease rentals in respect of premises taken on non-cancellable operating lease basis are as follows:		
Amount due within one year.....	37.10	97.20
Amount due later than one year and not later than five years.....	—	37.10
Amount due later than five years.....	—	—
(ii) Amount of lease rentals in respect of operating leases recognised in the Statement of Profit and Loss is ₹ <b>97.20 lakhs</b> (Previous year ₹ 97.20 lakhs)		
(g) Earnings per Share is calculated as follows:		
(Loss) for the year available for equity shareholders (₹ in lakhs) .....	(400.13)	(1143.53)
Weighted average number of Equity Shares-Basic and Diluted (Nos.).....	6,43,28,941	6,43,28,941
Earnings per share (₹) - Basic and Diluted .....	(0.62)	(1.78)
Nominal value per share (₹) .....	5.00	5.00
(h) Components of Deferred Tax Asset/(Liability)		
<b>Deferred Tax Liabilities:</b>		
Difference in Tax and Book Written Down Value of fixed assets	(178.41)	(129.36)
<b>Total</b>	<u>(178.41)</u>	<u>(129.36)</u>
<b>Deferred Tax Assets:</b>		
Unabsorbed Depreciation (to the extent of Deferred Tax Liability on Depreciation).....	178.41	129.36
<b>Total</b>	<u>178.41</u>	<u>129.36</u>
<b>Deferred Tax Liability/Asset</b>	—	—
(i) Expenditure in foreign currency (on accrual basis)		
(i) Travelling .....	6.46	1.25
(ii) Miscellaneous Expenses.....	0.93	1.86
Total.....	<u>7.39</u>	<u>3.11</u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS** (Contd.)

**Note 25:**

**Additional information to the financial statements and disclosure under Accounting Standards (Contd.)**

(j) Value of stores and spare-parts consumed

<b>Particulars</b>	<b>Year ended March 31, 2015</b>		<b>Year ended March 31, 2014</b>	
	<b>₹ in lakhs</b>	<b>% of total consumption</b>	<b>₹ in lakhs</b>	<b>% of total consumption</b>
Imported .....	—	—	—	—
Indigenous (Packing materials).....	<b>3.98</b>	<b>100.00</b>	6.06	100.00
Total.....	<b>3.98</b>	<b>100.00</b>	6.06	100.00

(k) Amount remitted during the financial year in foreign currency on account of Dividends

<b>Particulars</b>	<b>Year ended March 31, 2015</b>	<b>Year ended March 31, 2014</b>
Financial year to which dividend relates .....	<b>2013-14</b>	2012-13
Number of non-resident shareholders.....	<b>3</b>	3
Number of Equity Shares held by them on which dividend was due .....	<b>2,50,00,087</b>	2,50,00,087
Amount remitted in foreign currency on account of dividends (₹ in lakhs) .....	<b>187.50</b>	187.50

(l) Disclosure required by Clause 32 of the Listing Agreement (to the extent applicable)

<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>₹ in lakhs As at March 31, 2014</b>
<b>Subsidiary Companies</b>		
(i) Stan Plaza Limited (upto March 13, 2015).....	—	714.85
Maximum amount outstanding .....	—	714.85
(ii) Mafatlal Enterprises Limited .....	<b>0.22</b>	0.19
Maximum amount outstanding .....	<b>0.22</b>	0.19
(iii) Standard Salt Works Limited .....	<b>4058.22</b>	4072.62
Maximum amount outstanding .....	<b>4078.23</b>	4104.83

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 25:

#### Additional information to the financial statements and disclosure under Accounting Standards (Contd.)

- (m) The Company owns a piece of freehold land at Sewree, Mumbai admeasuring 5413.92 sq. mtrs., which was part of the land on which the Company operated a cotton textile mill in earlier years. Under the Development Plan of the Brihanmumbai Municipal Corporation (BMC), the said piece of land was under reservation as a recreation ground (RG) under the Development Control Regulations for Greater Mumbai, 1991 (DCR). Under the provisions of Maharashtra Regional and Town Planning Act, 1966, in lieu of the aforesaid reservation, the Company, at its discretion would be entitled to either the market value of the land or to Transferable Development Rights (TDR) benefits among other benefits.

As per the Notification No. TPB.432001/2174/CR-227/01/UD-11 dated June 14, 2006, issued by the Government of Maharashtra, it was clarified that in case of land belonging to cotton textile mills, the development of the mill land would be governed by DCR Rule 58(10). As per the said Rule, development of land, such as the aforesaid, need to be done in the following manner:

- 40% of the plot area can be developed by the Owner of the plot;
- 33% of the plot area needs to be earmarked for recreation ground, for which the Floor Space Index (FSI) of such earmarked plot area will be available to the Owner, and
- 27% of the plot area needs to be handed over to the Maharashtra Housing and Area Development Authorities (MHADA) in lieu of TDR to be issued to the Owner.

Accordingly, the Company has applied for compensatory FSI in accordance with the aforesaid DCR Rule.

Subsequently, pending disposal of the Company's application, DCR Rule 58(10) was again modified vide Notification No. TPB.4307/214/CR-41/2007/UD-11 dated May 2, 2009, clarifying that reserved lands of textile mills need to be handed over to the BMC in lieu of issue of only TDR for the entire land to the Owners. The Company, however is pursuing its earlier application with the authorities, as it had made its application before the modification to the Rule as aforesaid.

The Company, in any case is entitled for a minimum TDR relating to 27% of the plot area in both the aforesaid scenarios.

During the earlier year, the Company entered into a Memorandum of Understanding (MOU) dated March 26, 2012 with Stan Plaza Limited (SPL), a wholly owned subsidiary, whereby the Company agreed to transfer the 16825 Sq.ft. of TDR relating to 27% of the plot area, as aforesaid, to SPL for a consideration of ₹ 403.80 lakhs as per valuation done by expert valuers. As per the terms of the MOU, the Company, within three months of the date of the MOU, is required to obtain the Development Rights Certificate (DRC), the title document for the TDR, from the authorities and endorse the same in the name of SPL, failing which the MOU will stand cancelled. The validity of the said MOU was mutually extended from time to time, the latest extension was upto June 30, 2014.

However, in spite of the Company following-up on it's application for FSI under the DCR regulation, the Company was unable to obtain the DRC from the authorities. Due to the continuing uncertainty in the matter, the Company and SPL decided to terminate the MOU and accordingly, a deed of cancellation dated March 18, 2014 was executed by the Company and SPL.

Consequently, during the previous year, the Company has reversed the sale of TDR aggregating to ₹ 403.80 lakhs in the Statement of Profit and Loss.

- (n) The Company has an investment in a wholly owned subsidiary, namely, Standard Salt Works Limited (SSWL) aggregating to ₹ **60.78 lakhs** (*Previous year ₹ 60.78 lakhs*). The Company has given unsecured loans aggregating to ₹ **4058.22 lakhs** as at the year-end to SSWL. Out of which loan of ₹ **3961.37 lakhs** (*Previous year ₹ 3961.37 lakhs*) is interest bearing and loan of ₹ **96.85 lakhs** (*Previous year ₹ 111.25 lakhs*) is interest free. As per the latest available balance sheet of SSWL, as at March 31, 2015, its net worth has been eroded.

However, in view of the long-term strategic nature of the investment and the future growth prospects of SSWL, *inter alia*, considering substantial increase planned by SSWL in the production of Salt from Salt Pans and the expected improvement in economic conditions with respect to usage thereof, no provision for diminution in the value of the investment and for the unsecured loans is considered necessary at this stage.

- (o) During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of assets to generally align the useful life with those specified in Schedule II.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS** (Contd.)

**Note 25:**

**Additional information to the financial statements and disclosure under Accounting Standards (Contd.)**

Further, pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be NIL as on April 1, 2014, and has adjusted an amount of ₹ 21.32 lakhs against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

As a result, the depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 58.65 lakhs consequent to the change in the useful life of the assets and loss for the year higher by the like amount.

(p) Employees Retirement Benefits:

(i) The disclosures as required under the Accounting Standard 15 on "Employee Benefit" regarding the Company's gratuity plan (funded) are as follows:

Amount recognized in the Balance Sheet:

<b>Particulars</b>	<b>As at March 31, 2015</b>	<b>₹ in lakhs As at March 31, 2014</b>
Present Value of Funded Obligations.....	<b>(115.44)</b>	(104.32)
Fair Value of Plan Asset .....	<b>133.49</b>	98.25
<b>Net Asset/(Liability) .....</b>	<b>18.05</b>	(6.07)
<b>Amounts in the Balance Sheet</b>		
Liabilities* .....	<b>(27.62)</b>	(27.62)
Assets.....	<b>—</b>	—
<b>Net (Liability) .....</b>	<b>(27.62)</b>	(27.62)

*\*Retained as per management assessment*

Expenses to be recognized in Statement of Profit and Loss:

<b>Particulars</b>	<b>Year ended March 31, 2015</b>	<b>Year ended March 31, 2014</b>
Current Service Cost .....	<b>1.26</b>	1.44
Interest Cost.....	<b>9.42</b>	9.57
Expected Return on Plan Assets .....	<b>(10.95)</b>	(8.01)
Net Actuarial Loss/(Gain) recognized in year .....	<b>3.77</b>	(24.55)
<b>Total included in "Employee Benefit Expense" .....</b>	<b>3.50</b>	(21.55)

Reconciliation of Benefit Obligations and Plan Assets for the year:

<b>Change in Defined Benefit Obligation</b>		
<b>Opening Defined Benefit Obligation .....</b>	<b>104.32</b>	119.67
Current Service Cost .....	<b>1.26</b>	1.44
Interest Cost.....	<b>9.42</b>	9.57
Benefit Paid.....	<b>—</b>	(6.08)
Actuarial Loss/(Gain) .....	<b>0.44</b>	(20.28)
<b>Closing Defined Benefit Obligation .....</b>	<b>115.44</b>	104.32

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### Note 25:

#### Additional information to the financial statements and disclosure under Accounting Standards (Contd.)

Particulars	₹ in lakhs	
	Year ended March 31, 2015	Year ended March 31, 2014
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets .....	125.86	119.66
Expected Return on Plan Assets .....	10.95	8.01
Contributions.....	—	—
Benefit paid.....	—	(6.08)
Actuarial (Loss)/Gain on Plan Assets .....	(3.32)	4.27
<b>Closing Fair Value of Plan Assets .....</b>	<b>133.49</b>	<b>125.86</b>
<b>The major categories of plan assets as percentage of total plan assets:</b>		
Fund is managed by Standard Industries Limited Employees' Gratuity Fund. Composition of the plan assets is as follows:		
In State Government Securities .....	21.85	21.85
In Public Sector Undertakings Bonds .....	10.86	10.86
In Fixed Deposit and Balance with Scheduled Banks.....	67.29	67.29
	<b>Year ended March 31, 2015</b>	<b>Year ended March 31, 2014</b>
(ii) Assumptions:		
Discount rate.....	7.90%	9.03%
Rate of increase in compensation levels of covered employees.....	4.00%	4.00%
Rate of Return on Plan Assets Current .....	7.90%	8.70%

#### (iii) Experience Adjustments

Amounts for the current annual period and previous four annual periods	(₹ in lakhs)				
	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Defined Benefit Obligation ....	115.44	104.32	119.67	86.52	148.60
Plan Assets .....	133.49	98.25	92.05	86.82	145.88
Surplus / (Deficit) .....	18.05	(6.07)	(27.62)	0.30	(2.72)
Net Actuarial (Gains)/Losses Recognized in Year.....	(13.93)	(23.57)	24.26	33.18	(43.96)
Experience adjustments on plan liabilities (Gains)/Losses ..	(17.25)	(19.30)	24.63	29.06	(3.63)
Experience adjustments on plan assets Losses / (Gains)....	3.32	(4.27)	(0.37)	4.12	(40.33)

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

**Note 25:**

**Additional information to the financial statements and disclosure under Accounting Standards (Contd.)**

- (q) "Other Current Liabilities" (Note 7) includes amount aggregating to ₹ **14.28 lakhs** (Previous year ₹ 14.28 lakhs) relating to the refund of Income-tax received by the Company for Assessment year 2005-06. However, the Company has preferred appeals against the same which are pending with the Income-tax authorities. Hence, the appropriate accounting treatment for the aforesaid will be given in the accounts on disposal of the said appeals.
- (r) The figures of the previous year have been regrouped wherever necessary to correspond with those of current year.

In terms of our report attached

For Deloitte Haskins & Sells LLP  
*Chartered Accountants*

A. SIDDHARTH  
*Partner*

*Mumbai, Dated: May 29, 2015*

TANAZ B. PANTHAKI  
*Vice President (Legal)  
& Company Secretary*

JAYANTKUMAR R. SHAH  
*Chief Financial Officer*

*Mumbai, Dated: May 29, 2015*

For and on behalf of Board of Directors

P. R. MAFATLAL  
*Chairman*

M. L. APTE  
F. M. PARDIWALLA  
K. J. PARDIWALLA  
S. I. DIWANJI

D. H. PAREKH  
*Executive Director*

} *Directors*

# STANDARD INDUSTRIES LTD.

## FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of financial statement of subsidiaries/associate companies/  
joint ventures

### Part "A": Subsidiaries

Sr. No.	Particular	Standard Salt Works Limited	Mafatal Enterprises Limited
a.	Share capital	14.26	5.00
b.	Reserves & surplus	(4587.34)	(2.69)
c.	Total Assets	236.37	2.63
d.	Total Liabilities	4809.46	0.32
e.	Details of Investments (except investment in subsidiaries)	0.54	—
f.	Turnover	369.58	—
g.	(Loss)/Profit before taxation	(262.73)	(0.36)
h.	Provision for taxation	2.93	—
i.	(Loss)/Profit after taxation	(265.66)	(0.36)
j.	Proposed Dividend	—	—
k.	% of shareholding	100%	100%
l.	Names of subsidiaries which are yet to commence operation	Nil	Nil
m.	Names of subsidiaries which have been liquidated or sold during the year	<b>STAN PLAZA LIMITED</b>	

### Part "B": Associates and Joint Ventures

Statement pursuant to section 129(3) of Companies Act, 2013 related to Associate Companies and Joint Ventures

Not applicable

## **INDEPENDENT AUDITORS' REPORT**

TO  
THE MEMBERS OF  
STANDARD INDUSTRIES LIMITED

### **Report on the Consolidated Financial Statements**

1. We have audited the accompanying consolidated financial statements of Standard Industries Limited (hereinafter referred as "the Holding Company") and its subsidiaries ("the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").
4. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on these consolidated financial statements based on our

audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at March 31, 2015, and their consolidated



# STANDARD INDUSTRIES LTD.

loss and their consolidated cash flows for the year ended on that date.

## Other Matter

8. We did not audit the financial statements of three subsidiaries, whose financial statements reflect total assets (net) of ₹ 238.99 lakhs as at March 31, 2015, total revenues (net) of ₹ 473.11 lakhs and net cash inflows amounting to ₹ 39.72 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
9. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other.

## Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, based on the Comments in the auditors' reports of the Holding company and its subsidiary companies, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss,

and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary Companies, none of the directors of the Group Companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group in the consolidated financial statements in accordance with the generally accepted accounting practice – Also Refer Note 26 (a) to the consolidated financial statements;
- (ii) The Holding Company and its subsidiary companies did not have any long-term contracts (including derivative contracts) for which a provision is required for material foreseeable losses under the applicable law or accounting standards.
- (iii) There are no amounts that are due to be transferred during the year to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.

For Deloitte Haskins & Sells LLP  
*Chartered Accountants*  
(Firm's Registration No.: 117366W/W-100018)

A. SIDDHARTH  
*Partner*  
Membership No.: 31467

*Mumbai, Dated: May 29, 2015*

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS**

(Referred to in paragraph 10 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the consolidated financial statements of Standard Industries Limited ("the Holding Company") for the year ended March 31, 2015)

Our reporting on the Order includes three subsidiary companies, to which the Order is applicable, which have been audited by other auditors and our report in respect of these entities is based solely on the reports of the other auditors, to the extent considered applicable for reporting under the Order in the case of the consolidated financial statements.

- (i) In respect of the fixed assets of the Holding Company and its subsidiary companies:
  - a) The respective entities have maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
  - b) The fixed assets were physically verified during the year by the Management of the respective entities in accordance with a regular programme of verification, which, in our opinion and the opinion of the other auditors, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the respective entities, nature and value of its assets. According to the information and explanation given to us and the other auditors, no material discrepancies were noticed on such verification.
- (ii) In respect of the inventories of the Holding Company and its subsidiary companies:
  - a) As explained to us and the other auditors, the inventories were physically verified during the year by the Management of the respective entities at reasonable intervals.
  - b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures of physical verification of inventories followed by the Management of the respective entities were reasonable and adequate in relation to the size of the respective entities and the nature of their business.
- c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective entities have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
- (iii) The Holding Company and its subsidiary companies have not granted any loans secured or unsecured, during the year to companies, firms or other parties covered in the Register maintained under Section 189 of the Act, by the respective entities, and accordingly, the provisions of clause (iii) of paragraph 3 of the Order are not applicable to the respective entities.
- (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, there is an adequate internal control system in the Holding Company and its subsidiary companies commensurate with the size of the respective entities and the nature of their business, for the purchase of inventories and fixed assets and for the sale of goods, and during the course of our and the other auditors audit, no continuing failure to correct major weaknesses in such internal control system has been observed.
- (v) According to the information and explanations given to us and the other auditors, the Holding Company and its subsidiary companies have not accepted any deposits, and accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the respective entities.

# STANDARD INDUSTRIES LTD.

(vi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under Section 148 of the Act, are not applicable to the Holding Company and its subsidiary companies.

(vii) According to the information and explanations given to us and the other auditors and records of the respective entities examined by us and the other auditors, in respect of statutory dues of the Holding Company and its subsidiary companies:

a) The respective entities have generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax,

Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to the respective entities with the appropriate authorities during the year. There were no undisputed amounts payable by the respective entities in respect of such statutory dues outstanding as at March 31, 2015 for a period of more than six months from the date they became payable.

b) There were no dues of Sales Tax, Wealth Tax, Service Tax, Duty of Custom, Value Added Tax and Cess, as applicable, which have not been deposited as at March 31, 2015 on account of any dispute with the relevant authorities. The details of dues of Income Tax and Duty of Excise which have not been deposited as at March 31, 2015 on account of any disputes are given below:

Name of statute	Nature of the dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1961	Income-tax	39.95	2008-09	Appellate Authority – Commissioner level
Central Excise Act, 1944	Excise Duty	106.93	1996-97 to 1998-99	Appellate Authority – Commissioner level
	Excise Duty	175.11	1981-82 to 1983-84, 1983-84 to 1987-88, 1994-1995 and 1996-97 to 1999-2000	Appellate Authority – Tribunal level
	Excise Duty	138.87	1996-97 to 1997-1998, and 1999-2000	Appellate Authority – Assistant/Deputy Commissioner level
	Excise Duty	129.37	1995-96 to 1997-1998	High Court of Bombay

c) There are no amounts that are required to be transferred during the year to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, and accordingly, the provisions of clause (viic) of paragraph 3 of the Order are not applicable to the respective entities.

(viii) The Group does not have accumulated losses on a consolidated basis at the end of the financial year and the Group has incurred cash losses on a consolidated basis during the financial year covered by our audit and in the immediately preceding financial year.

(ix) According to the information and explanations given to us and the other auditors, the Holding

Company and its subsidiary companies has neither taken any loan from financial institutions, banks nor have issued any debentures during the year, and accordingly, the provisions of clause (ix) of paragraph 3 of the Order are not applicable to the respective entities.

(x) According to the information and explanations given to us and the other auditors, the Holding Company and its subsidiary companies have not given guarantees for loans taken by others outside of the Group from banks and financial institutions, and accordingly, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the respective entities.

(xi) According to the information and explanations given to us and the other auditors, the Holding Company and its subsidiary companies have not obtained any term loans during the year,

and accordingly, the provisions of clause (xi) of paragraph 3 of the Order are not applicable to the respective entities.

(xii) To the best of our knowledge and belief and according to the information and explanations given to us and the other auditors, no significant fraud on the Holding Company and its subsidiary companies or no fraud by the Holding Company and its subsidiary companies have been noticed or reported during the year.

For Deloitte Haskins & Sells LLP  
*Chartered Accountants*

(Firm's Registration No.: 117366W/W-100018)

A. SIDDHARTH  
*Partner*

Membership No.: 31467

*Mumbai, May 29, 2015*

# STANDARD INDUSTRIES LTD.

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No.	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
<b>I. EQUITY AND LIABILITIES</b>			
(1) SHAREHOLDERS' FUNDS			
(a) Share capital .....	2	3216.45	3216.45
(b) Reserves and surplus .....	3	3061.28	4325.21
		<b>6277.73</b>	<b>7541.66</b>
(2) NON-CURRENT LIABILITIES			
(a) Long-term Borrowings .....	4	—	640.96
(b) Long-term provisions .....	5	24.43	24.14
		<b>24.43</b>	<b>665.10</b>
(3) CURRENT LIABILITIES			
(a) Trade payables .....	6	201.97	151.71
(b) Other current liabilities .....	7	440.60	404.84
(c) Short-term provisions .....	8	1259.54	1239.07
		<b>1902.11</b>	<b>1795.62</b>
Total....		<b>8204.27</b>	<b>10002.38</b>
<b>II. ASSETS</b>			
(1) NON-CURRENT ASSETS			
(a) Fixed Assets	9		
(i) Tangible assets .....		1558.00	2006.75
(ii) Intangible assets .....		—	70.66
(iii) Capital work-in-progress .....		1090.89	1090.89
		<b>2648.89</b>	<b>3168.30</b>
(b) Goodwill on consolidation .....		50.77	50.77
(c) Non-current investments .....	10	28.01	397.37
(d) Long-term loans and advances .....	11	2240.78	2851.38
(e) Other non-current assets .....	12	105.23	105.23
		<b>5073.68</b>	<b>6573.05</b>
(2) CURRENT ASSETS			
(a) Current investments .....	13	70.63	365.29
(b) Inventories .....	14	97.66	107.34
(c) Property under development .....	15	2209.68	2209.68
(d) Trade receivables .....	16	228.09	189.83
(e) Cash and Cash Equivalents .....	17	428.31	463.96
(f) Short-term loans and advances .....	18	72.49	85.42
(g) Other current assets .....	19	23.73	7.81
		<b>3130.59</b>	<b>3429.33</b>
Total....		<b>8204.27</b>	<b>10002.38</b>

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached

For and on behalf of Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered Accountants

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

P. R. MAFATLAL  
Chairman

A. SIDDHARTH  
Partner

JAYANTKUMAR R. SHAH  
Chief Financial Officer

D. H. PAREKH  
Executive Director

Mumbai, Dated: May 29, 2015

Mumbai, Dated: May 29, 2015

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	Note No.	Year ended March 31, 2015 ₹ in lakhs	Year ended March 31, 2014 ₹ in lakhs
<b>(I) INCOME</b>			
(a) Revenue from operations.....	20	1059.49	1275.07
(b) Other income.....	21	512.97	213.19
Total....		<u>1572.46</u>	<u>1488.26</u>
<b>(II) EXPENSES</b>			
(a) Purchase of Traded Goods.....		619.90	776.05
(b) Changes in Inventories of Stock-in-trade.....	22	9.68	106.41
(c) Employee benefits expense.....	23	204.62	201.38
(d) Finance Cost.....	25	79.39	61.46
(e) Depreciation.....	9	159.63	1461.25
(f) Other expenses.....	24	1287.23	1352.30
Total....		<u>2360.45</u>	<u>3958.85</u>
<b>(III) (LOSS) BEFORE TAXES (I - II) .....</b>		<b>(787.99)</b>	<b>(2470.59)</b>
<b>(IV) GAIN ON DISPOSAL OF A SUBSIDIARY [REFER NOTE 26(I)] .....</b>		<b>130.23</b>	<b>-</b>
<b>(V) (LOSS) FOR THE YEAR BEFORE TAXES.....</b>		<b><u>(657.76)</u></b>	<b><u>(2470.59)</u></b>
<b>(VI) TAX EXPENSE</b>			
(a) Current tax.....		(1.21)	-
(b) Short provision for taxes in respect of earlier years.....		(2.93)	-
<b>(VII) (LOSS) FOR THE YEAR [V - {VI(a) + VI(b)}] .....</b>		<b><u>(661.90)</u></b>	<b><u>(2470.59)</u></b>
<b>(VIII) EARNINGS PER SHARE— BASIC AND DILUTED ₹ .....</b>		<b>(1.03)</b>	<b>(3.84)</b>
Nominal value per share ₹ .....		5.00	5.00
[Refer Note 26(g)]			

**See accompanying notes forming part of the Consolidated Financial Statements**

In terms of our report attached

For and on behalf of Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered Accountants

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

P. R. MAFATLAL  
Chairman

A. SIDDHARTH  
Partner

JAYANTKUMAR R. SHAH  
Chief Financial Officer

D. H. PAREKH  
Executive Director

Mumbai, Dated: May 29, 2015

Mumbai, Dated: May 29, 2015

# STANDARD INDUSTRIES LTD.

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Year ended March 31, 2015 ₹ in lakhs	Year ended March 31, 2014 ₹ in lakhs
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
(I) (LOSS) BEFORE TAXES .....	(657.76)	(2470.59)
<u>Adjustments for:</u>		
Depreciation	159.63	1461.25
Interest on long-term borrowings	79.39	61.46
Profit on sale of fixed assets (net)	(217.23)	(0.02)
Profit on sale of long-term Investment	(108.67)	—
Dividend on current Investments	(12.34)	(12.25)
Dividend on long-term Investments	(3.96)	(3.83)
Interest income on fixed deposits with banks	(36.26)	(106.68)
Gain on disposal of a subsidiary	(130.23)	—
Interest income on inter corporate deposits	—	(71.58)
	<u>(269.67)</u>	<u>1328.35</u>
(II) OPERATING (LOSS) BEFORE WORKING CAPITAL CHANGES.....	(927.43)	(1142.24)
<u>Changes in working capital</u>		
(Increase) in trade and other receivables .....	(43.24)	(1091.17)
Decrease in inventories.....	9.68	109.62
Increase/(Decrease) in trade and other payables .....	84.22	(336.64)
	<u>50.66</u>	<u>(1318.19)</u>
	(876.77)	(2460.43)
Direct taxes Refund received/(paid) .....	24.90	(48.09)
NET CASH FLOW (USED IN) OPERATING ACTIVITIES (A) .....	<u>(851.87)</u>	<u>(2508.52)</u>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(19.19)	(11.55)
Purchase of current investments	(692.34)	(905.32)
Purchase of long-term investments	—	(25.00)
Sale of current investments	987.00	1340.00
Sale of long-term investments	213.81	—
Sale of long-term investments in a Subsidiary Company	10.00	—
Sale of Fixed Assets	251.31	0.06
Loan to Group Company	(197.74)	—
Loan received back from body corporate	768.54	—
Balance in Earmarked accounts	(6.39)	4.81
Dividend on current investments	12.34	12.25
Dividend on long-term investments	3.96	3.83
Interest income on Fixed Deposits with Banks	36.61	126.01
Interest income on inter Corporate Deposits	—	71.58
Inter Corporate Deposit received back	—	3500.00
NET CASH FLOW FROM INVESTING ACTIVITIES (B) .....	<u>1367.91</u>	<u>4116.67</u>

**CONSOLIDATED CASH FLOW STATEMENT** (Contd.)  
**FOR THE YEAR ENDED MARCH 31, 2015**

Particulars	Year ended March 31, 2015 ₹ in lakhs	Year ended March 31, 2014 ₹ in lakhs
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Unsecured loan repayment to body corporates .....	—	(2940.00)
Dividend paid	<b>(476.08)</b>	(483.12)
Corporate Dividend Tax paid.....	<b>(82.00)</b>	(82.00)
<b>NET CASH FLOW (USED IN) FINANCING ACTIVITIES (C) .....</b>	<b>(558.08)</b>	(3505.12)
<b>NET (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C).....</b>	<b>(42.04)</b>	(1896.97)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>428.44</b>	2325.41
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR ...</b>	<b>386.40</b>	428.44

**NOTES:**

- Components of cash and cash equivalents include cash and bank balance (Refer Note 17 forming part of the consolidated financial statements).
- Cash and cash equivalents excludes deposits having bank lien against which bank guarantee has been issued by the bank to the Excise authorities on behalf of the Company for a period exceeding 12 months aggregating to ₹ **105.23 lakhs** and accordingly the same has been disclosed in 'Other non-current assets in the Note 12'.
- Reconciliation of cash and cash equivalents with the financial statement.  
Cash and cash equivalents as per financial statement (Refer Note 17) ..... **428.31**      463.96  
Less: Earmarked accounts not considered as cash and cash equivalents as defined in AS 3 'Cash Flow Statements'. ..... **41.91**      35.52  
Cash and cash equivalents at the end of the year **386.40**      428.44
- The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 3 on "cash flow statement".

**See accompanying notes forming part of the Consolidated Financial Statements**

In terms of our report attached

For and on behalf of Board of Directors

For Deloitte Haskins & Sells LLP  
Chartered Accountants

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

P. R. MAFATLAL  
Chairman

A. SIDDHARTH  
Partner

JAYANTKUMAR R. SHAH  
Chief Financial Officer

D. H. PAREKH  
Executive Director

Mumbai, Dated: May 29, 2015

Mumbai, Dated: May 29, 2015



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1:

#### Significant Accounting Policies:

##### (a) Basis of accounting and preparation of consolidated financial statement:

The consolidated financial statements of the Company and its subsidiaries (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act")/ Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

##### (b) Principles of Consolidation:

The Consolidated Financial Statements relate to Standard Industries Limited ('the Parent Company') and its wholly owned subsidiaries Standard Salt Works Limited (SSWL), and Mafatjal Enterprises Limited (MEL) (the subsidiaries), referred to as "The Group". [Refer Note 26(i)]

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 on "Consolidated Financial Statements" (AS 21) issued under Accounting Standards notified in the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements have been prepared on the following basis:

##### Investments in Subsidiaries

- i) The Financial Statements of the Group have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. Intra-group balances and intra-group transactions and unrealised profits or losses have been fully eliminated.
- ii) The difference between the cost of investment in the Subsidiaries over the Parent Company's portion of equity of the subsidiaries is recognised in the consolidated financial statement as Goodwill or Capital Reserve as the case may be.
- iii) The Financial Statements of the subsidiaries are drawn up to March 31, 2015.
- iv) Goodwill arising on consolidation is not amortised and it is tested for impairment on annual basis.
- v) The subsidiaries considered in the presentation of these consolidated financial statements are: [Refer Note 26(i)]:

Name	Country of Incorporation	Proportion of Ownership Interest as at March 31, 2015	Proportion of Ownership Interest as at March 31, 2014
Standard Salt Works Limited	India	100%	100%
Mafatjal Enterprises Limited	India	100%	100%
Stan Plaza Limited (upto March 13, 2015)	India	100%	100%

##### (c) Use of Estimates:

The preparation of the consolidated financial statements, in conformity with the generally accepted accounting principles, requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

##### (d) Inventories:

Inventories of the Parent Company are valued at lower of cost and net realizable value.

In respect of SSWL, stores and tools are acquired as and when required and treated as consumed at the time of acquisition.

##### (e) Cash and cash equivalents (for purposes of Cash Flow Statement):

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

##### (f) Cash flow statement:

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

##### (g) Property Under Development:

Property under development represents leasehold land of the Parent Company converted into stock-in-trade on the basis of lower of the cost and fair value as valued by external valuers on the date of conversion.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****(h) Depreciation policy:**

Depreciable amount for assets is the cost of asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except for Computers (Desktops, Laptops etc.) has been assessed for 6 years based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

**(i) Revenue Recognition:**

Revenue from sale of products is recognised net of returns and on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods. Sales exclude sales tax and value added tax. Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive the same is established. Revenue (income) is recognized when no significant uncertainty as to determination/realization exists.

**(j) Fixed Assets:**

Fixed Assets are stated at cost of acquisition or construction and include amounts added on revaluation less accumulated depreciation and impairment loss.

Fixed Assets of the Parent Company viz. land, buildings, plant and machinery as on December 31, 1984 had been revalued on the basis of their current replacement price as on December 31, 1985 and related factors. Accordingly, they were stated at revalued cost.

**(k) Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the original rates of exchange in force at the time the transactions are effected. At the year-end, monetary items denominated in foreign currency are reported using closing rates of exchange. Exchange differences arising thereon and on realization/payment of foreign exchange are accounted, in the relevant year, as income or expense.

**(l) Investments:**

Current Investments are carried at lower of cost and fair value. Long-term (non-current) investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognize the decline.

**(m) Employee Benefits:**

i) Contributions payable to the Parent Company's Provident fund and Superannuation Fund, which is defined contribution scheme, are charged to revenue.

ii) The Parent Company's liability for Gratuity funds is defined benefit scheme, which is funded through Trust set-up by the Parent Company. The difference between the actuarial valuation for Gratuity and the balance in the Fund maintained by Trust as at the year-end is provided for in the accounts. In case of one of the subsidiary, SSWL, provision for gratuity is made in the accounts in accordance with the provisions of Payment of Gratuity Act, 1972.

**(n) Borrowing Costs:**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**(o) Segment reporting:**

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

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

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

**(p) Taxes on Income:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation and losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realise the same. [Refer Note 26(h)].

Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-tax Act, 1961, is disclosed in accordance with the Guidance Note on Accounting for Corporate Dividend Tax issued by the Institute of Chartered Accountants of India (ICAI).

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### (q) Impairment of Assets:

At the end of each year, the Parent Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard (AS-28) 'Impairment of Assets'. An impairment loss is charged to the Statement of Profit and Loss in the year in which, an asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### (r) Provisions and Contingencies:

Provision is recognized in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

### (s) Doubtful Debts/Advances:

Provision is made in accounts for debts/advances which are considered doubtful of recovery.

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
<b>Note 2:</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
15,00,00,000 Equity Shares of ₹ 5/- each .....	7500.00	7500.00
	<u>7500.00</u>	<u>7500.00</u>
<b>Issued, Subscribed and Paid-up:</b>		
6,43,28,941 Equity Shares of ₹ 5/- each fully paid-up.....	3216.45	3216.45
Total....	<u>3216.45</u>	<u>3216.45</u>

Note:

(i) Details of Equity Shares held by each shareholder holding more than 5% shares

Name of the Equity Shareholders	As at March 31, 2015		As at March 31, 2014	
	No. of Equity Shares held	% of Holding	No. of Equity Shares held	% of Holding
Stanrose Mafatlal Investments & Finance Limited	1,24,04,487	19.28	1,24,04,487	19.28
Satin Limited .....	2,50,00,000	38.86	2,50,00,000	38.86

(ii) Reconciliation of the number of Equity Shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Year ended March 31, 2015		Year ended March 31, 2014	
	No. of fully paid Equity Shares	₹ in Lakhs	No. of fully paid Equity Shares	₹ in Lakhs
Equity Shares outstanding at the beginning of the year.....	6,43,28,941	3216.45	6,43,28,941	3216.45
Fresh issue of Equity Shares.....	—	—	—	—
Equity Shares outstanding at the end of the year...	6,43,28,941	3216.45	6,43,28,941	3216.45

(iii) All Equity Shares carry similar voting rights and have an equal right to dividends and in case of repayment of capital.

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
<b>Note 3:</b>		
<b>RESERVES AND SURPLUS</b>		
(a) Capital Reserve— Cash Subsidy		
As per last Balance Sheet.....	4.14	4.14
(b) Capital Redemption Reserve		
As per last Balance Sheet.....	12.00	12.00
(c) Securities Premium Account		
As per last Balance Sheet.....	2526.90	2526.90

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	<b>As at March 31, 2015</b>	<b>As at March 31, 2014</b>
<b>₹ in lakhs</b>	<b>₹ in lakhs</b>	<b>₹ in lakhs</b>
(d) Revaluation Reserve:		
As per last Balance Sheet.....	<b>13.56</b>	13.56
(e) General Reserve:		
As per last Balance Sheet.....	<b>1004.00</b>	1004.00
(f) Surplus in Statement of Profit and Loss		
Balance at the beginning of the year.....	<b>764.61</b>	3799.67
Less: Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013 [Refer Note 26(j)].....	<b>(21.32)</b>	—
Less: (Loss) for the year.....	<b>(661.90)</b>	(2470.59)
	<b>81.39</b>	1329.08
Less: Proposed Dividend on Equity Shares.....	<b>482.47</b>	482.47
Corporate Tax on Dividend.....	<b>98.24</b>	82.00
	<b>580.71</b>	564.47
Closing Balance.....	<b>(499.32)</b>	764.61
Total....	<b>3061.28</b>	4325.21

**Note 4:**

**LONG-TERM BORROWINGS**

(Unsecured, considered good)

Loan from body corporates.....	—	640.96
Total....	—	640.96

**Note 5:**

**LONG-TERM PROVISIONS**

Provision for employee benefits

– For Compensated Absences	1.86	1.57
– For Gratuity [Refer Note 26(i)]	<b>22.57</b>	22.57
Total....	<b>24.43</b>	24.14

Note:

The Company did not have any long-term contracts including derivative contracts for which any provision was required for foreseeable losses

**Note 6:**

**TRADE PAYABLES**

(a) Total Outstanding dues of Micro, Small and Medium Enterprises [Refer Note 26(c)].....	—	—
(b) Total Outstanding dues of other than Micro, Small and Medium Enterprises.....	<b>201.97</b>	151.71
Total....	<b>201.97</b>	151.71

**Note 7:**

**OTHER CURRENT LIABILITIES**

(a) Unpaid Dividends.....	41.91	35.52
(b) Other Payables:		
(i) Statutory Liabilities.....	<b>228.53</b>	192.58
(ii) Payable on Purchase of Fixed Assets.....	<b>136.57</b>	136.57
(iii) Advance from Customers [Including ₹ 2.20 lakhs (Previous year ₹ 2.20 lakhs) trade deposit received].....	<b>14.97</b>	21.49
(iv) Others [Refer Note 26(k)].....	<b>18.62</b>	18.68
Total....	<b>440.60</b>	404.84

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
<b>Note 8:</b>		
<b>SHORT-TERM PROVISIONS</b>		
(a) Provision for employee benefits:		
(i) For Gratuity [Refer Note 26(i)].....	18.08	16.48
(ii) For Compensated Absences.....	29.48	26.85
(b) Others:		
(i) For Income-Tax (Net of Provisions).....	47.61	47.61
(ii) Proposed Dividend on equity shares.....	482.47	482.47
(iii) Corporate Dividend Tax.....	98.24	82.00
(iv) For Disputed Rent [Refer Note 11 and 26(a)(6)].....	583.66	583.66
Total....	<u>1259.54</u>	<u>1239.07</u>

### Note 9: FIXED ASSETS

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2014	Additions	Deduction/ Adjustment (Refer Note 2)	As at March 31, 2015	Upto March 31, 2014	For the Year	Adjustment [Refer Note 26(j)]	Deduction	Upto March 31, 2015	As at March 31, 2015
<b>(I) Tangible Assets:</b>										
(a) Land [Refer Note 26(l)]..... (Previous Year).....	278.73 (278.73)	—	252.91 —	25.82 (278.73)	—	—	—	—	—	25.82 (278.73)
(b) Buildings..... (Previous Year).....	1491.74 (1489.54)	— (2.20)	43.79 —	1447.95 (1491.74)	234.48 (210.14)	24.10 (24.34)	—	12.46 —	246.12 (234.48)	1201.83 (1257.26)
(c) Plant and Equipment..... (Previous Year).....	247.89 (242.36)	4.30 (6.20)	0.28 (0.67)	251.91 (247.89)	139.27 (128.42)	20.75 (11.48)	0.19 —	0.05 (0.63)	160.16 (139.27)	91.75 (108.62)
(d) Furniture and Fixtures..... (Previous Year).....	189.50 (187.32)	— (2.18)	—	189.50 (189.50)	78.79 (66.91)	41.09 (11.88)	—	—	119.88 (78.79)	69.62 (110.71)
(e) Office Equipment..... (Previous Year).....	62.38 (61.31)	0.50 (1.07)	—	62.88 (62.38)	21.51 (18.47)	8.57 (3.04)	15.84 —	—	45.92 (21.51)	16.96 (40.87)
(f) Vehicles..... (Previous Year).....	520.12 (520.12)	14.39 —	12.93 —	521.58 (520.12)	309.57 (261.43)	65.11 (48.14)	5.29 —	10.41 —	369.56 (309.57)	152.02 (210.55)
(g) Salt Works-Reservoirs, Salt Pans..... (Previous Year).....	3791.24 (3791.24)	—	—	3791.24 (3791.24)	3791.23 (2428.86)	0.01 (1362.37)	—	—	3791.24 (3791.23)	— (0.01)
<b>Total... (Previous Year).....</b>	<b>6581.60 (6570.62)</b>	<b>19.19 (11.65)</b>	<b>309.91 (0.67)</b>	<b>6290.88 (6581.60)</b>	<b>4574.85 (3114.23)</b>	<b>159.63 (1461.25)</b>	<b>21.32 —</b>	<b>22.92 (0.63)</b>	<b>4732.88 (4574.85)</b>	<b>1558.00 (2006.75)</b>
<b>(II) Intangible Assets:</b>										
Tenancy Rights [Refer Note 26(l)]..... (Previous Year).....	70.66 (70.66)	—	70.66 —	— (70.66)	—	—	—	—	—	— (70.66)
<b>Total... (Previous Year).....</b>	<b>70.66 (70.66)</b>	<b>—</b>	<b>70.66 —</b>	<b>— (70.66)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>— (70.66)</b>
<b>(III) Capital Work-In-Progress:</b>										
Assets under Construction..... (Previous Year).....										1090.89 (1090.89)

#### Notes:

- Buildings include ₹ 1158.36 lakhs (Previous year ₹ 1202.15 lakhs) being the original cost of ownership flats. The Parent Company holds 150 shares (Previous year 175 shares) of the aggregate face value of ₹ 0.08 lakh (Previous year ₹ 0.09 lakh) in Co-operative Societies under the bye laws of Societies. The shares in respect of certain flats are yet to be received.
- Adjustment is on account of sale of wholly owned subsidiary viz., 'Stan Plaza Limited' during the year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
<b>Note 10:</b>		
<b>NON CURRENT INVESTMENTS</b>		
<b>Other Investments (Non-trade)</b>		
<b>(I) In Quoted Equity Shares</b>		
(a) Nocil Limited 13320 Equity Shares of face value of ₹ 10/- each ...	0.17	0.17
(b) Stanrose Mafatlal Investment & Finance Limited 19009 (Previous year 18989) Equity Shares of face value of ₹ 10/- each .....	19.15	19.15
(c) Finolex Industries Ltd. Nil (Previous year 20,000) Equity Shares of face value of ₹ 10/- each sold during the year.....	—	11.44
(d) HDFC Bank Limited Nil (Previous year 8,750) Equity Shares of face value of ₹ 2/- each sold during the year.....	—	44.05
(e) HDFC Limited Nil (Previous year 2,000) Equity Shares of face value of ₹ 2/- each sold during the year.....	—	16.49
(f) State Bank of India Nil (Previous year 2,400) Equity Shares of face value of ₹ 10/-each sold during the year.....	—	38.16
	<u>19.32</u>	<u>129.46</u>
<b>(II) In Unquoted Equity Shares</b>		
(a) Stanrose Mafatlal Lubechem Limited 200 Equity Shares of face value of ₹ 5/- each* .....	—	—
(b) Syngenta India Limited 2000 Equity Shares of face value of ₹ 10/- each.....	8.69	8.69
(c) Calypso Premises Private Limited Nil (Previous year 14,47,714) Equity Shares of face value of ₹ 10/- each .....	—	259.22
	<u>8.69</u>	<u>267.91</u>
Total....	<u>28.01</u>	<u>397.37</u>

Note:

	Cost ₹ in lakhs	Market value ₹ in lakhs
Aggregate of quoted investments.....	19.32	27.83
Previous year.....	129.46	182.92
Aggregate of unquoted investments .....	8.69	
Previous year.....	267.91	
Total....	<u>28.01</u>	
Previous year....	<u>397.37</u>	

\* The cost of these shares as on March 31, 2015 / March 31, 2014 is ₹ 1

**Note 11:**

**LONG-TERM LOANS AND ADVANCES**

(Unsecured, considered good)

(a) Security Deposits .....	23.47	23.44
(b) Advance Tax (Net of Provisions).....	274.47	428.52
(c) Amounts deposited against disputed rent [Refer Note 8 and 26(a)(6)].....	1153.26	1153.26
(d) Loan to Group Company.....	197.74	—

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(e) Other Loans and Advances		
(i) Balance with Government authorities ..... (includes deposit paid under protest to Excise authorities, etc.)	347.13	357.86
(ii) Loan to body corporate .....	—	768.54
(iii) Advances to Creditors		
— Considered good .....	100.31	100.31
— Considered doubtful.....	109.88	109.88
Less: Provision.....	<u>109.88</u>	<u>109.88</u>
(iv) Others (Refer Note below)	144.40	19.45
<b>Note:</b> Includes Income-tax refund receivable for various Assessment years. The Company has preferred appeal against Assessment orders passed by the Income-tax department for various adjustments/ disallowances.		
Total....	<u>2240.78</u>	<u>2851.38</u>
<b>Note 12:</b> <b>OTHER NON-CURRENT ASSETS</b> (Unsecured, considered good)		
Fixed Deposits with banks— under lien.....	105.23	105.23
Total....	<u>105.23</u>	<u>105.23</u>
<b>Note 13:</b> <b>CURRENT INVESTMENTS</b> (unquoted-at cost)		
(I) <b>Investments in Mutual Funds</b>		
(a) HDFC Cash Management Fund 112777.926 units (Previous year 106407.402) of ₹ 10/- each .....	11.31	10.67
(b) Templeton India Cash Management 112180.713 units (Previous year 3474316.619) of ₹ 10/- each .....	11.23	347.73
(c) Birla Sun Life Cash Manager 47357.801 units (Previous year 6325.347) of ₹ 100/- each .....	47.55	6.35
(II) <b>Investments in Government Securities</b>		
In National Savings Certificate.....	0.54	0.54
Total....	<u>70.63</u>	<u>365.29</u>
<b>Note 14:</b> <b>INVENTORIES</b> (at lower of cost and net realisable value)		
(a) Stock-in-trade (Including Traded goods).....	70.68	70.49
(b) Stock-in-process.....	26.98	36.85
Total....	<u>97.66</u>	<u>107.34</u>
<b>Note 15:</b> <b>PROPERTY UNDER DEVELOPMENT</b> (at lower of cost and net realisable value)		
As per last Balance Sheet.....	2209.68	2209.68
Total....	<u>2209.68</u>	<u>2209.68</u>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	<b>As at March 31, 2015 ₹ in lakhs</b>	<i>As at March 31, 2014 ₹ in lakhs</i>
<b>Note 16:</b>		
<b>TRADE RECEIVABLES</b>		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment:		
— Considered good.....	111.86	9.13
— Considered doubtful.....	381.73	381.73
Less: Provision.....	<u>381.73</u>	<u>381.73</u>
	—	—
(b) Others (considered good).....	116.23	180.70
Total....	<u>228.09</u>	<u>189.83</u>

<b>Note 17:</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
(Refer note below)		
(a) Cash on hand.....	5.21	5.77
(b) Balance with Banks:		
(i) In current accounts.....	208.88	186.87
(ii) In earmarked accounts.....		
– Unpaid dividend accounts.....	41.91	35.52
(iii) In deposits accounts.....	<u>172.31</u>	<u>235.80</u>
	423.10	458.19
Total....	<u>428.31</u>	<u>463.96</u>

Note:

Of the above, the balances that meet the definition of cash and cash equivalent as per AS 3, aggregate (excluding earmarked accounts): .....

<u>386.40</u>	<u>428.44</u>
---------------	---------------

<b>Note 18:</b>		
<b>SHORT-TERM LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
(a) Security deposits.....	1.51	1.01
(b) Prepaid expenses.....	15.35	12.36
(c) Loan to employees.....	0.71	0.61
(d) Other Short-Term Advances		
(i) Advance to Creditors.....	30.37	50.82
(ii) Others.....	<u>24.55</u>	<u>20.62</u>
Total....	<u>72.49</u>	<u>85.42</u>

<b>Note 19:</b>		
<b>OTHER CURRENT ASSETS</b>		
(Unsecured, considered good)		
(a) Interest accrued but not due on bank deposits etc.....	6.91	7.26
(b) Interest accrued and due on Government Securities.....	0.55	0.55
(c) Receivable from a Group Company.....	<u>16.27</u>	—
Total....	<u>23.73</u>	<u>7.81</u>



# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2015 ₹ in lakhs	Year ended March 31, 2014 ₹ in lakhs
<b>Note 20:</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>(I) Sale of products</b>		
(a) Traded goods		
(i) Cloth .....	659.97	829.35
(ii) Made-Ups .....	13.14	17.55
(b) Manufactured goods		
(i) Industrial Salt .....	354.78	310.25
(ii) Gypsum Salt .....	13.77	20.57
	<u>1041.66</u>	<u>1177.72</u>
<b>(II) Other Operating Income</b>		
(a) Royalty received .....	16.80	15.24
(b) Refund of regulatory liability charges .....	—	80.68
(c) Income from weigh bridge .....	1.03	1.43
	<u>17.83</u>	<u>97.35</u>
Total....	<u>1059.49</u>	<u>1275.07</u>
<b>Note 21:</b>		
<b>OTHER INCOME</b>		
(a) Interest Income		
On Fixed Deposits with Banks .....	36.26	106.68
On Inter-corporate deposit .....	—	71.58
On Income-tax refund .....	21.55	—
On Others (Security Deposits, etc.) .....	103.60	1.94
	<u>161.41</u>	<u>180.20</u>
(b) Dividend on non-current (long-term) investments .....	3.96	3.83
(c) Dividend on current investments .....	12.34	12.25
(d) Other Non-operating Income		
(i) Sundry credit balances written back .....	6.52	1.89
(ii) Profit on Sale of long-term investments (quoted) .....	108.67	—
(iii) Provision for doubtful debts written back .....	—	13.95
(iv) Profit on sale of Fixed Assets .....	217.46	0.02
(v) Excess provision of earlier years written back .....	—	0.66
(vi) Miscellaneous Income .....	2.61	0.39
	<u>335.26</u>	<u>16.91</u>
Total....	<u>512.97</u>	<u>213.19</u>
<b>Note 22:</b>		
<b>CHANGES IN INVENTORIES OF STOCK-IN-TRADE</b>		
(a) Inventories at the end of the year		
Finished Goods .....	70.68	70.49
Process Stock .....	26.98	36.85
	<u>97.66</u>	<u>107.34</u>
(b) Inventories at the beginning of the year		
Finished Goods .....	70.49	178.54
Process Stock .....	36.85	35.21
	<u>107.34</u>	<u>213.75</u>
Net Decrease	9.68	106.41

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	<b>Year ended March 31, 2015</b>	<i>Year ended March 31, 2014</i>
<b>₹ in lakhs</b>	<b>₹ in lakhs</b>	<i>₹ in lakhs</i>
<b>Note 23:</b>		
<b>EMPLOYEE BENEFITS EXPENSE</b>		
(a) Salaries .....	<b>159.07</b>	<i>156.56</i>
(b) Contribution to Provident and other Funds.....	<b>18.25</b>	<i>17.54</i>
(c) Staff Welfare.....	<b>27.30</b>	<i>27.28</i>
Total....	<u><b>204.62</b></u>	<u><i>201.38</i></u>

**Note 24:**

**OTHER EXPENSES**

(a) Stores/Spares/Packing materials consumed .....	<b>7.55</b>	<i>6.06</i>
(b) Power and Fuel .....	<b>87.90</b>	<i>79.51</i>
(c) Labour charges .....	<b>43.30</b>	<i>36.01</i>
(d) Rent.....	<b>20.77</b>	<i>19.92</i>
(e) Leave and licence fees [Refer Note 26(e)] .....	<b>107.74</b>	<i>107.74</i>
(f) Charges for Corporate Office service and facilities [Refer Note 26(e)] .....	<b>155.01</b>	<i>133.48</i>
(g) Repairs:		
To Buildings .....	<b>13.33</b>	<i>19.02</i>
To Machinery .....	<b>19.46</b>	<i>20.60</i>
To Salt Works.....	<b>32.65</b>	<i>46.89</i>
To Others .....	<b>8.70</b>	<i>10.67</i>
	<u><b>74.14</b></u>	<u><i>97.18</i></u>
(h) Insurance .....	<b>5.21</b>	<i>5.34</i>
(i) Rates and Taxes .....	<b>63.66</b>	<i>124.29</i>
(j) Stationery, Printing, Advertisement, Postage and Telegrams etc. ....	<b>67.44</b>	<i>62.43</i>
(k) Donations.....	<b>19.77</b>	<i>16.52</i>
(l) Transport and Freight charges .....	<b>36.61</b>	<i>27.03</i>
(m) Legal and Professional fees [Refer Note 26(b)] .....	<b>97.57</b>	<i>138.29</i>
(n) Consulting Fees.....	<b>55.84</b>	<i>52.16</i>
(o) Sundry Debit Balances written off .....	<b>0.21</b>	<i>0.35</i>
(p) Loss on write-off of Fixed Assets.....	<b>0.23</b>	<i>—</i>
(q) Directors' Fees.....	<b>11.93</b>	<i>11.46</i>
(r) Travelling and Conveyance Expenses.....	<b>41.92</b>	<i>11.39</i>
(s) Security Charges .....	<b>61.50</b>	<i>77.97</i>
(t) Vehicle Expenses .....	<b>65.38</b>	<i>59.96</i>
(u) Temporary Manpower.....	<b>68.20</b>	<i>63.20</i>
(v) Salt Internal shifting expenses .....	<b>59.81</b>	<i>66.84</i>
(w) Salt Washing charges .....	<b>0.79</b>	<i>1.14</i>
(x) Miscellaneous Expenses.....	<b>134.71</b>	<i>154.03</i>
Total....	<u><b>1287.23</b></u>	<u><i>1352.30</i></u>

Note: Miscellaneous expenses include Fees, Subscription and General charges, etc.

**Note 25:**

**FINANCE COST**

Interest on borrowings .....	<b>79.39</b>	<i>61.46</i>
Total....	<u><b>79.39</b></u>	<u><i>61.46</i></u>

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 26:

#### ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(a) Contingent Liabilities in respect of:		
(1) Claims against the Standard Industries Limited Group not acknowledged as debts		
(a) ESIC Claims in respect of Contractor's workers.....	19.22	19.22
(b) Claims in respect of Labour matters.....	112.13	124.37
(c) Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. (SSWL has contested this claim and has paid an amount of ₹ 5 lakhs under protest with High Court of Gujarat) .....	252.26	41.17
The above claims are pending before various authorities/court. The Standard Industries Limited Group is confident that the cases will be successfully contested.		
(2) Excise Duty, etc: Represents demands raised by Excise authorities in the matter of disputes relating to classification of ICL fabrics, captive consumption of yarn and various other matters for which appeals are pending before various appellate authorities. The Standard Industries Limited Group is confident that the cases will be successfully contested.....	550.28	553.77
(3) Guarantee given by Bank on behalf of Parent Company to Government authority. ....	105.23	105.23
(4) The Government of Maharashtra vide Notification No. ELD-2000/CR-1022(ii) NRG-1 dated April 1, 2000 and No. ELD-2001/CR-1069/ NRG-1 dated April 4, 2001 had sought to charge electricity duty on the power generated by Captive Power Plant (CPP). The Companies having CPP had petitioned the Hon'ble High Court at Mumbai against the said Notification contesting the aforesaid levy of duty. The Hon'ble High Court vide Order dated February 23, 2010 quashed and set aside the aforesaid Notification. Accordingly, the Company during the year 2009/2010, has written back the provision for the said duty provided in earlier years aggregating to ₹ 1375.74 lakhs. The Government of Maharashtra has filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court of India against the aforesaid Order of the Hon'ble High Court at Mumbai. The Standard Industries Limited Group is confident of success in this SLP when heard. ....	1375.74	1375.74
(5) Disputed demands of Income-tax: These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Standard Industries Limited Group is confident that all these cases can be successfully contested. ....	39.35	160.72
(6) The Parent Company had disputed the claim for rent, mesne profit and related interest claimed by the owner of the premises which were used by the Parent Company in earlier years. On the application of the Parent Company, the Hon'able High Court of Judicature at Bombay granted a stay against the unfavorable Order of the Small Causes Court and directed the Parent Company to deposit an amount of ₹ 1153.26 lakhs pending resolution of the related Writ Petition filed by the Parent Company, which the Parent Company has deposited. Out of the above the Parent Company has already provided/paid for amounts aggregating ₹ 635.39 lakhs and the balance amount of ₹ 517.87 lakhs has not been provided as the Parent Company is hopeful of succeeding in its Petition. ....	1364.17	1364.17

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 26:

ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

	As at March 31, 2015 ₹ in lakhs	As at March 31, 2014 ₹ in lakhs
(b) Payment to Auditors:*		
(i) As Auditors .....	10.35	10.45
(ii) For Tax Audit .....	2.70	2.70
(iii) In respect of certification etc. ....	1.45	1.55
(iv) Taxation matters .....	23.11	16.19
(v) For expenses .....	0.47	0.42
(vi) Service tax .....	4.61	3.84
	<u>42.69</u>	<u>35.15</u>

\*(includes payment for taxation matters to an affiliated firm in view of the networking arrangement which is registered with the ICAI/other auditors).

(c) The Group has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act have been given accordingly in Note 6.

(d) Segment information:

**Information about primary business segments.**

The Group's primary business segments are as follows:

- (i) Real Estate
- (ii) Trading
- (iii) Manufacturing
- (iv) Others

	(₹ in lakhs)				
	Real Estate	Trading	Manufacturing	Others	Total
<b>Revenue</b>					
From External Customers.....	16.80 95.92	673.11 846.90	369.58 332.25	— —	1059.49 1275.07
<b>Result</b>					
Segment Result .....	(1.08) 1.46	3.16 9.86	70.77 (1393.06)	(0.36) (0.75)	72.49 (1382.49)
Finance Cost.....					79.39 61.46
Unallocated Corporate Expenses .....					1163.83 (1239.83)
Operating Loss .....					(1170.73) (2683.78)
Unallocated Income.....					512.97 213.19
Gain on disposal of a subsidiary .....					130.23 —
Tax Expenses/(Short) provision for Tax ....					(4.14) —
Loss after Tax.....					(661.90) (2470.59)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 26:

#### ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

	(₹ in lakhs)				
	Real Estate	Trading	Manufacturing	Others	Total
<b>Other information</b>					
Segment Assets .....	<b>5719.50</b>	<b>278.82</b>	<b>235.13</b>	<b>2.63</b>	<b>6236.08</b>
	<i>7211.09</i>	<i>274.47</i>	<i>152.77</i>	<i>1098.40</i>	<i>8736.73</i>
Unallocated Corporate Assets .....					<b>1968.19</b>
					<i>1265.65</i>
Total Assets.....					<b>8204.27</b>
					<i>10002.38</i>
Segment Liabilities.....	<b>476.82</b>	<b>38.09</b>	<b>70.49</b>	<b>0.10</b>	<b>585.50</b>
	<i>423.42</i>	<i>31.28</i>	<i>35.69</i>	<i>641.18</i>	<i>1131.57</i>
Unallocated Corporate Liabilities .....					<b>1341.04</b>
					<i>1329.15</i>
Total Liabilities.....					<b>1926.54</b>
					<i>2460.72</i>
Capital Expenditure .....	<b>17.06</b>	—	<b>2.13</b>	—	<b>19.19</b>
	<i>7.00</i>	<i>0.11</i>	<i>4.53</i>	—	<i>11.64</i>
Depreciation.....	<b>147.54</b>	<b>1.21</b>	<b>10.88</b>	—	<b>159.63</b>
	<i>94.12</i>	<i>0.77</i>	<i>1366.36</i>	—	<i>1461.25</i>

#### Notes:

- The Group does not have any reportable secondary segments.
- Figures shown in *italics* are for previous year.

#### (e) Related Party Disclosure:

##### (i) Related parties with whom transactions have taken place:

Name of the related party	Relationship
Shanudeep Private Limited	Enterprises over which key management personnel and their relatives are able to exercise significant influence
Mr. Pradeep R. Mafatlal	Key Management Personnel
Mrs. Divya P. Mafatlal	Key Management Personnel
Mr. D. H. Parekh	Key Management Personnel

##### (ii) Details of Transactions with related parties:

Nature of Transactions	Enterprises over which Key Management personnel and their relatives are able to exercise significant influence	Key Management Personnel	Total
(₹ in lakhs)			
<b>Leave and Licence fees:</b>			
Shanudeep Private Limited.....	<b>107.74</b>	—	<b>107.74</b>
	<i>(107.74)</i>	<i>(—)</i>	<i>(107.74)</i>
<b>Corporate Office Service and Facilities:</b>			
Shanudeep Private Limited.....	<b>155.01</b>	—	<b>155.01</b>
	<i>(133.48)</i>	<i>(—)</i>	<i>(133.48)</i>
<b>Recovery of Common Expenses</b>			
Shanudeep Private Limited.....	<b>32.94</b>	—	<b>32.94</b>
	<i>(82.86)</i>	<i>(—)</i>	<i>(82.86)</i>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note 26:

ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

(₹ in lakhs)

Nature of Transactions	Enterprises over which Key Management personnel and their relatives are able to exercise significant influence	Key Management Personnel	Total
<b>Managerial Remuneration:</b> (Including perquisites)			
Mr. D. H. Parekh .....	— (—)	<b>37.40</b> (38.71)	<b>37.40</b> (38.71)
<b>Directors Sitting Fees:</b>			
Mr. Pradeep R. Mafatlal .....	— (—)	<b>1.60</b> (1.60)	<b>1.60</b> (1.60)
Mrs. Divya P. Mafatlal .....	— (—)	<b>0.80</b> (0.80)	<b>0.80</b> (0.80)

Notes:

- Figures shown in bracket pertains to previous year.
- There are no provisions for doubtful debts or written back during the year for debts due from or due to related parties.

Particulars	Year ended March 31, 2015 ₹ in lakhs	Year ended March 31, 2014 ₹ in lakhs
(f) Assets taken on operating lease: (Leave and Licence)		
(i) Future lease rentals in respect of Premises taken on non-cancellable operating lease basis are as follows:		
Amount due within one year .....	<b>37.10</b>	97.20
Amount due later than one year and not later than five years .....	—	37.10
Amount due later than five years .....	—	—
(ii) Amount of lease rentals in respect of operating leases recognised in the Statement of Profit and Loss is ₹ <b>97.20 lakhs</b> (Previous year ₹ 97.20 lakhs)		
(g) Earnings per share is calculated as follows:		
(Loss) for the year available for equity shareholders (₹ in lakhs) .....	<b>(661.90)</b>	(2470.59)
Weighted average number of equity shares-Basic and Diluted (Nos.) .....	<b>6,43,28,941</b>	6,43,28,941
Earnings per share (₹)— Basic and Diluted .....	<b>(1.03)</b>	(3.84)
Nominal value per share (₹) .....	<b>5.00</b>	5.00
(h) Components of Deferred Tax Asset/(Liability)		
<b>Particulars</b>	<b>As at March 31, 2015 ₹ in lakhs</b>	<b>As at March 31, 2014 ₹ in lakhs</b>
<b>Deferred Tax Liabilities:</b>		
Difference in tax and book written down value of fixed assets .....	<b>(183.50)</b>	(136.44)
<b>Total</b>	<b>(183.50)</b>	(136.44)
<b>Deferred Tax Assets:</b>		
Unabsorbed depreciation (to the extent of Deferred Tax Liability on depreciation)	<b>183.50</b>	136.44
<b>Total</b> .....	<b>183.50</b>	136.44
<b>Deferred Tax (Liability)/Asset</b> .....	<b>—</b>	—

# STANDARD INDUSTRIES LTD.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 26:

#### ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

(i) Employees Retirement Benefits:

- (i) The disclosures as required under the Accounting Standard 15 on "Employee Benefit" regarding the Company's gratuity plan (funded) are as follows:

Amount recognized in the Balance Sheet:

Particulars	(₹ in lakhs)	
	As at March 31, 2015	As at March 31, 2014
Present Value of Funded Obligations.....	(115.44)	(104.32)
Fair Value of Plan Asset .....	133.49	98.25
<b>Net Asset/(Liability) .....</b>	<b>18.05</b>	<b>(6.07)</b>
<b>Amounts in the Balance Sheet</b>		
Liabilities* .....	(27.62)	(27.62)
Assets.....	—	—
<b>Net (Liability) .....</b>	<b>(27.62)</b>	<b>(27.62)</b>

\*Retained as per management assessment

Expenses to be recognized in Statement of Profit and Loss:

Particulars	(₹ in lakhs)	
	Year ended March 31, 2015	Year ended March 31, 2014
Current Service Cost .....	1.26	1.44
Interest Cost.....	9.42	9.57
Expected Return on Plan Assets .....	(10.95)	(8.01)
Net Actuarial Loss/(Gain) recognized in year .....	3.77	(24.55)
<b>Total included in "Employee Benefit Expense" .....</b>	<b>3.50</b>	<b>(21.55)</b>

Reconciliation of Benefit Obligations and Plan Assets for the year:

#### Change in Defined Benefit Obligation

Particulars	(₹ in lakhs)	
	Year ended March 31, 2015	Year ended March 31, 2014
Opening Defined Benefit Obligation.....	104.32	119.67
Current Service Cost .....	1.26	1.44
Interest Cost.....	9.42	9.57
Benefit Paid.....	—	(6.08)
Actuarial Loss/(Gain) .....	0.44	(20.28)
<b>Closing Defined Benefit Obligation.....</b>	<b>115.44</b>	<b>104.32</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

**Note 26:**

**ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)**

(₹ in lakhs)

<b>Particulars</b>	<b>Year ended March 31, 2015</b>	<i>Year ended March 31, 2014</i>
<b>Change in the Fair Value of Assets</b>		
Opening Fair Value of Plan Assets .....	125.86	119.66
Expected Return on Plan Assets .....	10.95	8.01
Contributions.....	—	—
Benefit paid.....	—	(6.08)
Actuarial (Loss)/Gain on Plan Assets .....	(3.32)	4.27
<b>Closing Fair Value of Plan Assets .....</b>	<b>133.49</b>	<b>125.86</b>
<b>The major categories of plan assets as percentage of total plan assets:</b>		
Fund is managed by Standard Industries Limited Employees' Gratuity Fund Composition of the plan assets is as follows:		
In State Government Securities .....	21.85	21.85
In Public Sector Undertakings Bonds .....	10.86	10.86
In Fixed Deposit and Balance with Scheduled Banks.....	67.29	67.29

(ii) Assumptions:

<b>Particulars</b>	<b>Year ended March 31, 2015</b>	<i>Year ended March 31, 2014</i>
Discount Rate .....	7.90%	9.03%
Rate of Increase in compensation levels of covered employees.....	4.00%	4.00%
Rate of Return on Plan Assets Current .....	7.90%	8.70%

(iii) Experience Adjustments:

(₹ in lakhs)

<b>Amounts for the current annual period and previous four annual periods</b>	<b>As at March 31, 2015</b>	<i>As at March 31, 2014</i>	<i>As at March 31, 2013</i>	<i>As at March 31, 2012</i>	<i>As at March 31, 2011</i>
Defined Benefit Obligation	115.44	104.32	119.67	86.52	148.60
Plan Assets .....	133.49	98.25	92.05	86.82	145.88
Surplus / (Deficit).....	18.05	(6.07)	(27.62)	0.30	(2.72)
Net Actuarial (Gains)/Losses Recognized in Year.....	(13.93)	(23.57)	24.26	33.18	(43.96)
Experience adjustments on plan liabilities (Gains)/Losses ...	(17.25)	(19.30)	24.63	29.06	(3.63)
Experience adjustments on plan assets Losses/(Gains) ...	3.32	(4.27)	(0.37)	4.12	(40.33)



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 26:

#### ADDITIONAL INFORMATION TO THE CONSOLIDATED FINANCIAL STATEMENTS AND DISCLOSURE UNDER ACCOUNTING STANDARDS (Contd.)

- (j) During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Group Company has revised the estimated useful life of assets to generally align the useful life with those specified in Schedule II.

Further, pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Parent Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be NIL as on April 1, 2014, and has adjusted an amount of ₹ 21.32 lakhs against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus and one of its subsidiary (SSWL) has charged ₹ 6.02 lakhs in the Statement of Profit and Loss.

As a result, the depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 65.09 lakhs consequent to the change in the useful life of the assets and loss for the year higher by the like amount.

- (k) "Other Current Liabilities" (Note 7) includes aggregating to ₹ 14.28 lakhs (Previous year ₹ 14.28 lakhs) relating to the refund of Income-tax received by the Parent Company for various assessment years. However, the Parent Company has preferred appeals against the same which are pending with the Income-tax Authorities. Hence, the appropriate accounting treatment for the aforesaid will be given in the accounts on disposal of the said appeals.
- (l) During the year, the Group disposed off its investment in a wholly owned subsidiary viz., 'Stan Plaza Limited' (SPL) to Stanrose Mafatlal Investment and Finance Limited (SMIFL) vide Agreement dated March 13, 2015 for a consideration of ₹ 10 lakhs, resulting in a gain of ₹ 130.23 lakhs in the consolidated financial statements, being difference between the consideration received and carrying cost of net assets in the subsidiary on the date of sale.
- (m) Additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Name of the entity in the	Net assets, i.e., total assets minus total liabilities		Share of profit or loss	
	As % of consolidated net assets	Amount (₹ in lakhs)	As % of consolidated profit or (loss)	Amount (₹ in Lakhs)
<b>Holding Company</b>				
Standard Industries Limited	98%	6639.25	-61%	(400.13)
<b>Subsidiaries (Indian)</b>				
Standard Salt Works Limited	2%	165.89	-40%	(265.66)
Mafatlal Enterprises Limited	0%	2.53	0%	(0.36)
Stan Plaza Limited (upto March 13, 2015)	0%	4.23	1%	3.50

- (n) The figures of the previous year have been regrouped wherever necessary to correspond with those of current year.

#### SIGNATURES TO NOTES 1 TO 26

In terms of our report attached

For Deloitte Haskins & Sells LLP  
Chartered Accountants

TANAZ B. PANTHAKI  
Vice President (Legal)  
& Company Secretary

A. SIDDHARTH  
Partner

JAYANTKUMAR R. SHAH  
Chief Financial Officer

Mumbai, Dated: May 29, 2015

Mumbai, Dated: May 29, 2015

For and on behalf of Board of Directors  
P. R. MAFATLAL  
Chairman

D. H. PAREKH  
Executive Director

# STANDARD INDUSTRIES LTD.

*Registered Office:*

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 65162883/65162890 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

Date: 29<sup>th</sup> May, 2015

Dear Shareholder(s),

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

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the National Electronic Clearing Service (NECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

Accordingly, if your bank account number has undergone a change pursuant to implementation of Core Banking Solutions, then:

### **(a) For shareholders holding shares in Dematerialized Form**

Please inform details of your new bank account number to your Depository Participant (DP) and ensure that the same is duly updated in their records;

### **(b) For shareholders holding shares in Physical Form**

If you have already opted from the company the NECS Mandate Facility (i.e. direct credit of dividend amount to your designated bank account) or the Bank Mandate Facility (i.e. where the details of your designated bank account are printed on the dividend warrant), please inform details of your new bank account number to the Company's Registrar & Share Transfer Agent, M/s. Sharepro Services (India) Pvt. Ltd., in the format mentioned overleaf.

If you have not yet opted for the NECS Mandate Facility, we urge you to avail of the same as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the DP/Registrar & Share Transfer Agent) and are communicated on or before 14<sup>th</sup> September, 2015 to facilitate receipt of dividend.

Please note that if your new Core Bank Account number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned.

Assuring you of our best services at all times.

Yours faithfully,

For Standard Industries Ltd.

TANAZ B. PANTHAKI

*Vice President (Legal) & Company Secretary*

P.T.O.

## FORM

To,  
M/s. Sharepro Services (India) Pvt. Ltd.,  
(Unit : STANDARD INDUSTRIES LIMITED)  
13 AB, Samhita Warehousing Complex, 2nd Floor,  
Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka,  
Andheri (East), Mumbai-400072.

### FORM FOR NECS MANDATE/BANK MANDATE

(Not required to be filled by Shareholders holding shares in dematerialised form)

I/We \_\_\_\_\_  
do hereby authorize Standard Industries Limited to:

\* Credit my dividend amount directly to my Bank Account as furnished below, by National Electronic Clearing Service (NECS) – NECS Mandate.

OR

\* Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me – Bank Mandate.

(\* Please strike out whichever is not applicable – Default option is NECS Mandate)

Folio No. \_\_\_\_\_

A.	Bank Name	
B.	Branch	
C.	Bank Address	
D.	Account Type (Savings/Current)	
E.	Account Number (Please mention the new Core Banking Account number that you have received from your Bank)	
F.	9 Digit Code number of the bank & branch as appearing on the MICR cheque (for NECS Mandate only) <b>Please attach photocopy of the cheque/cancelled cheque</b>	
G.	Telephone number (with STD Code) of shareholder	
H.	Email ID of Shareholder	

I/We hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all because of incomplete or incorrect information, I/We would not hold the Company/ the user Institution/ Bank responsible.

I/We undertake to inform any subsequent changes in the above particulars before the relevant Book Closure Date(s). I/We understand and agree that the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned folio(s).

Signature of the Shareholder(s)  
(As per specimen lodged with the Company)

#### Note :

1. Kindly note that NECS facility is currently available all over India.
2. For any clarifications, you may contact the Company's Share Transfer Agents, M/S. SHAREPRO SERVICES (INDIA) PVT. LTD., (Unit : STANDARD INDUSTRIES LIMITED), 13AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai 400 072. Tel : 022 67720300, Fax : 28591568. E-mail : sharepro@shareproservices.com

# STANDARD INDUSTRIES LTD.

*Registered Office:*

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 65162883/65162890 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

## GREEN INITIATIVE FORM

To,

M/s. Sharepro Services (India) Pvt. Ltd.  
(Unit: Standard Industries Limited),  
13 AB, Samhita Warehousing Complex, 2nd Floor,  
Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road,  
Sakinaka, Andheri (E), Mumbai-400 072.

### GREEN INITIATIVE FORM TO BE FILLED IN FOR SHARES HELD IN PHYSICAL MODE

Name: ..... E-mail id: .....

Address: .....

Folio No. .... No. of Equity Shares held .....

Signature of Shareholder

**PROXY FORM**

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

**STANDARD INDUSTRIES LTD.**

*Registered Office:*

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 65162883/65162890 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

**118th ANNUAL GENERAL MEETING**

Name of the Member(s) :
Registered address :
Email ID :
Folio No. / DP ID / Client ID No. :

I/We, being the member(s) of Standard Industries Limited, holding....., shares of the above named company, hereby appoint

Name:..... E-mail Id:.....

Address: .....

..... Signature: .....

or failing him/her

Name:..... E-mail Id:.....

Address: .....

..... Signature: .....

or failing him/her

Name:..... E-mail Id:.....

Address: .....

..... Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 118th Annual General Meeting of the Company, to be held on Tuesday, 29th September, 2015 at 3.00 P.M. at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai - 400 614 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
ORDINARY BUSINESS	
1	Adoption of Financial Statements for the year ended 31st March, 2015.
2	Declaration of dividend
3	Re-appointment of Smt. Divya P. Mafatlal, who retires by rotation.
4	Appointment of M/s. Deloitte Haskins & Sells LLP, Chartered Accountants as the auditors of the Company.
SPECIAL BUSINESS	
5.	Approval of material related party transactions with Shanudeep Private Limited.

Signed this .....day of..... 2015.

Affix Revenue Stamp
---------------------------

\_\_\_\_\_  
 Signature of the member

\_\_\_\_\_  
 Signature of the proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 118<sup>th</sup> Annual General Meeting.
3. A proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more that fifty Members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.

ATTENDANCE SLIP

**STANDARD INDUSTRIES LTD.**

*Registered Office:*

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 65162883/65162890 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

118th ANNUAL GENERAL MEETING

Folio No. :

DP ID / Client ID No. :

No. of shares held :

I certify that I am a member / proxy of the Company.

I hereby record my presence at the 118th Annual General Meeting of the Company, to be held on Tuesday, 29th September, 2015 at 3.00 P.M. at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai - 400 614.

\_\_\_\_\_  
Member's / Proxy's Signature

**ELECTRONIC VOTING PARTICULARS**

<b>EVEN (Electronic Voting Event Number)</b>	<b>User ID</b>	<b>Password / PIN</b>

*Note:* Please read the complete instructions given under the Note (d) (Voting through electronic means) to the Notice of Annual General Meeting. The remote e-voting period commences on 25th September, 2015 (9.00 a.m.) and ends on 28th September, 2015 (5.00 p.m). The remote e-voting module shall be disabled by NSDL for voting thereafter.

