STANDARD INDUSTRIES LTD.

122nd ANNUAL REPORT 2018-2019

STANDARD INDUSTRIES LTD.

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.

CONTENTS

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL
Chairman

SHRI M. L. APTE
SHRI K. J. PARDIWALLA
SMT. DIVYA P. MAFATLAL
SHRI SHOBHAN DIWANJI
SHRI D. H. PAREKH
Executive Director

BANKERS

HDFC BANK LIMITED
ICICI BANK LIMITED
IDBI BANK
UCO BANK
KOTAK MAHINDRA BANK LTD.

AUDITORS

M/S. ARUNKUMAR K. SHAH & CO.
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
EMAIL : standardgrievances@rediffmail.com

CORPORATE OFFICE

VIJYALAXMI MAFATLAL CENTRE,
57A, DR. G. DESHMUKH MARG,
MUMBAI - 400 026.

CITY OFFICE

59, THE ARCADE, 1ST FLOOR,
WORLD TRADE CENTRE,
CUFFE PARADE, COLABA,
MUMBAI - 400 005.

REGISTRAR & SHARE TRANSFER AGENTS

Corporate Office:
Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad,
Telangana - 500 032.
Tel. Nos. : +91 40 6716 2222
Fax No. : +91 40 2342 0814
E-mail : einward.ris@karvy.com
Website : www.karvycomputershare.com

Mumbai Front Office:
Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
24-B, Raja Bahadur Mansion,
Ground Floor,
Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai - 400 023.
Tel. Nos. : +91 22 6623 5454/412/427

MANAGEMENT TEAM	SHRI D. H. PAREKH *Executive Director* *and Key Managerial Personnel*
	SHRI D. M. NADKARNI *Vice President (Projects)*
	SMT. TANAZ B. PANTHAKI *Vice President (Legal) & Company Secretary* *and Key Managerial Personnel*
	SHRI J. R. SHAH *Chief Financial Officer* *and Key Managerial Personnel*

FINANCIAL STATISTICS

	As per IGAAP			
	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
COMPANY OWNED:				
1. Fixed Assets (Net)	3546	1371	2887	2878
2. Investments	6238	914	293	983
3. Net Current/Non-Current Assets	6463	12938	11472	9713
Total Assets (Net)	16247	15223	14652	13574
COMPANY OWED:				
1. Loan funds	—	—	—	—
2. Company's Net Worth: Equity Share Capital	3216	3216	3216	3216
Reserves and Surplus	13031	12007	11436	10358
Total Capital Employed	16247	15223	14652	13574
Debt/Equity Ratio#	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†
Income	3782	1834	2334	1762
Salaries and Wages	242	169	239	195
Operation and Other Expenses etc.	2375	1828	2042	2083
Interest	—	—	—	—
Profit before Depreciation and Taxes	1165	(163)	53	(516)
Depreciation	106	133	89	95
Profit before extra ordinary item and taxes	1059	(296)	(36)	(611)
Taxes	193	—	—	—
Profit after Taxes	866	(296)	(36)	(611)
Refund of Income-tax	7	19	26	97
Balance brought forward from Previous Year	9022	9287	8449	7879
Transferred from General Reserve	—	—	—	—
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013	—	—	—	—
Amount for Appropriation	9895*	9010*	8439*	7365*
Dividends	482	482	482	482
Tax on Dividends	80	78	78	82
Balance retained in business	9333	8450	7879	6801
Earnings per Equity Share ₹	1.36**	(0.43)**	(0.02)**	(0.80)**
Dividend paid per Equity Share ₹	0.75**	0.75**	0.75**	0.75**

On Long term borrowings.

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

† Without Revaluation Reserve.

** On equity Shares of ₹ 5/-.

(₹ in lakhs)

As per IGAAP			As per Ind AS		
1-4-2013 to 31-3-2014	1-4-2014 to 31-3-2015	1-4-2015 to 31-3-2016	1-4-2016 to 31-3-2017	1-4-2017 to 31-3-2018	1-4-2018 to 31-3-2019
2790	2603	2089	2021	**2413**	4469
574	164	94	7772	**15096**	19629
8502	8096	9459	(155)	**1647**	(4609)
11866	10863	11642	9638	**19156**	19489
—	—	2500	1868	**10823**	14341
3216	3216	3216	3216	**3216**	3216
8650	7647	5926	4554	**5117**	1932
11866	10863	11642	9638	**19156**	19489
0.00:1.00†	0.00:1.00†	0.27:1.00†	0.24:1.00†	**1.30:1.00†**	2.79:1.00†
1432	1581	1063	1466	**4900**	2236
176	180	188	183	**174**	160
2305	1652	1802	2525	**2347**	2523
—	—	94	419	**821**	1843
(1049)	(251)	(1021)	(1661)	**1558**	(2290)
95	149	119	83	**76**	113
(1144)	(400)	(1140)	(1744)	**1482**	(2403)
—	—	—	—	**338**	—
(1144)	(400)	(1140)	(1744)	**1144**	(2403)
—	—	—	14	**—**	—
6801	5093	4090	3321	**1011**	1779
—	—	—	—	**204**	—
—	22	—	—	**—**	—
5657*	4671*	2950*	1591*	**2359***	(624)*
482	482	482	482	**482**	644
82	98	98	98	**98**	132
5093	4091	2370	1011	**1779**	(1400)
(1.78)**	(0.62)**	(1.77)**	(2.69)**	**1.78****	(3.75)**
0.75**	0.75**	0.75**	0.75**	**0.75****	1.00**

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTY SECOND 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 13th August, 2019, 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, 2019, Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the 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, 2019, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and Consolidated Cash Flow Statement for the financial year ended on that date together with the Report of the Auditors thereon.
2. To appoint a Director in place of Shri Pradeep R. Mafatlal (DIN 00015361), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

   AS A SPECIAL RESOLUTION

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015), as amended from time to time the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri M. L. Apte (DIN 00003656) as Non-Executive Independent Director of the Company whose current period of office is expiring on 13th August, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations, 2015 as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as a Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for three (3) consecutive years on the Board of the Company for a term w.e.f. 14th August 2019 upto 13th August, 2022.

   RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 as amended from time to time and other applicable provisions if any, of the Act and subject to such other approvals as may be necessary in this regard, the approval of the members be and is hereby accorded to Shri. M. L. Apte (DIN 00003656) who has attained the age above 75 (seventy five) years as on 1st April 2019 to hold directorship as Non-Executive Independent Director of the company from 14th August, 2019 till the expiry of his term on 13th August, 2022.
4. To consider and, if thought fit, to pass, with or without modifications, the following:

   AS A SPECIAL RESOLUTION

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015), as amended from time to time the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Shobhan Diwanji (DIN 01667803) as Non-Executive Independent Director of the Company whose current period of office is expiring on 13th August, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations 2015, as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for five (5) consecutive years on the Board of the Company for a term w.e.f. 14th August 2019 upto 13th August, 2024.

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

AS A SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015) as amended from time to time the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri K. J. Pardiwalla (DIN 00015670) as Non-Executive Independent Director of the Company and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations, 2015 as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR) Regulations 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for three (3) consecutive years on the Board of the Company for a term w.e.f. 10th February, 2020 upto 9th February, 2023.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 as amended from time to time and other applicable provisions if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary in this regard, the approval of the members be and is hereby accorded to Shri. K. J. Pardiwalla (DIN 00015670) who has attained the age above 75 (seventy five) years as on 1st April 2019 to hold directorship as Non-Executive Independent Director of the company from 10th February, 2020 till the expiry of his term on 9th February, 2023.

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

AS AN ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 ("the Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act (including any statutory modifications or amendments thereto) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015) as amended from time to time and the Company's policy on Related Party Transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the following material related party transactions with Shanudeep Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI (LODR) Regulations 2015:

A. Leave & Licence Agreement for use of Office Premises admeasuring 9,000 Sq.ft. or thereabouts, at Vijyalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of 3 years from 19th August, 2019 to 18th August, 2022, at a licence fee of Rs. 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

B. Sharing of Facilities and/or Services at Vijyalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of 3 years from 21st August, 2019 to 20th August, 2022, at service charges of Rs. 10,89,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

NOTES:

(a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, SHOULD BE DEPOSITED 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 10% of the total share capital of the Company carrying voting rights.

A member 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. The holder of proxy shall prove his identity at the time of attending the meeting.

Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.

Attendance slip, proxy form and route map of the venue of the meeting are annexed to this Report.

Members/Proxies/Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of their Annual Report.

(b) A statement pursuant to Section 102(1) of the Companies Act 2013 ("the Act") relating to the Special Business to be transacted at the Meeting is annexed to this Report.

(c) Voting through electronic means

The Company has engaged the services of Karvy Fintech Private Limited (Karvy) (formerly known as Karvy Computershare Private Limited) for facilitating remote e-voting for Annual General Meeting.

I. 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 Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 122nd 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 Karvy.

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 at AGM.

4. The remote e-voting period commences on Friday, the 09th August, 2019 (9.00 am) and ends on Monday, the 12th August, 2019 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized

form, as on the cut-off date of Tuesday, the 06th August, 2019, may cast their vote by remote e-voting.

The Remote e-voting module shall be disabled by Karvy at 5.00 p.m. on Monday, the 12th August, 2019. 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 Karvy [for members whose email IDs are registered with the Company/Depository Participant(s)]:

(i) Launch an internet browser and open https://evoting.karvy.com

(ii) Enter the login credentials (i.e. User ID and password) and captcha. The Event No., Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

(iii) After entering the above details Click on - Login.

(iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.

(v) On successful login, the system will prompt you to select the E-Voting Event.

(vi) Select the EVENT of Standard Industries Limited and click on - Submit.

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

(viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

(ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.

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

(xi) 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, along with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at kaushikjhaverics1@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format 'Corporate Name_EVENT NO.'

B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [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

EVEN (E-voting Event Number)	USER ID	PASSWORD

(ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website on https://evoting.karvy.com or call on toll free no.: 1-800-3454-001.

III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.

IV. 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 Tuesday, the 06th August, 2019.

V. Members who have acquired shares after the dispatch of the Annual Report and/or before the cut-off date, i.e. 06th August, 2019, may obtain the User ID and Password for exercising their right to vote by electronic means, in the following manner:

(a) If the mobile number of the member is registered against Folio No./DP ID and Client ID, the member may send SMS: MYEPWD <space> Event number +Folio No. or DP ID Client ID to 9212993399

Example for NSDL:	MYEPWD <SPACE> IN12345612345678
Example for CDSL:	MYEPWD <SPACE> 1402345612345678
Example for Physical:	MYEPWD <SPACE> XXX1234567

(b) If e-mail or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of https://evoting.karvy.com, the member may click 'forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may call Karvy's toll free number 1-800-3454-001

(d) Member may send an e-mail request to evoting@karvy.com.

VI. 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.

VII. Mr. Kaushik M. Jhaveri, Proprietor, M/s. Kaushik M. Jhaveri & Co., Practicing Company Secretary, (Membership No. FCS 4254) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

VIII. 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.

IX. The Scrutinizer, after the conclusion of voting at the AGM, shall 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 48 hours 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.

X. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.standardindustries.co 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.

(d) The unclaimed dividend for the Accounting Periods ending 31st March, 2012 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
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
April, 2014 To March, 2015	29.09.2015	29.10.2022
April, 2015 To March, 2016	27.06.2016	25.07.2023
April, 2016 To March, 2017	31.08.2017	02.10.2024
April, 2017 To March, 2018	29.05.2018 (Interim) 20.08.2018 (Final)	03.07.2025 24.09.2025

The details of unpaid/unclaimed Dividend(s) are available on the website of the Company http://www.standardindustries.co and on the Ministry of Corporate Affairs website.

The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, effective from 7th September, 2016 ('IEPF Rules 2016'). Further, the MCA had notified the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules 2017 on 28th February, 2017 ('IEPF Rules 2017').

The Rules, contain provisions for transfer of all those shares in respect of which dividend has not been encashed or claimed by members for seven consecutive years or more in the account of the Investor Education and Protection Fund (IEPF) Authority.

Accordingly, the Company would be transferring every year to IEPF Authority, those shares in respect of which Dividend has not been encashed or claimed by the Members for seven consecutive years. Members who have so far not encashed the Dividend Warrants for the Financial years ended March, 2012, onwards, are advised to submit their claims to the Company's Registrar and Share Transfer Agents, M/s. Karvy Fintech Private Limited, 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.

Pursuant to Rule 6 of IEPF Rules 2016, as amended from time to time, Shareholders whose shares on which dividend has not been claimed from financial year 2010-11 & seven consecutive years thereafter, have been transferred to IEPF authority in the financial year 2018-19 as per Section 124(5) of the Companies Act, 2013.

No claim shall lie against the Company in respect of equity shares post their transfer to Investor Education and Protection Fund. Upon transfer, the shareholders will be able to claim these equity shares only from the Investor Education and Protection Fund Authority by making an online application, the details of which are available at www.iepf.gov.in.

(e) 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. Karvy Fintech Private Limited, 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.

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 transferor(s) and 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.

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

Sr. No.	Name & Address of the Stock Exchange	Nature of Security
1.	BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.	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, 2020.

(g) 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.

(h) 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 M/s. Karvy Fintech Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032.

The Annual Report of the Company circulated to the members of the Company, is available on the Company's website: www.standardindustries.co.

(i) Details of Shri Pradeep R. Mafatlal as required to be given pursuant to the SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is attached to this Notice as "Annexure 1".

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: 30th May, 2019

ANNEXURE TO THE NOTICE

Explanatory Statement as required under Section 102(1) 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 items Nos. 3 to 6 contained in the accompanying Notice dated 30th May, 2019.

Item No. 3

Shri M. L. Apte (DIN 00003656) was appointed as Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges at the 117th Annual General Meeting held on 14th August, 2014 for a period of 5 (five) consecutive years, i.e., for a term upto 13th August, 2019.

The Nomination and Remuneration Committee (NRC) of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended re-appointment of Shri M. L. Apte as Independent Director for a second term of 3 (three) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the NRC, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Shri M. L. Apte would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, it is proposed to re-appoint Shri M. L. Apte as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of Securities and Exchange Board of India (Listing Obligations and Disclousure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149 (6) of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the company and disclosure of such appointment in its Board's report. Section 149 (11) provides that an Independent Director may hold office for up to two consecutive terms.

Shri M. L. Apte is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri M. L. Apte for the office of Independent Director of the Company.

The Company has also received declaration from Shri M. L. Apte that he meets with the criteria of independence as prescribed both under Section 149 (6) of the Act and under the SEBI (LODR) Regulations, 2015.

Further, it may also be noted that Shri M. L. Apte has exceeded the age limit of 75 years as prescribed under SEBI (LODR) Regulations, 2015. Hence, the Board seeks specific approval of the Members through Special Resolution for the re-appointment of Shri M. L. Apte.

In the opinion of the Board, Shri M. L. Apte fulfils the conditions for appointment as Independent Directors as specified in the Act and the SEBI (LODR) Regulations, 2015. Shri M. L. Apte is independent of the management.

Details of Shri M. L. Apte whose re-appointment as Independent Director is proposed at Item No. 3 is provided in the "Annexure 1"to this Notice pursuant to the provisions of

(i) the SEBI (LODR) Regulations, 2015 and

(ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of the draft letter for appointment of Shri. M.L. Apte as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the company between 10.00 a.m. and 12.00 noon except on Saturdays and Holidays.

Shri M. L. Apte is interested in the Resolution set out at Item Nos. 3 of the Notice with regard to his re-appointment. The relatives of Shri M. L. Apte may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Except Shri. M.L. Apte, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out in Item No. 3.

The Board recommends the Special Resolution set out in Item No. 3 of this Notice for the approval of the Members.

Item No. 4

Shri Shobhan Diwanji (DIN 01667803) was appointed as Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges at the 117th Annual General Meeting held on 14th August, 2014 for a period of 5 (five) consecutive years, i.e., for a term upto 13th August, 2019.

The Nomination and Remuneration Committee (NRC) of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Shri Shobhan Diwanji as Independent Director for a second term of 5 (five) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the NRC, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Shri Shobhan Diwanji would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, it is proposed to re-appoint Shri Shobhan Diwanji as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5(five) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of Securities and Exchange Board of India (Listing Obligation and Disclousure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149 (6) of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the company and disclosure of such appointment in its Board’s report. Section 149 (11) provides that an Independent Director may hold office for up to two consecutive terms.

Shri Shobhan Diwanji is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri Shobhan Diwanji for the office of Independent Director of the Company.

The Company has also received declaration from Shri Shobhan Diwanji that he meets with the criteria of independence as prescribed both under Section 149 (6) of the Act and under the SEBI (LODR) Regulations, 2015.

In the opinion of the Board, Shri Shobhan Diwanji fulfils the conditions for appointment as Independent Director as specified in the Act and the SEBI (LODR) Regulations, 2015. Shri Shobhan Diwanji is independent of the management.

Details of Shri Shobhan Diwanji whose re-appointment as Independent Director is proposed at Item No. 4, is provided in the “Annexure 1 “to this Notice pursuant to the provisions of

(i) the SEBI (LODR) Regulations, 2015 and

(ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of the draft letter for appointment of Shri Shobhan Diwanji as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon except on Saturdays and Holidays.

Shri Shobhan Diwanji is interested in the Resolution set out at Item No. 4 of the Notice with regard to his re-appointment. The relatives of Shri Shobhan Diwanji may be deemed to be interested in the Resolution to the extent of their shareholding interest, if any, in the Company.

Except Shri Shobhan Diwanji, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No.4

The Board recommends the Special Resolution set out in Item No. 4 of this Notice for the approval of the Members.

Item No. 5

Shri K. J Pardiwalla (DIN 00015670) was appointed as Non-Executive Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and in terms of Securities and Exchange Board of India (Listing Obligation and Disclousure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015) as amended from time to time at the 120th Annual General Meeting held on 14th August, 2017 for a period of 3 (three) consecutive years, i.e., for a term upto 9th February, 2020.

The Nomination and Remuneration Committee (NRC) of the Board of Directors, on the basis of the report of performance evaluation of Independent Director, has recommended reappointment of Shri K. J. Pardiwalla as Independent Director for a second term of 3 (three) consecutive years, on the Board of the Company.

The Board, based on the performance evaluation of Independent Directors and as per the recommendation of the NRC, considers that, given his background and experience and contributions made by him during his tenure, the continued association of Shri K. J. Pardiwalla would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Accordingly, it is proposed to re-appoint Shri K. J. Pardiwalla as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) consecutive years on the Board of the Company.

Section 149 of the Act and provisions of SEBI (LODR) Regulations, 2015 inter alia prescribe that an Independent Director of a Company shall meet the criteria of independence as provided in Section 149 (6) of the Act.

Section 149 (10) of the Act provides that an Independent Director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a Special Resolution by the company and disclosure of such appointment in its Board's report. Section 149 (11) provides that an Independent Director may hold office for up to two consecutive terms.

Shri K. J. Pardiwalla is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Shri K. J. Pardiwalla for the office of Independent Director of the Company.

The Company has also received a declaration from Shri K. J. Pardiwalla that he meets with the criteria of independence as prescribed both under Section 149 (6) of the Act and under SEBI (LODR) Regulations, 2015.

Further, it may also be noted that Shri K. J. Pardiwalla has exceeded the age limit of 75 years as prescribed under SEBI (LODR) Regulations, 2015. Hence, the Board seeks specific approval of the Members through Special Resolution for the appointment of Shri K. J. Pardiwalla.

In the opinion of the Board, Shri K. J. Pardiwalla fulfils the conditions for appointment as Independent Director as specified in the Act and the SEBI (LODR) Regulations, 2015. Shri K. J. Pardiwalla is independent of the management.

Details of Shri K. J. Pardiwalla whose re-appointment as Independent Director is proposed at Item No.5, is provided in the "Annexure 1"to this Notice pursuant to the provisions of:

(i) the SEBI (LODR) Regulations, 2015 and

(ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Copy of the draft letter for appointment of Shri. K. J. Pardiwalla as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the company between 10.00 a.m. and 12.00 noon except on Saturdays and Holidays.

Shri K. J. Pardiwalla is interested in the Resolution set out at Item No. 5 of the Notice with regard to his re-appointment. The relatives of Shri K. J. Pardiwalla may be deemed to be interested in the respective resolutions to the extent of their shareholding interest, if any, in the Company.

Except Shri. K. J. Pardiwalla, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out in Item No.5.

The Board recommends the Special Resolution set out in Item No. 5 of this Notice for the approval of the Members.

Item No. 6

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 and Regulation 2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has been renewing from time to time the Leave & Licence Agreement with Shanudeep Pvt. Ltd., for use of their Office Premises admeasuring 9,000 Sq.ft. or thereabouts, at Vijyalaxmi Mafatlal Centre at 57A Dr. G. Deshmukh Marg, Mumbai-400 026.

The last renewal was for a period of three years from 19th August, 2016 to 18th August, 2019, at a licence fee of Rs.8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

The Company has also been renewing from time to time an arrangement for sharing of Facilities and/or Services, with Shanudeep Pvt. Ltd., at the above mentioned premises, for better enjoyment of the premises.

The Company had entered into an arrangement for sharing of Facilities and/or Services, with Shanudeep Private Limited for a period of 3 (three) years from 21st August, 2016 to 20th August, 2019 at Service Charges of Rs.10,89,000 p.m. excluding applicable taxes, levies and sharing of common expenses.

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

The Company now proposes to renew the Leave and Licence Agreement with Shanudeep Private Limited at Vijyalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of three years from 19th August, 2019 to 18th August, 2022, at a license fee of Rs.8,10,000/- p.m. exclusive of all applicable taxes, levies and sharing of common expenses.

The Company also proposes to renew the arrangement for sharing of Facilities and/or Services, with Shanudeep Private Limited at Vijyalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of three years from 21st August, 2019 to 20th August, 2022, for better enjoyment of the premises at service charges of Rs.10,89,000/- p.m. exclusive of all applicable taxes, levies and sharing of common expenses.

The terms and conditions of renewed arrangements are identical to the previous terms and conditions which were approved by the Audit Committee, Board and Shareholders in 2016.

The Audit Committee has approved entering into the above Agreements at its meeting held on 30th May, 2019, 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 annual 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 Ordinary Resolution as per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board of Directors at its meeting held on 30th May, 2019, have approved entering into the said Leave and Licence Agreement and arrangement for sharing of Facilities and/or Services as material related party transactions subject to approval of the shareholders by Ordinary Resolution.

The approval of shareholders is sought for the entire tenure of the said Leave and Licence Agreement and arrangement for sharing of Facilities and/or Services.

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. 6 for your approval as an Ordinary 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.

Annexure 1: Information required to be furnished under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India

Name of Director	Pradeep R. Mafatlal	M. L. Apte	Shobhan Diwanji	K. J. Pardiwalla
DIN	00015361	00003656	01667803	00015670
Age	54 Years	86 Years	63 Years	81 Years
Date of birth	18th March 1965	5th October 1932	18th August 1955	24th July 1937
Nationality	Indian	Indian	Indian	Indian
Date of first appointment on the board	10.7.1984	19.3.1985	30.10.2013	2.8.1993
Relationship with other directors	Spouse of Divya P. Mafatlal	Nil	Nil	Nil
Qualification	D.D.Com,diploma in business management	B.A.	B.A., MBA	C.A.
Nature of expertise in specific functional areas	He is an industrialist having diversified experience of more than 35 years in the areas of textiles, chemicals, realty & other businesses.	He is an industrialist having wide & varied experience of more than 60 years in the areas of textile, chemicals, chocolate manufacturing & other businesses.	He has experience for more than 30 years in corporate banking & finance and corporate e-strategy.	He has experience for more than 55 years in financial accounting, taxation, marketing, business management & commercial matters.
Number of shares & % of holding	13555 0.02%	1735 0.00%	Nil	Nil
List of directorships held in other public limited companies	Stanrose Mafatlal Investments & Finance Ltd.	Grasim Industries Ltd., Bajaj Hindusthan Sugar Ltd., Bombay Burmah Trading Corp. Ltd., Raja Bahadur International Ltd., Kulkarni Power Tools Ltd., Zodiac Clothing Co. Ltd.	Swan Energy Ltd.	Stanrose Mafatlal Invetments & Finance Ltd.
Chairmanships/ memberships of committees In other public limited companies (includes audit committee [AC] and stakeholders' relationship committee [SRC])	He is the Chairman of Stanrose Mafatlal Investments & Finance Ltd. & a member of Stakeholders' Relationship Committee of Stanrose Mafatlal Investments & Finance Ltd.	He is a member of Audit Committee of Grasim Industries Ltd., Zodiac Clothing Co. Ltd., Kulkarni Power Tools Ltd., Bombay Burmah Trading Corporation Ltd. He is also a member of Stakeholders' Relationship Committee of Grasim Industries Ltd., Bajaj Hindustan Sugar Ltd., Zodiac Clothing Co. Ltd. & Bombay Burmah Trading Corporation Ltd.	He is a member of Audit Committee of Swan Energy Ltd.	He is a Chairman of Audit committee & Stakeholders' Relationship Committee of Stanrose Mafatlal Investments & Finance Ltd.
Number of board meetings attended during the Fy 2018 - 2019	Held - 4 Attended - 4	Held - 4 Attended - 3	Held - 4 Attended - 4	Held - 4 Attended - 4

By Order of the Board

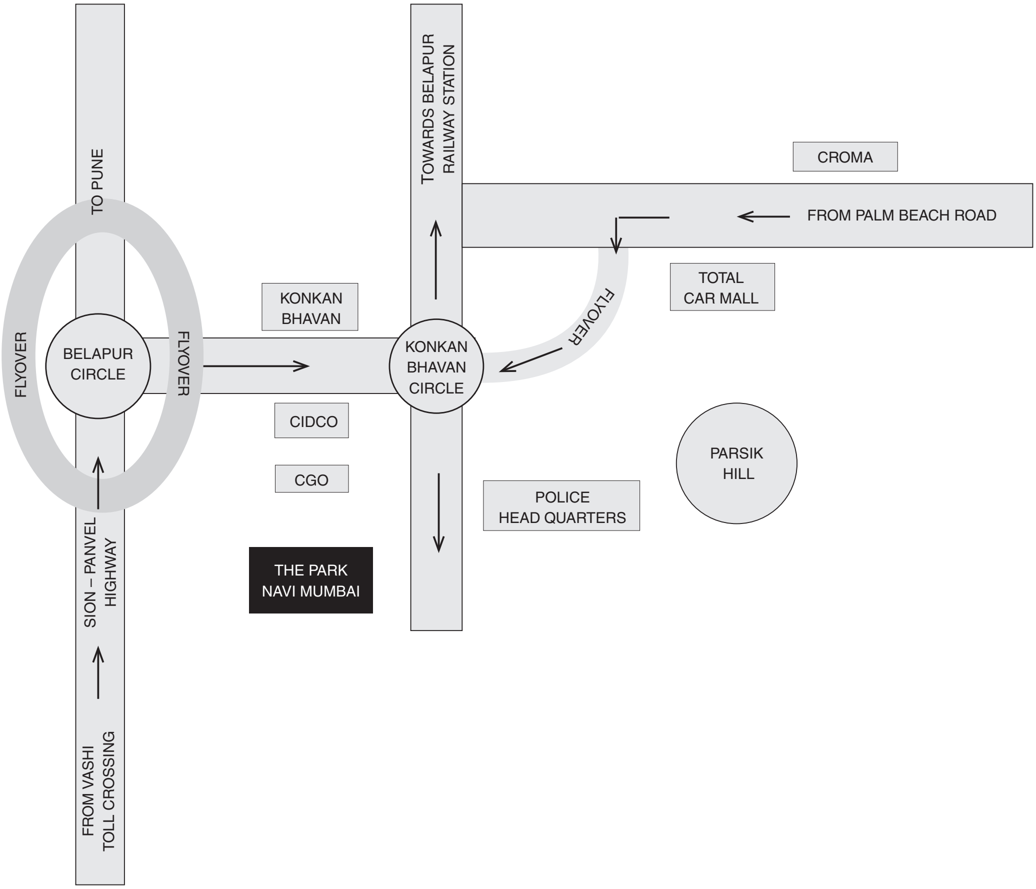
TANAZ B. PANTHAKI
Vice President (Legal)
& Company Secretary

Registered Office:
Plot No. 4, TTC Industrial Area,
Thane Belapur Road,
P.O. Millenium Business Park,
Navi Mumbai – 400 710.
CIN: L17110MH1892PLC000089

Dated: 30th May, 2019

ROUTE MAP TO THE VENUE

Reaching The Park Navi Mumbai



DIRECTORS' REPORT

To

The Members,

Standard Industries Limited.

Your Directors hereby present the 122nd Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2019.

FINANCIAL RESULTS (AS ADJUSTED UNDER IND AS)

		Current year 01.04.2018 to 31.03.2019 (₹ in lakhs)		*Previous year 01.04.2017 to 31.03.2018 (₹ in lakhs)*
Gross Operating Profit before Depreciation and tax		**(2289.30)**		*1558.70*
Less: Depreciation		**113.31**		*76.43*
Profit before Taxes		**(2402.61)**		*1482.27*
Less: Current Tax		**—**		*338.21*
Profit after Taxes		**(2402.61)**		*1144.06*
Balance brought forward from previous year	**1778.13**		*1010.78*	
Add: Transferred from General Reserve	**—**		*204.00*	
Sub-total	**1778.13**		*1214.78*	
Less: Interim Dividend on Equity Shares	**482.47**		—	
Less: Corporate Tax on Dividend	**99.19**		—	
Final Dividend on Equity Shares	**160.82**		*482.47*	
Corporate Tax on Final Dividend	**33.06**		*98.24*	
Sub-total	**775.54**		*580.71*	
		1002.59		*634.07*
Retained Earnings		**(1400.02)**		*1778.13*

The Company has drawn up its Accounts under IND AS.

RESULTS OF OPERATIONS & THE STATE OF COMPANY AFFAIRS :

TRADING DIVISION

For the Financial Year under review, i.e. April, 2018 to March, 2019, the Company has achieved a Textile Trading turnover of ₹ 1258.19 lakhs in comparison with ₹ 999.42 lakhs for the previous Financial Year. Thus achieving an increase of 26%.

In addition to our regular product range of PV Suiting/Uniform Suiting and Shirting, 100% Cotton Poplin, Lawn, etc., this year we have added Poly Cotton Shirting. Our range of products is well accepted in the market and this has helped us in achieving better turnover.

The effect of GST has benefitted the Corporate Sector giving level playing field against the decentralized sector. The Company is planning to expand other potential markets for our products which may help in getting better results in the current year.

PROPERTY DIVISION (REAL ESTATE ACTIVITIES)

The Property Division of the Company comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions. The Company had on 1st September, 2016, entered into a Memorandum of Understanding (MOU) in respect of the proposed transfer and assignment to Feat Properties Private Limited of the Company's leasehold rights in approx. 62.25 acres comprising of Plot No.4 situated at Trans-Thane Creek Industrial Area in the Village of Ghansoli and Savali, District Thane ("Property"). The said MOU contemplated fulfilment of various conditions precedent as well as other terms and conditions, to be satisfied by the respective Parties. Certain conditions precedent/terms and conditions were not fulfilled. Accordingly, the said transfer and assignment of the property has not been completed. Arising out of and in pursuance of such compliances, the Parties have mutually decided to terminate the said MOU. Consequently, Standard Industries Limited and Feat Properties Private Limited have terminated the said MOU on 29th March, 2019, vide Letter of Termination dated 29th March, 2019, in accordance with the terms and conditions contained therein.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of your Company for the financial year 2018-19, are prepared as per Indian Accounting Standards ("IND AS") and in compliance with applicable provisions of the Companies Act, 2013, read with the Rules issued thereunder and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations, 2015). The consolidated financial statements have been prepared on the basis of audited financial statements of your Company and its subsidiaries, as approved by the respective Board of Directors.

NATURE OF BUSINESS OF THE COMPANY

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

SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2019, was ₹ 32,16,44,705/- comprising 6,43,28,941 Shares of ₹ 5/- each.

During the financial year under review, the Company has not issued any class of securities including shares with differential voting rights nor Sweat Equity Shares, nor has it granted any stock options.

The Company has not bought back any of its securities during the financial year under review.

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

The Company is not engaged in manufacturing activities during the financial year under review. 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 financial year under review.

PUBLIC DEPOSITS

There are no outstanding public deposits remaining unpaid as on 31st March, 2019. The Company has not accepted any public deposits under Chapter V of the Companies Act, 2013 and rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, the Directors of your Company hereby state and confirm that :

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2019, 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 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;

(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, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Associate or Joint Venture Company. However, your Company has following Subsidiaries :

1. Standard Salt Works Limited
2. Mafatlal Enterprises Limited

The Company has framed a "Policy for determining Material Subsidiaries" for identifying material subsidiaries. The web link where policy for determining 'Material' subsidiaries is disclosed is: http://www.standardindustries.co/pdf/PolicyforDeterminingMaterialSubsidiaries.pdf

DONATIONS

During the Financial Year, the Company has contributed a sum of ₹ 73,43,000/- to various Charitable and Educational Institutions.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Directors

Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 your Directors are seeking re-appointment of Shri M. L. Apte as Independent Director for 3 consecutive years from 14th August, 2019. Your Directors are also seeking re-appointment of Shri Shobhan Diwanji as Independent Director for 5 consecutive years from 14th August, 2019 and Shri K. J. Pardiwalla as Independent Director for 3 consecutive years from 10th February, 2020. Details of the proposal for reappointment of Shri M. L. Apte, Shri Shobhan Diwanji and Shri K. J. Pardiwalla, are mentioned in the Explanatory Statement attached to the Notice of the 122nd AGM.

By Notification dated 9th May, 2018, Securities and Exchange Board of India ("SEBI") amended the SEBI (LODR) Regulations, 2015 by introducing Regulation 17(1A) in SEBI (LODR) Regulations, 2015 with effect from 1st April, 2019. According to the said Regulation, no listed Company shall appoint or continue the directorship of a person who has attained the age of 75 years unless Special Resolution is passed to that effect.

Shri M. L. Apte and Shri K J. Pardiwalla, both are above 75 years as on date and therefore, Special Resolutions are proposed in the ensuing AGM for continuation of holding Office of Non-Executive Independent Directors of the Company, by Shri M. L. Apte and Shri K. J. Pardiwalla both of whom are above the age of 75 years as on 1st April, 2019, to comply with the above amendment.

Therefore, it is proposed to pass Special Resolutions at the ensuing AGM of the Company for continuation of remaining term of Shri M. L. Apte (DIN 00003656) and Shri K. J. Pardiwalla (DIN 00015670) i.e. upto 13th August, 2022 and 9th February, 2023, respectively.

Necessary Resolutions for re-appointment/continuation of Directorship, past the age of 75 years, of the aforesaid Directors have been included in the Notice of the ensuing AGM and requisite details have been provided in the Explanatory Statement of the Notice.

The Board recommends their re-appointment/ continuation as Directors of the Company.

Pursuant to Article 158 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013 Shri Pradeep R. Mafatlal is due to retire by rotation at the ensuing AGM and is eligible to offer himself for reappointment.

B. Changes in Directors and Key Managerial Personnel

There are no changes in the composition of Directors and Key Managerial Personnel of the Company during the period under review.

C. Declarations by Independent Directors and re-appointment:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

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.

The Company's internal control procedures are adequate to ensure compliance with various policies, practices and statutes in keeping with the Organization's pace of growth and increasing complexity of the operations. The Company maintains a system of internal controls designed to provide reasonable assurance regarding the following :

- Effectiveness and efficiency of operations
- Adequacy of safeguards for assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records
- Timely preparation of reliable financial information.

Key controls have been tested during the year and corrective and preventive actions are taken for any weakness. 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.

INDIAN ACCOUNTING STANDARDS (IND AS)

Your Company has adopted Indian Accounting Standards ("IND AS") pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

AUDIT OBSERVATIONS AND EXPLANATION OR COMMENTS BY THE BOARD

There were no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective Reports. The observations made by the Auditors read with the relevant notes on accounts is self-explanatory.

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

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's subsidiaries (in Form AOC – 1) is annexed to the Financial Statements of the Company.

EXTRACT OF THE ANNUAL RETURN

The extract 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. In compliance with Section 134(3)(a) of the Companies Act, 2013 MGT-9 has been uploaded on the website of the Company at the link http://www.standardindustries.co/pdf/MGT-9ExtractofAnnualReturn2018-19.pdf.

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

Pursuant to the provisions of the Companies Act, 2013, 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 familiarisation 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 and familiarisation programmes attended by Independent Directors are put up on the website of the Company at the link http://www.standardindustries.co/pdf/FamiliarizationProgrammeforIndependentDirectors.pdf

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 Regulation 17(2) of SEBI (LODR) Regulations, 2015.

AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors of the Company comprises 3 Independent Non-Executive Directors in addition to the Executive Director (Wholetime Director):

Shri K. J. Pardiwalla	—	Chairman
Shri M. L. Apte	—	Member
Shri D. H. Parekh	—	Member
Shri Shobhan Diwanji (wef 10.8.2018)	—	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

There have been no cases of frauds reported to the Audit Committee/Board during the financial 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 at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

There have been no complaints received during the financial year.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has formed a CSR Committee which comprises Shri Pradeep R. Mafatlal, Chairman, Shri K. J. Pardiwalla, Smt. Divya P. Mafatlal and Shri D. H. Parekh Members and has framed and uploaded the CSR Policy on the Company's website at link http://www.standardindustries.co/pdf/PolicyOnCorporateSocialResponsibility.pdf The average net profit of the Company during the 3 immediately preceding Financial Years, based upon the calculation of Section 198 of the Companies Act, 2013 is negative, Therefore, the expenditure of 2% of the average profit on CSR activities is not applicable.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises Shri K. J. Pardiwalla, Chairman, Shri M. L. Apte, Shri Shobhan Diwanji and Smt. Divya P. Mafatlal 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) and Section 178 of the Companies Act, 2013 the Company's Policy on Directors appointment & remuneration is uploaded on the website of the Company at the link http://www.standardindustries.co/pdf/Nomination&RemunerationPolicy.pdf

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments pursuant to the provisions of Section 186 of the Companies Act, 2013 read with The Companies (Meetings of Board and its Powers) Rules, 2014, are given in the Notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are disclosed in Form No. AOC-2 in **Annexure B** of this Report. The Company has framed a Policy on Related Party Transactions. The web link where Policy on dealing with Related Party transactions is disclosed is http://www.standardindustries.co/pdf/PolicyOnRelatedPartyTransactions.pdf

PARTICULARS OF EMPLOYEES

The information as per Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as **Annexure C**. However, as per the provisions of Section 136 of the Companies Act, 2013 the report and accounts are being sent to the Members and others entitled thereto, excluding the information on employees' remuneration particulars as required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

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. Nishant Jawasa & Associates, to undertake the Secretarial Audit of the Company. Report of the Secretarial Auditor is annexed herewith as **Annexure D**. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

RISK MANAGEMENT POLICY

During the Financial Year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedures. Business risk evaluation and management is an ongoing process with the Company.

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (LODR) Regulations, 2015, 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 to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) read with Schedule V of SEBI (LODR) Regulations, 2015, is annexed to this Report.

INSURANCE

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

AUDITORS

M/s. Arunkumar K. Shah & Co., (Firm Registration No. 126935W), Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company at the 121st AGM of the Company held on 20th August, 2018 for a period of five (5) consecutive years till 126th AGM of the Company.

Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on 20th August, 2018. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from 7th May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn. Hence, the resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

For and on behalf of the Board
PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated : 30th May, 2019.

ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2019

[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.	**CIN**	L17110MH1892PLC000089
ii.	**Registration Date**	25th January, 1892
iii.	**Name of the Company**	STANDARD INDUSTRIES LIMITED
iv.	**Category/Sub-Category of the Company**	Public Company Limited by Shares
v.	**Address of the Registered Office and contact details**	Plot no. 4, TTC Industrial Area, Thane Belapur Road, PO Millenium Business Park, Navi Mumbai – 400 710 Tel.: +91 22 6139 1210, 6139 1213 E-Mail: standardgrievances@rediffmail.com
vi.	**Whether listed Company**	Yes
vii.	**Name, Address and Contact details of Registrar and Transfer Agent, if any.**	M/s. Karvy Fintech Private Limited, (formerly known as Karvy ComputerShare Ltd.) Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032. Tel. No. +91 40 6716 2222 Fax No. +91 40 2342 0814 Email: einward.ris@karvy.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.	Polyster cotton grey fabrics	46411	100%

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)

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 (1.04.2018)				No. of Shares. held at the end of the year (31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters/Promoter Group									
(1) Indian									
(a) Individuals/H.U.F	0	0	0	0	0	0	0	0	0
(b) Central Government	0	0	0	0	0	0	0	0	0
(c) State Government(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corporate	12948487	0	12948487	20.13	12948487	0	12948487	20.13	0
(e) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	**12948487**	**0**	**12948487**	**20.13**	**12948487**	**0**	**12948487**	**20.13**	**0**
(2) Foreign									
(a) Non Resident Individuals	13555	0	13555	0.02	13555	0	13555	0.02	0
(b) Other-Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0
(d) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0
(e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	**13555**	**0**	**13555**	**0.02**	**13555**	**0**	**13555**	**0.02**	**0**
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**12962042**	**0**	**12962042**	**20.15**	**12962042**	**0**	**12962042**	**20.15**	**0**
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Fund	3892	62567	66459	0.10	3892	62567	66459	0.10	0
(b) Banks/Financial Institutions	25972	16267	42239	0.07	25888	16267	42155	0.07	0
(c) Central Government	0	0	0	0	0	0	0	0	0
(d) State Government(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	3079434	560	3079994	4.79	3079434	560	3079994	4.79	0
(g) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	**3109298**	**79394**	**3188692**	**4.96**	**3109214**	**79394**	**3188608**	**4.96**	**0**
(2) Non Institutions									
(a) Bodies Corporate									
i) Indian	4879643	35318	4914961	7.64	4546782	34659	4581441	7.12	-0.52
ii) Overseas	0	25000000	25000000	38.86	0	25000000	25000000	38.86	0
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	9861070	1614931	11476001	17.84	9723331	1467190	11190521	17.40	-0.44
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	5975928	0	5975928	9.29	6525692	0	6525692	10.14	0.85
(c) Others (specify)									
Non resident individuals	400158	9721	409879	0.64	425860	9721	435581	0.68	0.85
Foreign Nationals	2091	0	2091	0.00	75	0	75	0.00	0.07
IEPF	399347	0	399347	0.62	444981	0	444981	0.69	0.07
Sub-Total (B)(2)	**21518237**	**26659970**	**48178207**	**74.89**	**21666721**	**26511570**	**48178291**	**74.89**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**24627535**	**26739364**	**51366899**	**79.85**	**24775935**	**26590964**	**51366899**	**79.85**	**0.00**

Category of Shareholders		No. of Shares held. at the beginning of the year (1.04.2018)				No. of Shares. held at the end of the year (31.03.2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
	GRAND TOTAL (A)+(B)+(C)	37589577	26739364	64328941	100	37737977	26590964	64328941	100	0.00

(ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	No. of Shares held at the beginning of the year (1.04.2018)			No. of Shares held at the end of the year (31.03.2019)			% 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 Mafatlal 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 Mafatlal	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	11000	0.02	0.00	11000	0.02	0.00	0.00
7.	Pradeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
	TOTAL	**12962042**	**20.15**	**0.00**	**12962042**	**20.15**	**0.00**	**0.00**

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

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2018)		Remarks	Shareholding at the end of the year (31.03.2019)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
NO CHANGE						

(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 (01.04.2018)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2019)	
		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.	Life Insurance Corporation of India	1311631	2.04	—	—	1311631	2.04
3.	International Financial Service Limited	1163517	1.81	—	—	1163517	1.81
4.	The Oriental Insurance Company Limited	1113472	1.73	—	—	113472	1.73
5.	Tushad K. Cooper	671559	1.04	—	—	671559	1.04
6.	G. Shankar	121490	0.48	420662	Purchase	542152	0.84
7.	The New India Assurance Company Limited	529316	0.82	—	—	529316	0.82
8.	Atrun Fiscal Private Limited	422382	0.66	422382	Sale	0	0
9.	JM Financial Services Limited	105000	0.02	422382	Purchase	432882	0.67
10.	Trishakti Power Holdings Private Limited	300000	0.47	—	—	300000	0.47
11.	Sejal Dhiren Shah	0	0.00	253586	Purchase	253586	0.39

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2018)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2019)	
		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
3.	Shri M. L. Apte	1735	0.00	—	—	1735	0.00
5.	Shri K. J. Pardiwalla	—	—	—	—	—	—
6.	Smt. Divya P. Mafatlal	—	—	—	—	—	—
7.	Shri D. H. Parekh	—	—	—	—	—	—
8.	Shri Shobhan Diwanji	—	—	—	—	—	—
9.	Smt. T. B. Panthaki	3175	0.01	150	Purchase	3325	0.01
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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	10823.01	—	—	10823.01
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	171.98	—	—	171.98
Total (i+ii+iii)	10994.99	—	—	10994.99
Change in Indebtedness during the financial year				
• Addition	3601.83	—	—	3601.83
• Reduction	—	—	—	—
Net Change	3601.83	—	—	3601.83
Indebtedness at the end of the financial year				
(i) Principal Amount	14340.73	—	—	14340.73
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	256.09	—	—	256.09
Total (i+ii+iii)	14596.82	—	—	14596.82

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Shri D. H. Parekh	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	27,70,833	27,70,833
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	7,57,782	7,57,782
	(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)	35,28,615	35,28,615
	Ceiling as per Act	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 M. L. Apte	Shri Shobhan Diwanji	Shri K. J. Pardiwalla	
1.	Independent Directors				
	• Fee for attending board committee meetings	1.80	2.00	3.00	6.80
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	Total (1)	1.80	2.00	3.00	6.80
		Shri Pradeep R. Mafatlal	**Smt. Divya P. Mafatlal**		
2.	Other Non-Executive Directors				
	• Fee for attending board committee meetings	1.60	0.80		2.40
	• Commission	—	—		—
	• Others, please specify	—	—		—
	Total (2)	1.60	0.80		2.40
	Total (B)=(1+2)	3.40	2.80	3.00	9.20
	Total Managerial Remuneration				9.20
	Overall ceiling as per the Act				

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

(Rs.)

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	11,18,940	8,10,718	19,29,658
	(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)	11,51,340	8,10,718	19,62,058

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
A. Company					
Penalty Punishment Compounding			NONE		
B. Directors					
Penalty Punishment Compounding			NONE		
C. Other Officers in Default					
Penalty Punishment Compounding			NONE		

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 30th May, 2019.

ANNEXURE B 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 amenities
	(c)	Duration of the contracts/ arrangements/ transactions	(i) From 19th August, 2016 to 18th August, 2019 (ii) From 21st August, 2016 to 20th August, 2019
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 4500 sq. ft. at 1st Floor and 4500 sq. ft. at 3rd Floor of Vijyalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai 400026 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) 27th April, 2016 (ii) 27th April, 2016
	(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 30th May, 2019.

ANNEXURE C TO THE DIRECTORS' REPORT

DETAILS FOR BOARD REPORT

Information required under Section 197 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Management Personnel) Rules, 2014.

A. Ratio of remuneration of each Director to the Median remuneration of all the employees of your Company for the financial year 2018-19 is as follow:

Name of the Director	Total Remuneration (₹)	Ratio of remuneration of Director to the median remuneration
D. H. Parekh	35,28,615	4.48

Notes:
1. The Information provided above is on standalone basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.
3. Median remuneration of the Company for all its employees is ₹ 7,88,311/- for the financial year 2018-19.

B. Details of percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year 2018-19:

Name	**Designation**	**Remuneration (in ₹)**		**Increase %**
		2018-2019	2017-2018	
D. H. Parekh	Executive Director	**35,28,615**	35,98,156	—
Tanaz B. Panthaki	VP (Legal) & Company Secretary	**11,51,340**	11,04,037	*4.28**
Jayantkumar R. Shah	Chief Financial Officer	**8,10,718**	8,22,250	—

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

Note: Remuneration to Director is within the over all limits approved by the Shareholders.

C. Percentage increase in the median remuneration of all employees in the financial year 2018-19:

Particulars	**2018-2019 (₹)**	2017-2018 (₹)	Increase %
Median remuneration of all employees per annum	**7,88,311**	7,82,686	0.71

D. Number of permanent employees on the rolls of the Company as on 31st March, 2019:

Particulars	**Number of employees**
Executive/Management Cadre	11
Staff	1
Total	12

E. 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	**2018-2019**	2017-2018	Increase %
Average salary of all employees	**7,23,897**	6,98,578	3.62
Key Managerial Personnel:			
Salary of Executive Director	**35,28,615**	35,98,156	—
Salary of CS & CFO	**19,62,058**	19,26,287	1.86*

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

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

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 30th May, 2019.

ANNEXURE D TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

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

To,
The Members,
Standard Industries Limited

We 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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, 2015;

   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;

   f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

We report that during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

requiring compliance thereof by the Company during the financial year.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India

(ii) The Listing Agreements entered into by the Company with the Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that based on the information provided by the Company, its officer and authorized representatives during the conduct of Audit, and also review of the quarterly compliances report by respective departmental head/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion adequate system and processes and control mechanism exists in the Company to monitor and ensure compliance with applicable general laws like labour laws.

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

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 of the Board of Directors and committees thereof all decisions were unanimous and no dissenting views have been recorded.

We 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.

We further report that during the audit period there was no other specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

For Nishant Jawasa & Associates
Company Secretaries

NISHANT JAWASA
Proprietor
FCS No: 6557
C. P. No.: 6993

Place: Mumbai
Dated: 30th May, 2019

Annexure A

To,
The Members,
Standard Industries Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Standard Industries Limited (the ‘Company’) is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Nishant Jawasa & Associates
Company Secretaries

NISHANT JAWASA
Proprietor
FCS No: 6557
C. P. No.: 6993

Place: Mumbai
Dated: 30th May, 2019

CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company adheres to good Corporate practices and transparency in its dealings, laying emphasis on timely regulatory compliances.

The Company will continue to focus its resources, strengths and strategies for creation and safeguarding of shareholders' wealth and at the same time protect the interests of all its shareholders.

II. BOARD OF DIRECTORS

A. Composition and category of Directors as on 31st March, 2019 is as follows:

Name of Directors	Category Executive/ Non-Executive/ Independent	No. of Board Meetings attended during 2018-2019	Whether attended AGM held on 20th August, 2018	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	10 *	1
Shri M. L. Apte	Non-Executive & Independent	3	No	6	8(1)
Shri K. J. Pardiwalla	Non-Executive & Independent	4	Yes	4	2(2)
Smt. Divya P. Mafatlal	Promoter Non-Executive & Woman Director	3	No	6	—
Shri D. H. Parekh	Executive Director	4	Yes	5	—
Shri Shobhan Diwanji	Non-Executive & Independent	4	No	1	1

* Including Foreign Companies.

** Figure in brackets indicate Committee Chairmanships.

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

B. Names of other Directorships in Listed Entities

Name of Directors	**Names of other Directorships in Listed Entities**	
	Name of Listed Company	**Category**
Shri Pradeep R. Mafatlal Chairman	Stanrose Mafatlal Investments & Finance Limited	Promoter Non Executive Non Independent Director
Shri M. L. Apte	Grasim Industries Limited	Independent Director
	Bajaj Hindusthan Sugar Limited	Independent Director
	Bombay Burmah Trading Corporation Limited	Independent Director
	Raja Bahadur International Limited	Independent Director
	Kulkarni Power Tools Limited	Independent Director
	Zodiac Clothing Company Limited	Independent Director
Shri K. J. Pardiwalla	Stanrose Mafatlal Investments & Finance Limited	Independent Director
Smt. Divya P. Mafatlal	—	—
Shri Shoban Diwanji	Swan Energy Limited	Independent Director
Shri D. H. Parekh	—	—

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

C. 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, 2018 to 31st March, 2019. The dates of such Board Meetings are 29.05.2018, 10.08.2018, 02.11.2018 and 06.02.2019.

D. Familiarisation programme for Independent Directors

The Independent Directors have been familiarised with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. During FY 2018-19, Independent Directors were taken through various aspects of the Company's business and operations. The details of familiarisation programmes imparted to the Independent Directors during FY 2018-19 are put up on the website of the Company and can be accessed at http://www.standardindustries.co/pdf/FamiliarizationProgrammeforIndependentDirectors.pdf

E. The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

i. Knowledge - understand the Company's business, policies, culture and knowledge of the industry in which the Company operates.

ii. Strategic thinking and decision making.

iii. Financial Skills.

iv. Technical/Professional skills and specialized knowledge to business

F. The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

G. CODE OF CONDUCT

The Board of Directors have 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 i.e http://www.standardindustries.co/pdf/CodeOfConductForBoardOfDirectors&SeniorManagement.pdf

III. AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors of the Company comprises the following three Independent Non-Executive Directors and an Executive Director:

Shri K. J. Pardiwalla	Chairman
Shri M. L. Apte	Member
Shri D. H. Parekh	Member
Shri Shobhan Diwanji (appointed w.e.f. 10th August 2018)	Member

The Vice President (Legal) & Company Secretary acts as a Secretary to the Committee. Shri Pradeep R. Mafatlal, Chairman, 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 Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia include the following:

a) 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;

b) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

d) 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:

   a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013

   b. Changes, if any, in accounting policies and practices and reasons for the same

   c. Major accounting entries involving estimates based on the exercise of judgment by management

d. Significant adjustments made in the financial statements arising out of audit findings

e. Compliance with listing and other legal requirements relating to financial statements

f. Disclosure of any related party transactions

g. Modified opinion(s) in the draft audit report

e) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

f) 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, 2019 the Audit Committee met four times, viz. on 29.05.2018, 10.08.2018, 02.11.2018 and 06.02.2019. Attendance during the Financial Year is as under:

Members	Meetings attended
Shri K. J. Pardiwalla Chairman	4
Shri M. L. Apte	3
Shri D. H. Parekh	4
Shri Shobhan Diwanji	3

IV. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee constituted by the Board of Directors of the Company comprises the following four Non-Executive Directors:

Shri K. J. Pardiwalla	Chairman
Shri M. L. Apte	Member
Shri Shobhan Diwanji	Member
Smt. Divya P. Mafatlal	Member

The terms of reference of the Nomination & Remuneration Committee are in accordance with the provisions of Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors and inter alia include the following:

a) to formulate a criteria for determining qualifications, positive attributes and independence of a Director.

b) to recommend to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

c) formulation of criteria for evaluation of performance of independent directors and the board of directors.

d) to determine whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

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) identifying 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 of Directors their appointment and removal.

g) ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

h) recommend to the Board, all remuneration, in whatever form, payable to senior management.

i) specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

j) determining the appropriate size, diversity and composition of the Board and to devise a policy on Board diversity

k) to assist the Board in ensuring that succession plans are in place for appointment to the Board.

l) ensuring that there is an appropriate induction & training programme in place for new Directors and reviewing its effectiveness.

The aforesaid Committee met twice during the Financial Year from 1st April, 2018 to 31st March, 2019, viz. on 29.05.2018 & 06.02.2019

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	2
Shri M. L. Apte	2
Shri Shobhan Diwanji	2
Smt. Divya P. Mafatlal	2

During the year under review the Nomination & Remuneration Committee approved and recommended a revised Nomination & Remuneration Policy to the Board, which was adopted effective from 1st April, 2019. The revised policy and charter are available on the Company's website at http://www.standardindustries.co/pdf/Nomination&RemunerationPolicy.pdf

V. REMUNERATION OF DIRECTORS

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 2017. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity.

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

(₹ In lakhs)

	Salary	Perquisites	Contributions*	Total
Shri D. H. Parekh	28.93	5.78	7.42	42.13

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

DIRECTORS' REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED 31st MARCH, 2019

Name of the Directors	Remuneration paid during April, 2018 to March, 2019			
	Sitting Fees ₹	Salary & Perks ₹	Total ₹	No. of shares held as on 31.03.2019
Shri Pradeep R. Mafatlal, Chairman	160000	—	160000	13555
Shri M. L. Apte	180000	—	180000	1735
Shri K. J. Pardiwalla	300000	—	300000	—
Smt. Divya P. Mafatlal	80000	—	80000	—
Shri D. H. Parekh, Executive Director	—	4213318*	4213318*	—
Shri Shobhan Diwanji	200000	—	200000	—
TOTAL	920000	4213318	5133318	—

* 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, 2020. 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.

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

VI. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee constituted by the Board of Directors of the Company comprises the following three Directors:

Shri K. J. Pardiwalla	Chairman
Shri. Pradeep R. Mafatlal	Member
Shri D. H. Parekh	Member

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, etc.

During the Financial Year ended 31st March, 2019, the aforesaid Committee met four times, viz. on 29.05.2018, 10.08.2018, 02.11.2018 and 06.02.2019.

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	4
Shri. Pradeep R. Mafatlal	4
Shri D. H. Parekh	4

Name and designation of the Compliance Officer	Smt. T. B. Panthaki, Vice President (Legal) & Company Secretary
Number of Shareholders' Complaints received during the financial year 1st April, 2018 to 31st March, 2019.	11
Number of complaints not resolved to the satisfaction of shareholders.	Nil
Number of pending share Transfers/complaints	Nil

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 (SEBI PITR). The Company had adopted a revised code of Fair Disclosure as required under the amended Regulation 8 of SEBI PITR, *inter alia*, containing a policy on Legitimate Purpose. Further, the Company has also approved and adopted a revised Code to Monitor, Regulate and Report trading by its designated persons and immediate relatives of designated persons pursuant to the amended Regulation 9 of SEBI PITR towards achieving compliance with the SEBI PITR and adopting the minimum standards set out in relevant Schedule to SEBI PITR and the same is effective from 1st April, 2019.

OTHER BOARD COMMITTEES:

A. INVESTMENT COMMITTEE

The Investment Committee comprises the following two Directors:

Shri. Pradeep R. Mafatlal	Chairman
Shri K. J. Pardiwalla	Member

The Committee met four times during the Financial Year, viz. on 29.05.2018, 10.08.2018, 02.11.2018 and 06.02.2019.

The Investment Committee is vested with powers to invest an amount not exceeding ₹ 300 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.

B. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013. The CSR Committee consists of the following Directors:

Shri. Pradeep R. Mafatlal	Chairman
Shri K. J. Pardiwalla	Member
Smt. Divya P. Mafatlal	Member
Shri D. H. Parekh	Member

During the year under review, the Committee met once on 02nd November, 2018 and all members attended the meeting.

The average net profits of the company during the three immediately preceding financial years based upon the calculation as per Section 198 of the Companies Act, 2013 is negative. Therefore the expenditure of 2% of Average profit on CSR activities is not applicable.

C. INDEPENDENT DIRECTORS' COMMITTEE

The Independent Directors' Committee comprises the following Directors:

Shri M. L. Apte	Member
Shri Shobhan Diwanji	Member
Shri K. J. Pardiwalla	Member

The Independent Directors met once during the financial year viz. on 06th February, 2019, inter-alia, to consider.

- the performance of 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.

D. RISK ASSESSMENT POLICY:

During the Financial Year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about the risk assessment and minimization procedure. Business risk evaluation and management is an ongoing process with the Company.

VII. GENERAL BODY MEETINGS:

A. Location and time where the last three AGMs were held:

Year	AGM	Location	Date and Time
2017-2018	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	20.08.2018 at 3.00 p.m.
2016-2017	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	31.08.2017 at 3.00 p.m.
2015-2016	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	27.06.2016 at 3.00 p.m.

B. Whether any Special Resolutions were passed in the previous 3 Annual General Meetings:

Year	Special Resolutions
2017-2018	Continuation of Shri M. L. Apte as Non-Executive Independent Director for the balance term of his current tenure upto 13th August, 2019. Continuation of Shri K. J. Pardiwalla as Non-Executive Independent Director for the balance term of his current tenure upto 9th February, 2020.
2016-2017	Approval of making loan, investments or giving guarantee upto ₹ 300 crores. Reappointment of Shri D. H. Parekh as Executive Director.
2015-2016	Approval u/s 180 of the Companies Act, 2013 for borrowing upto ₹ 300 crores & for creating charges, mortgages and hypothecation in connection with the borrowings upto ₹ 300 crores.

C. Whether any 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.

D. Person who conducted the postal ballot exercise:

NA

E. Whether any special resolution is proposed to be conducted through postal ballot:

At present there is no proposal to pass any special resolution through postal ballot.

F. Procedure for postal ballot:

Does not arise.

VIII. MEANS OF COMMUNICATION

A. Quarterly Results/Annual Results

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.

B. Newspapers wherein results normally published

The quarterly results / annual results are generally published in The Free Press Journal (English) and Navshakti (Marathi).

C. Any website, where displayed

The quarterly results/ annual results of the Company are put on the website of the Company i.e http://www.standardindustries.co after these are submitted to the Stock Exchanges.

IX. GENERAL SHAREHOLDERS' INFORMATION

A. Annual General Meeting

Date & Time	:	13th August, 2019 at 3.00 p.m.
Venue	:	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.

B. Financial Calendar (tentative)

Financial Reporting for the Quarter ended 30th June, 2019	:	Mid August, 2019.
Financial Reporting for the Quarter ended 30th September, 2019.	:	Mid November, 2019.
Financial Reporting for the Quarter ended 31st December, 2019.	:	Mid February, 2020.
Financial Reporting for the Year ending 31st March, 2019.	:	End May, 2020.
Annual General Meeting for the year ending 31st March, 2020.	:	August/September 2020.

C. Name and address of each Stock Exchange at which Company's Shares are listed.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited
Exchange Plaza,
5th Floor, Plot No. C/1,
G Block, Bandra-Kurla Complex, Bandra (E),
Mumbai-400 051

Listing Fees:

The Company has paid Listing Fees to the above Stock Exchanges upto 31st March, 2020.

D. Stock Code BSE – 530017

NSE – SIL

Demat ISIN Numbers in NSDL & CDSL for Equity Shares. INE173A01025

E. Stock Market Data Please see Annexure "1"

F. Stock performance Please see Annexure "2"

G. Registrar & Share Transfer Agents (R & STA)

Corporate Office:
M/s. Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.
Tel. No. +91 40 6716 2222
Fax No. +91 40 2342 0814
Email: einward.ris@karvy.com

Mumbai Front Office:
M/s. Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
24-B, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai - 400 023.
Tel. No. +91 22 6623 5454
+91 22 6623 5412
+91 22 6623 5427

All documents, demat requests and other communication in relation thereto should be addressed to the R & STA at the above address.

H. Share Transfer System

In case of 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 surviving holder(s), legal heir(s) and joint holder(s) respectively along with necessary documents are sent to the Registrar & Share Transfer Agents, M/s. Karvy Fintech Private Limited (Formerly known as Karvy Computershare Private Limited).

I. (i) Distribution of Shareholding

No. of Equity Shares held	No. of Share-holders	No. of Shares held	% Share-holding
1 to 5000	27673	7993156	12.43
5001 to 10000	276	2039827	3.17
10001 to 20000	153	2119005	3.29
20001 to 30000	49	1188478	1.85
30001 to 40000	18	638929	0.99
40001 to 50000	17	765872	1.19
50001 to 100000	21	1448974	2.25
100001 & above	35	48134700	74.83
TOTAL	28242	64328941	100.00

(ii) Categories of Shareholding as on 31st March, 2019.

Categories	No. of Share-Holders	No. of Shares held	% Share-holding
Promoters/ Group Companies	7	12962042	20.15
Public/Pvt. Limited Companies	289	4420872	6.87
Insurance Companies	8	3079994	4.79
Public Financial Institutions/Banks	21	42155	0.07
Mutual Funds/UTI	11	66459	0.10
Foreign Institutional holding	0	0	0
NRIs/OCBs/FN	202	25435656	39.54
Resident Individuals	27696	17716213	27.54
IEPF	1	444981	0.69
Trust	7	160569	0.25
TOTAL	28242	64328941	100.00

J. Dematerialisation of shares and liquidity:

58.66% of the total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2019. 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.

K. Plant Location

There was no manufacturing activity during the Financial Year under review.

L. Address for Correspondence

(i) Investor correspondence of dematerialisation of shares and any other query relating to shares of the Company:

For Shares held in Physical Form
Corporate Office:
M/s. Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.
Tel. No. +91 40 6716 2222
Fax No. +91 40 2342 0814
Email : einward.ris@karvy.com

Mumbai Front Office
M/s. Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare Private Limited)
24-B, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE, Fort, Mumbai – 400 023.
Tel. No. +91 22 6623 5454/412/427

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 Mumbai-400 710.
Tel. No.: +91 2261391210, 61391213
E-mail ID: standardgrievances@rediffmail.com

M. 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 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 M/s. Karvy Fintech Private Limited, (Formerly known as Karvy Computershare Private Limited) at their Corporate Office, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032.

X. OTHER DISCLOSURE

A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, during the Financial Year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

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. 39 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, the Whistle Blower policy was amended in line with the SEBI PITR as amended, enabling employees to report any violations under the Insider Trading regulations and leak of Unpublished Price Sensitive Information. The weblink where the Policy dealing with Vigil Mechanism/ Whistle Blower is disclosed is http://www.standardindustries.co/pdf/WhistleBlowerPolicy.pdf. 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 the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

The following discretionary requirements have been adopted by the Company:

(a) There are no modified opinions in Audit Report.

(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.

E. The policy for determining 'Material' subsidiaries is available on weblink http://www.standardindustries.co/pdf/PolicyForDeterminingMaterialSubsidaries.pdf

F. The Company has framed a Policy on Related Party transactions. The weblink where the Policy dealing with Related Party transaction is disclosed is http://www.standardindustries.co/pdf/PolicyOnRelatedPartyTransactions.pdf

G. Disclosure for Commodity price risks and commodity hedging activities:

Not Applicable

H. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

Not Applicable

I. Certificate from M/s Nishant Jawasa & Co, Practicing Company Secretary is attached (which forms integral part of this report) confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

J. There was no such instance during FY 2018-19 when the board had not accepted any recommendation of any committee of the board.

K. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is given below:

(₹ In lakhs)

Payment to Statutory Auditors	FY 2018-19
Statutory Audit Fees	6.68
Other Services including reimbursement of expenses	1.97
Total	**8.65**

L. 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 at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

There have been no complaints received during the financial year.

M. The Management Discussion & Analysis Report forms part of the Annual Report.

XI. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Sr. No.	Particulars	Regulations	brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	N.A.
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholders' Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2) &(3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party Transaction	23(1),(5),(6), (7) & (8)	Policy for Related Party Transaction	Yes
		23(2)	Approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(3)	Omnibus approval for Related Party Transactions by Audit Committee	N.A.
		23(4)	Approval for Material Related Party Transactions.	Yes

Sr. No.	Particulars	Regulations	brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2),(3),(4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

CERTIFICATE RELATING TO NON-DISQUALIFICATION OF DIRECTORS

To,
The Members,
Standard Industries Limited

We have examined the registers, records, books and papers of **Standard Industries Limited** (the Company) having CIN: L17110MH1892PLC000089 as particularly required to be maintained under the Companies Act, 2013, (the Act) and the rules made thereunder. In our opinion, and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority.

For Nishant Jawasa & Associates
Company Secretaries

Nishant Jawasa
(Proprietor)
M.No. F6557

Place: Mumbai
Date: 30th May, 2019

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
Apr-18	22.00	22.85	20.25	19.80	100923	108289	21.20	22.58
May-18	21.30	21.35	18.15	18.50	159597	143932	31.29	28.36
Jun-18	19.95	20.45	16.95	17.10	110989	70963	20.63	13.16
Jul-18	20.00	19.35	15.20	15.00	146217	206003	26.17	35.20
Aug-18	19.95	20.10	15.50	15.50	211571	131999	38.16	23.01
Sep-18	17.80	17.65	15.35	15.30	121428	109574	19.90	17.90
Oct-18	17.45	17.40	14.75	15.10	141374	105923	22.67	16.72
Nov-18	17.50	17.55	15.40	15.20	70833	40483	11.50	6.64
Dec-18	16.95	16.75	14.60	14.55	101876	77262	15.85	11.99
Jan-19	16.80	16.45	14.40	14.00	72364	154522	11.17	23.80
Feb-19	15.40	15.30	13.11	12.95	128606	99460	18.02	13.82
Mar-19	16.60	16.80	13.76	13.30	131605	150381	19.96	22.67

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, 2019.

Period	Share price	Sensex	Relative to Sensex
01.04.2018 to 31.03.2019	- 25.06 %	+17.08%	-42.14 %

(b) SIL share price performance relative to NSE Nifty based on share price on 31st March, 2019.

Period	Share price	Nifty	Relative to Nifty
01.04.2018 to 31.03.2019	-25.12%	+14.50 %	-39.62%

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 Board of Directors and Senior Management.

I confirm that the Company has in respect of the financial year ended 31st March, 2019, 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: 30th May, 2019

Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members
Standard Industries Ltd

1. The Corporate Governance Report prepared by Standard Industries Limited ("the Company"), contains details as stipulated in Regulation 17 to 27 and clauses (bl to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (" the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This Certificate is required by the Company for annual submission to the stock exchange and to be sent to the shareholders of the Company.

Management's Responsibility

2. The Preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This Responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Report or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC)l, Quality Control for firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019 referred to in paragraph I above.

Other matters and Restriction on Use

10. This Certificate 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.

11. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling the Company to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this Certificate.

For Arunkumar K. Shah & Co.
Chartered Accountants
Firm Registration No. 126935W

Arunkumar K. Shah
Proprietor
Membership No. 034606

Place: Mumbai
Date: 30th May, 2019
UDIN:19034606AAAAAP7032

MANAGEMENT DISCUSSION AND ANALYSIS

TEXTILE TRADING DIVISION & OUTLOOK

For the Financial Year under review viz., April, 2018 to March, 2019, the Company has achieved a Textile Trading turnover of Rs. 1258.19 lakhs in comparison with Rs. 999.42 lakhs for the previous Financial Year. Thus achieving an increase of 26%.

In addition to our regular product range of PV Suiting/ Uniform Suiting and Shirting, 100% Cotton Poplin, Lawn, etc., this year we have added Poly Cotton Shirting. Our range of products is well accepted in the market and this has helped us in achieving better turnover.

The effect of GST has benefitted the Corporate Sector giving level playing field against the decentralized sector. The Company is planning to expand other potential markets for our products which may help in getting better results in the current year.

PROPERTY DIVISION & OUTLOOK

The Standard Mills Company Limited was incorporated in India 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 The Standard Mills Company Limited to Standard Industries Limited, ('the Company') in October 1989. The Company also has a Property Division which comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

The Company had on 1st September, 2016, entered into a Memorandum of Understanding (MOU) in respect of the proposed transfer and assignment to Feat Properties Private Limited of the Company's leasehold rights in approx. 62.25 acres comprising of Plot No. 4 situated at Trans-Thane Creek Industrial Area in the Village of Ghansoli and Savali, District Thane ("Property"). The said MOU contemplated fulfilment of various conditions precedent as well as other terms and conditions, to be satisfied by the respective Parties. Certain conditions precedent/terms and conditions were not fulfilled. Accordingly, the said transfer and assignment of the property has not been completed. Arising out of and in pursuance of such compliances, the Parties have mutually decided to terminate the said MOU. Consequently, Standard Industries Limited and Feat Properties Private Limited have terminated the said MOU on 29th March, 2019, vide Letter of Termination dated 29th March, 2019, in accordance with the terms and conditions contained therein.

INDUSTRY OVERVIEW

Influence of competitively priced private labels in modern trade and e-commerce market places is bringing in new value conscious consumers to the Industry. On the other hand, fashion led premium consumers' preferences are switching over to product made from high end fabrics and innovative designs. The market is clearly drawing distinction between the value led and the fashion conscious consumers both in terms of product as well as the channel preferences.

GST implementation has helped the Corporate Sector giving it an edge over the domestic unorganised Industry.

STRENGTHS

During the year under review, turnover of Textile Trading has increased compared to last year.

The Company is optimistic in Textile Trading, as our main strength is brand image and this has given us growth in our turnover. We have introduced Poly Cotton Shirting in our product range and our range of products is well accepted in the market place.

The Property Division of the Company has its presence in Navi Mumbai area since 5 decades which is fast developing.

WEAKNESS

The textile trading faces the threat of constant inflow of cheaper alternatives from unorganised sector.

Due to increase in competition from other players in the market, the margins of the Company may be under pressure.

OPPORTUNITIES & CHALLENGES

The Company largely benefits from its strong brand name. By introducing poly cotton shirting, more value added fabric and new product line, the Company's performance in textile trading will be enhanced.

GST has led to reduction in import duties across the segments leading to serious threat of imports from China, Thailand, etc.

Downward revision in duty drawback rates has added to the woes of the Textile Sector.

Based on the market conditions, the Company is awaitng a good opportunity to liquidate the company's leasehold rights at Navi Mumbai, District Thane.

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.

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.

HUMAN RESOURCES

As on 31st March, 2019, the employees' strength (on permanent roll) of the Company was 12.

FINANCIAL STATEMENT ANALYSIS

In accordance with SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios:

Particulars	Note no.	Year ended March 31, 2019	Year ended March 31, 2018
Debtors Turnover (in days)	1	68	48
Inventory Turnover (in days)	2	7	15
Interest Coverage Ratio	3	(0.30)	2.81
Current ratio	4	0.83	2.03
Debt Equity Ratio	5	2.79	1.30
Operating Profit Margin (%)	6	3.58%	-2.80%
Net Profit Margin (%)	7	-188.41%	112.45%

Ratios where there has been a significant change from year ended March 31, 2018 to year ended March 31, 2019

1. Debtors Turnover (in days): Debtors turnover is computed as net credit sales divided by average account receivable. The movement in this ratio is on account of increase in credit sales and average debtors during the current year as compared to the previous year.
2. Inventory Turnover (in days): Inventory turnover is computed as cost of goods sold divided by average inventory. The movement in this ratio is on account of increase in cost of goods sold which is directly related to the increase in the Company's sales and decrease in average inventory balance during the current year as compared to the previous year.
3. Interest Coverage Ratio: Interest coverage ratio is computed as Earnings before interest and Tax (EBIT) divided by Interest expense. The movement in this ratio is on account of increase in the Company's interest cost, as additional loan is withdrawn during the current year.
4. Current ratio: Current ratio is computed as current assets divided by current liabilities. The movement in this ratio is on account of increase in current liability during the current year as compared to the previous year which includes current maturities of long-term borrowings.
5. Debt Equity Ratio: Debt equity ratio is computed as Long-term Debts divided by shareholders' fund. The movement in this ratio is on account of additional loan withdrawn during the current year as compared to the previous year.
6. Operating Profit Margin (%): Operating profit margin is computed as operating income divided by revenue. The movement in ratio is on account of increase in Revenue and operating income during the current year as compared to the previous year. As there was operating loss in the previous year and operating profit in the current year the ratio moves from negative to positive.
7. Net Profit Margin (%): Net profit margin is computed as net profit divided by revenue. The movement in ratio is on account of increase in revenue during the current year as compared to the previous year. Additionally the Company has incurred a net loss during the current year as compared to net profit during the previous year.

THE DETAILS OF RETURN ON NET WORTH ARE GIVEN BELOW:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Return on Net Worth (%)	-35.76%	14.21%

Return on net worth is computed as net profit by average net worth. Net profit has declined to net loss i.e. from profit of ₹ 1144.06 lakhs to loss of ₹ 2410.14 lakhs. Additionally there is no movement in each item of Net worth except retained earnings.

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF STANDARD INDUSTRIES LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying standalone financial statements of **STANDARD INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone IND AS Financial Statements).

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indain Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters as follows :-

The Key Audit Matters	How the matter was addressed in our Audit
a. Adoption of Ind AS 115 – Revenue From Contracts with Customer	
As described in Note No. (2.4) & Note No. (26) To the Standalone Financial Statements, The Company adopted Ind AS 115 - Revenue from Contracts with Customers which is a new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	We Assessed the Company's process to identify the impact of adoption of the new accounting standard. Our Audit Approach consisted testing of design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedure involving enquiry and observations, reperformance and inspection of evidence in respect of operations of this controls. • Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.
b. Diminution in Value of Investment in Subsidiary Company	
We draw Attention to Note No. (45) of financial statements regarding Investment in subsidiary company – Standard Salt Works Limited.	We assessed that in view of the long term strategic nature of the Investment in lease hold rights to salt pans and growth prospect of subsidiary business, no provision for diminution in value of Investment is considered necessary at this stage.

The Key Audit Matters	How the matter was addressed in our Audit
c. Evaluation of Uncertain Tax Positions	
The Company has material uncertain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes, Refer Note No. (40) of the financial statements	• We obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management. • We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; • Assessed management's estimate to the possible outcome of the disputed cases.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance inclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

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 Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 Standalone Ind AS Financial Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonable ness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and event s in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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.
   (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid 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 as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   (g) 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 litigation on its financial position in its Standalone Ind AS Financial Statements refer note no (40) to the financial statements.
      (ii) The Company has made provision as required under applicable law or accounting standards, for material foreseeable losses if any on long term contracts including derivative contracts.
      (iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matter specified in the paragraph 3 and 4 of the Order.

For Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

Arunkumar K. Shah
Proprietor
Membership No. 34606.

Place: Mumbai,
Dated: 30th May, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 2(f) under "Report on Legal and Regulatory Requirement" section of our report of even date on the Standalone Ind AS Financial Statement Of Standard Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of Standard Industries Limited (the "Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements for the year ended on that date.

2. Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects to the extent applicable.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

Arunkumar K. Shah
Proprietor
Membership No. 034606

Place: Mumbai,
Dated: 30th May, 2019

ANNEXURE "B" TO THE AUDITORS' REPORT

The annexure referred to in Paragraph 2 Of Our Report on Other Legal and Regulatory Requirements section of our report of Even Date On the Standalone Financial Statements For The Year Ended March 31, 2019 Of Standard Industries Limited, we report that:

(i) In respect of Property, Plant and Equipment:

(a) According to the information and explanations given to us, the Company has updated its property, plant and equipment records showing full particulars, including quantitative details and situation of fixed assets.

(b) The property, plant and equipment 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.

(c) According to information and explanations provided to us and based on our examination, the title deeds of immovable property are held in the name of the Company.

(ii) In respect of Inventories:

As explained to us, inventory has been physically verified during the year by the management and no material discrepancies were noticed on physical verification.

(iii) In respect of Granting of Loan:

According to the information and explanations given to us, the Company has not granted any loan to any party covered in the register maintained u/s 189 of the Companies Act, 2013 (the "Act").

Thus the clause relating to terms and conditions of grant of loan, repayment of principal and interest and amount overdue are not applicable to the Company.

(iv) In our opinion and according to information and explanations provided to us, the Company has not granted any loan, made any investment, given any guarantee or provided any securities covered under section 185 and 186 of the Act during the year under review.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provision of the Act and the rule framed there under during the year. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.

(vi) Reporting under clause 3 (vi) of the Order is not applicable as the Company's business activities are not covered by the Companies (Cost Records and Audit) Rules, 2014.

(vii) In respect of Statutory dues:

(a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at March 31, 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of value added tax, service tax, duty of customs, Goods and Services Tax Act outstanding on account of any dispute except as mentioned below:

Name of the Statute	Nature of Dues	Financial Year	Forum where matter is pending	Amount (₹ in Lakhs)
Central Excise Act, 1944	Excise Duty	1996 – 1997 to 1998 – 1999	Commissioner of Central Excise	106.93
		1995 – 1996 to 1997 – 1998	High Court of Bombay	129.37
		1981 – 1982 to 1983 – 1984, 1983 – 1984 to 1987 – 1988, 1994 – 1995 & 1996 – 1997 to 1999 – 2000	Central Excise and Service Tax Appellate Tribunal	158.33
		1996 – 1997 to 1997 – 1998	Assistant/ Deputy Commissioner of Central Excise	118.81

(viii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to a financial institution or bank.

(ix) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained. The Company has not raised any moneys by way of further public offer (including debt instruments).

(x) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud on the Company by its officers or employees or by the Company have been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to registered under section 45-IA of the Reserve Bank of India Act 1934.

For Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

Arunkumar K. Shah
Proprietor
Membership No. 034606

Place: Mumbai,
Dated: 30th May, 2019

BALANCE SHEET

AS AT MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2019	*As at March 31, 2018*
Assets			
1. Non-current assets			
a. Property, plant and equipment	5	3,043.89	*1,334.17*
b. Capital work in progress		—	—
c. Investment property	6	1,420.72	*1,075.17*
d. Other intangible assets	7	4.25	*4.04*
e. Investment in subsidiaries	8	5,974.82	*5,974.82*
f. Financial assets			
i. Other investments	9	2,014.59	*54.06*
ii. Loans	10	197.74	*197.74*
iii. Other financial assets	11	130.01	*128.70*
g. Non-current tax assets (net)	12	51.13	—
h. Other non-current assets	13	2,808.94	*2,032.62*
Total non-current assets		15,646.09	*10,801.32*
2. Current assets			
a. Inventories	14	20.76	*25.68*
b. Property under development	15	7,630.23	*4,439.73*
c. Financial Assets			
i. Other investments	9	11,639.38	*9,067.10*
ii. Trade receivables	16	1,326.13	*3,071.46*
iii. Cash and cash equivalents	17	4,278.60	*836.02*
iv. Bank balances other than (iii) above	17	56.43	*46.38*
v. Other financial assets	11	19.94	*119.35*
d. Other current assets	13	41.43	*44.39*
Total current assets		25,012.90	*17,650.11*
Total assets		40,658.99	*28,451.43*
Equity and liabilities			
Equity			
a. Equity share capital	18	3,216.45	*3,216.45*
b. Other equity	19	1,931.35	*5,117.03*
Total Equity		5,147.80	*8,333.48*
Liabilities			
1. Non-current liabilities			
a. Financial liabilities			
i. Borrowings	20	4,964.70	*10,823.01*
b. Provisions	21	583.66	*583.66*
Total non-current liabilities		5,548.36	*11,406.67*
2. Current liabilities			
a. Financial liabilities			
i. Trade payables	22	384.75	*229.40*
ii. Other financial liabilities	23	28,678.33	*974.83*
b. Provisions	21	32.06	*32.55*
c. Current tax liabilities (net)	24	—	*79.17*
d. Other current liabilities	25	867.69	*7,395.33*
Total current liabilities		29,962.83	*8,711.28*
Total liabilities		35,511.19	*20,117.95*
Total Equity and Liabilities		40,658.99	*28,451.43*

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN: 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

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

D. H. PAREKH
Executive Director

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2019
All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2019	*For the year ended March 31, 2018*
I	Revenue from operations	26	1,279.19	*1,017.42*
II	Other Income	27	956.95	*3,882.47*
III	**Total Income (I + II)**		2,236.14	*4,899.89*
IV	**Expenses**			
	Purchases of stock-in-trade		1,204.25	*953.20*
	Changes in inventories of stock-in-trade	28	4.92	*31.16*
	Employee benefits expense	29	159.53	*174.36*
	Finance costs	30	1,842.93	*820.80*
	Depreciation and amortisation expense	31	113.31	*76.43*
	Other expenses	32	1,313.81	*1,361.67*
	Total expenses (IV)		4,638.75	*3,417.62*
V	**(Loss)/Profit before tax (III - IV)**		(2,402.61)	*1,482.27*
VI	Tax expenses			
	Current tax		—	*338.21*
	Deferred tax		—	*—*
			—	*338.21*
VII	**(Loss)/Profit for the year (V - VI)**		(2,402.61)	*1,144.06*
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		(7.53)	*—*
IX	**Total comprehensive (Loss)/income for the year (VII + VIII)**		(2,410.14)	*1,144.06*
	Earnings per equity share	34		
	(1) Basic (in ₹)		(3.75)	*1.78*
	(2) Diluted (in ₹)		(3.75)	*1.78*

See accompanying notes to the financial statements

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN: 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

M. L. APTE
K J. PARDIWALLA
S. I DIWANJI
} *Directors*

D. H. PAREKH
Executive Director

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Cash flows from operating activities		
(Loss)/Profit for the year	(2,402.61)	1,144.06
Adjustments for:		
Income tax expense recognised in profit or loss	—	338.21
Depreciation	113.31	76.43
(Profit)/loss on sale of property, plant and equipments (net)	(0.44)	(1.69)
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	(169.02)	(103.48)
Net gain/(loss) arising from fair value of financial assets designated as at FVTPL	(688.88)	(148.09)
Gain on surrender of land	—	13.56
Sundry credit balances written back	(0.44)	(4.79)
Dividends from equity investments	(8.89)	(30.09)
Dividend on investments in mutual funds	(42.31)	(64.57)
Interest income on fixed deposits with banks	(31.47)	(24.36)
Fund raising expenses on financial liabilities measured at amortised cost	47.49	19.20
Interest on loans from banks and financial institutions	1,499.06	641.82
Other finance cost	296.38	159.78
	(1,387.82)	2,015.99
Movements in working capital:		
(Increase)/decrease in trade and other receivables	924.39	(3,170.84)
(Increase)/decrease in inventories	4.92	31.16
Increase/(decrease) in trade and other payables	11,507.46	1,360.66
Cash generated from operations	11,048.95	236.97
Income taxes paid	(130.30)	(24.09)
Net cash generated by operating activities	10,918.65	212.88
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	(4,795.64)	(782.06)
Purchase of intangibles	(1.21)	(2.88)
Sale of property, plant and equipments	1.15	50.15
Payment to acquire financial assets	(13,333.98)	(13,561.87)
Proceeds from sale of financial assets	9,663.09	6,489.61
Dividend on investments	47.18	94.66
Balance in earmarked accounts	(10.05)	(2.75)
Interest income on fixed deposits with banks	34.92	22.03
Net cash (used in)/generated by investing activities	(8,394.54)	(7,693.11)

STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Cash flows from financing activities		
Proceeds/(repayment) from borrowing	**3,470.23**	*9,053.81*
Processing fees paid	**—**	*(125.00)*
Dividend and dividend tax paid	**(765.49)**	*(577.95)*
Interest paid	**(1,786.27)**	*(509.32)*
Net cash generated by financing activities	**918.47**	*7,841.54*
Net increase in cash and cash equivalents	**3,442.58**	*361.31*
Cash and cash equivalents at the beginning of the year	**836.02**	*474.71*
Cash and cash equivalents at the end of the year	**4,278.60**	*836.02*

See accompanying notes to the financial statements

Notes:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN: 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2017	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2018	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2019	**6,43,28,941**	**3,216.45**

b. Other equity

Particulars	Reserves & surplus				Other comprehensive income	Total
	General reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Remeasurement of defined benefits plan	
Balance at April 1, 2017	*1,004.00*	*2,526.90*	*12.00*	*1,010.78*	—	*4,553.68*
Transfer from general reserve	*(204.00)*	—	—	*204.00*	—	—
Dividend on equity shares	—	—	—	*(482.47)*	—	*(482.47)*
Corporate tax on dividend paid	—	—	—	*(98.24)*	—	*(98.24)*
Remeasurement of defined benefits plan	—	—	—	—	—	—
Profit for the year	—	—	—	*1,144.06*	—	*1,144.06*
Balance at March 31, 2018	*800.00*	*2,526.90*	*12.00*	*1,778.13*	—	*5,117.03*
Transfer to retained earnings	—	—	—	—	—	—
Transfer from general reserve	—	—	—	—	—	—
Dividend on equity shares paid	—	—	—	*(643.29)*	—	*(643.29)*
Corporate tax on dividend paid	—	—	—	*(132.25)*	—	*(132.25)*
Remeasurement of defined benefits plan	—	—	—	—	*(7.53)*	*(7.53)*
(Loss)/Profit for the year	—	—	—	*(2,402.61)*	—	*(2,402.61)*
Balance at March 31, 2019	**800.00**	**2,526.90**	**12.00**	**(1,400.02)**	**(7.53)**	**1,931.35**

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN: 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

Standard Mills Company Limited was incorporated in India 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. Presently, the Company is in the business of property division (previously known as real estate) and trading in textiles and chemicals. The property division comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

2. Significant accounting policies:

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2 Basis of preparation and presentation

2.2.1 Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.2 Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

The Company's Board of Directors approves the financial statements for issue on May 30, 2019. The aforesaid financial statement have been prepared in Indian Rupee (₹) and denominated in Lakhs.

2.3 Investment in subsidiaries

Investments in subsidiaries are shown at cost. Where the carrying amount of an investment in greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

2.4 Revenue Recognition

With effect from 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method. In accordance with this transition method, the comparatives have not been retrospectively adjusted. The following is revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Sale of goods:

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Royalties:

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Interest and dividend income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.5 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The Company as lessee:

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.6 Foreign currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (₹).

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8 Employee benefits

2.8.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.9 Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT) paid in a year is charged to statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the deferred tax assets. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.10 Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy and includes all other expenditure that is directly attributable to the acquisition of the items.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

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

Depreciation 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 advice, taking in to account the nature of the assets, the estimated usage of the asset, the operation condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

Estimated useful lives of the assets are as follows:

Class of assets	**Years**
Buildings	60 years
Plant and machinery	6 - 15 years
Furniture and fixtures	10 years
Office equipment	5 - 15 years
Vehicles	8 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

2.11 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.12 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets .... Years

Software ....6 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.13 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.15 Property under development

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

2.16 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.17 Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, overdrawn bank balances, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.18 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.19 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows: and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets: and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments, which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases, The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurements recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FYTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Company has equity investment in an entity which is not held for trading. The Company has elected the FVTOCI irrevocable option for this investment (see note 9.1). Fair value is determined in the manner described in note 38.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend win flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss is included in the 'Other income' line item.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.20 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.21 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, they constitute as CODM.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.22 Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. Application of new Revised Ind AS

3.1 Ind AS 116- Leases:

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019. It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019. The Company is under the process of evaluating the impact of Ind AS 116.

3.2 Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019. The Company is under the process of evaluating the impact of Ind AS 12 Appendix C.

3.3. Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

3.4. Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, ‘Employee Benefits’, in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

4. Critical estimates and judgements

In the course of applying the policies outlined in all notes under section 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A. Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the management.

ii. Impairment of investments in subsidiaries.

Determining whether the investments in subsidiaries are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have anticipated the future commodity prices, capacity utilization of plants, operating margins, mineable resources and availability of infrastructure of mines, discount rates and other factors of the underlying businesses/ operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

iii. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iv. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

v. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

5. Property, plant and equipment

Description of assets	Freehold land	Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total
Cost							
As at April 1, 2017	720.27	51.58	62.90	58.84	11.62	79.45	984.66
Additions	—	—	10.70	0.37	8.75	494.41	514.23
Disposals/ reclassifications	(13.82)	(28.04)	(4.24)	—	—	(11.80)	(57.90)
As at March 31, 2018	**706.45**	**23.54**	**69.36**	**59.21**	**20.37**	**562.06**	**1,440.99**
Additions	—	36.59	1,697.40	39.70	2.15	26.57	1,802.41
Disposals/ reclassifications	—	—	—	—	—	(1.59)	(1.59)
As at March 31, 2019	**706.45**	**60.13**	**1,766.76**	**98.91**	**22.52**	**587.04**	**3,241.81**
Depreciation							
As at April 1, 2017	—	2.73	10.18	10.42	4.06	33.74	61.13
Depreciation expense for the year	—	2.73	12.22	8.05	1.44	30.69	55.13
Eliminated on disposal of assets/ reclassifications	—	(4.03)	(0.48)	—	—	(4.93)	(9.44)
As at March 31, 2018	**—**	**1.43**	**21.92**	**18.47**	**5.50**	**59.50**	**106.82**
Depreciation expense for the period	—	0.70	12.33	9.62	2.69	66.64	91.98
Eliminated on disposal of assets/ reclassifications	—	—	—	—	—	(0.88)	(0.88)
As at March 31, 2019	**—**	**2.13**	**34.25**	**28.09**	**8.19**	**125.26**	**197.92**
As at March 31, 2019	**706.45**	**58.00**	**1,732.51**	**70.82**	**14.33**	**461.78**	**3,043.89**
As at March 31, 2018	706.45	22.11	47.44	40.74	14.87	502.56	1,334.17

5.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

5.2 Assets pledged as security

Buildings with a carrying amount of ₹ 43.24 Lakhs (as at March 31, 2018: ₹ 6.87 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

6. Investment property

	Investment property	Total
Cost		
As at April 1, 2017	*1,116.49*	*1,116.49*
Additions	—	—
Disposals/ reclassifications	—	—
As at March 31, 2018	*1,116.49*	*1,116.49*
Additions	*365.88*	*365.88*
Disposals/ reclassifications	—	—
As at March 31, 2019	**1,482.37**	**1,482.37**
Accumulated depreciation and impairment		
As at April 1, 2017	**20.66**	**20.66**
Depreciation expense for the year	*20.66*	*20.66*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2018	**41.32**	**41.32**
Depreciation expense for the year	*20.33*	*20.33*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	**61.65**	**61.65**
As at March 31, 2019	*1,420.72*	*1,420.72*
As at March 31, 2018	*1,075.17*	*1,075.17*

6.1 Fair value of the Company's investment properties

The fair value of the Company's investment properties situated at Surat as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out as on the respective dates by Sai Consultants, independent valuers not related to the Company. Sai Consultants are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

The fair value of the other investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out as on the respective dates by K. C. Gandhi & Co., independent valuers not related to the Company. K. C. Gandhi & Co. are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2019 and March 31, 2018 are as follows:

	Fair value as at	
	March 31, 2019	*March 31, 2018*
Level 2		
Residential units located in India- Thane	**849.30**	*849.30*
Residential units located in India- Chembur	**770.00**	*770.00*
Residential units located in India- Prabhadevi	**16,818.18**	*16,818.18*
Residential units located in India- Bhulabhai Desai Road	**808.00**	*808.00*
Residential units located in India- Tardeo	**118.00**	*118.00*
Residential units located in India- Sewree	**524.00**	*524.00*
Residential units located in India- Surat	**138.23**	*138.23*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

6.2 Assets pledged as security

Buildings with a carrying amount of ₹ 432.42 Lakhs (as at March 31, 2018: ₹ 68.71 Lakhs) included in the investment property have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

6.3 Income and expenses related to investment property recognised on profit or loss

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Rental income from investment property	**1.48**	*1.20*
Expenses arising from investment property that generated rental income	**0.19**	*2.70*
Expenses arising from investment property that did not generate rental income	**18.79**	*78.14*
Total expenses	**18.98**	*80.84*

7. Other intangible assets

	Software	Total
Cost		
As at April 1, 2017	*3.47*	*3.47*
Additions	*2.88*	*2.88*
Disposals/ reclassifications	—	—
As at March 31, 2018	*6.35*	*6.35*
Additions	*1.21*	*1.21*
Disposals/ reclassifications	—	—
As at March 31, 2019	**7.56**	**7.56**
Accumulated amortisation and impairment		
As at April 1, 2017	**1.67**	**1.67**
Amortisation expenses	*0.64*	*0.64*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2018	*2.31*	*2.31*
Amortisation expenses	*1.00*	**1.00**
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	**3.31**	**3.31**
As at March 31, 2019	**4.25**	**4.25**
As at March 31, 2018	**4.04**	**4.04**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

8. Investments in subsidiary

	As at March 31, 2019 Qty.	As at March 31, 2019 Amount	*As at March 31, 2018 Qty.*	*As at March 31, 2018 Amount*
Unquoted Investments (all fully paid)				
Investments in equity instruments				
(a) Standard Salt Works Limited				
Equity Shares of the face value of ₹ 100/- each fully paid-up	**584,000**	**5,463.52**	*584,000*	*5,463.52*
(b) Mafatlal Enterprises Limited				
Equity Shares of the face value of ₹ 10/- each fully paid-up	**50,007**	**5.00**	*50,007*	*5.00*
(c) Deemed Investment in subsidiary (refer note 8.1)	**—**	**506.30**	—	*506.30*
Total investments		**5,974.82**		*5,974.82*
Aggregate market value of quoted investments		**—**		—
Aggregate carrying value of unquoted investments		**5,974.82**		*5,974.82*
Aggregate amount of impairment in value of investments in subsidiaries		**—**		—

8.1 The Company had provided loan to its wholly owned subsidiary, Standard Salt Works Limited. This loan is initially measured at fair value and subsequently at amortised cost. The difference between the market rate of interest and the rate of interest of the loan is the benefit provided by the Company to its subsidiary. This benefit is recognised as deemed investment in the books of the Company.

9. Other investments

	As at March 31, 2019 Qty.	As at March 31, 2019 Amount	*As at March 31, 2018 Qty.*	*As at March 31, 2018 Amount*
Non-Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
Nocil Limited	**13,320**	**19.51**	*13,320*	*25.55*
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**18.40**	*19,009*	*28.51*
Total aggregate quoted investments (A)		**37.91**		*54.06*
Unquoted Investments (all fully paid)				
(B) Investments in equity instruments measured at FVTPL				
Stanrose Mafatlal Lubechem Limited	**200**	**—**	*200*	—
		—		—
(C) Investments in equity instruments measured at FVTOCI				
Duville Estate Private Limited	**723,857**	**602.30**	—	—
		602.30		—
(D) Investments in Preference shares measured at FVTPL				
Connect India E-commerce Services Private Limited	**32,712**	**844.88**	—	—
		844.88		—
(E) Investment in Unsecured debenture measured at FVTPL				
IIFL Wealth Finance Limited	**500**	**529.50**	—	—
		529.50		—
Total aggregate unquoted investments (B + C + D + E)		**1,976.68**		—
Total non-current investments (Quoted) + (Unquoted)		**2,014.59**		*54.06*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2019 Qty.	Amount	As at March 31, 2018 Qty.	Amount
Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
HDFC Bank	**1,000**	**23.19**	*25,000*	*471.53*
HDFC Limited	**1,000**	**19.68**	*11,000*	*200.82*
Finolex Industries Limited	—	—	*20,461*	*134.99*
Bajaj Finserv Limited	**7,000**	**492.59**	*12,000*	*620.59*
Larsen & Toubro Limited	**1,000**	**13.85**	*3,000*	*39.33*
Maruti Suzuki India Limited	**1,000**	**66.73**	*6,000*	*531.67*
ICICI Bank Limited	**2,000**	**8.01**	*25,000*	*69.59*
Infosys Limited	—	—	*5,000*	*56.59*
Mahindra & Mahindra Limited	**1,000**	**6.74**	*14,000*	*103.45*
Reliance Industries Limited	—	—	*115,000*	*1,015.11*
Bajaj Auto Limited	**500**	**14.56**	*6,500.00*	*178.41*
Bajaj Finance Limited	**1,000**	**30.25**	*15,000.00*	*265.13*
TI Financial Holdings Limited	**2,000**	**9.73**	*20,000.00*	*129.98*
HDFC Standard Life Insurance Co. Limited	—	—	*5,000.00*	*22.72*
Hindustan Zinc Limited	—	—	*15,000.00*	*45.08*
Vedanta Limited	—	—	*35,000.00*	*97.25*
JBF Industries Limited	**13,102**	**2.68**	*35,000.00*	*29.49*
Chalet Hotels Limited	**535,671**	**1,808.16**	—	—
		2,496.17		*4,011.73*
Unquoted investments (all fully paid)				
(B) Investments in mutual funds measured at FVTPL				
HDFC Low duration Fund- Regular Plan (Daily Dividend)	**16,651**	**1.69**	*13,717,095*	*1,391.30*
Franklin India Floating Rate Fund	**54,174**	**5.42**	*51,743*	*5.18*
ABSL Low Duration Fund - Daily Dividend Reinvestment	**2,795,990**	**2,820.60**	*336,664*	*338.10*
HDFC Liquid Fund (Growth)	**148**	**5.40**	*868*	*29.60*
ICICI Prudential Liquid Fund (Growth)	**1,393**	**3.84**	*6,757*	*17.32*
Kotak Money Market Scheme - Regular Plan (Growth)	**443**	**13.64**	*443*	*12.61*
Kotak Money Market Scheme - Regular Plan -Daily Dividend	**119**	**1.20**	*12,945*	*130.95*
Kotak Low Duration Fund Standard-Weekly Dividend	**345**	**3.50**	*39,760*	*404.49*
IIFL Blended Fund Series-A	**19,127,813**	**1,914.67**	*6,401,001*	*604.30*
IIFL Special Opportunities Fund - Series 5	**10,296,823**	**1,002.47**	*5,180,289*	*510.70*
WHITE OAK India Equity Fund	**9,910,432**	**1,112.60**	*9,910,432*	*1,010.15*
IDFC Equity Opportunity - Series 5 Regular	**6,000,000**	**589.80**	*6,000,000*	*600.67*
IIFL Special Opportunities Fund - Series 7	**5,992,846**	**618.00**	—	—
Blume Ventures (Opportunities) Fund IIA	**325,000**	**320.03**	—	—
IIFL India Private Equity Fund	**4,000,000**	**402.06**	—	—
IIFL High Growth Companies Fund	**2,989,120**	**328.29**	—	—
		9,143.21		*5,055.37*
Total current investments (A) + (B)		**11,639.38**		*9,067.10*
Aggregate book value of quoted investments		**2,534.08**		*4,065.79*
Aggregate market value of quoted investments		**2,534.08**		*4,065.79*
Aggregate carrying value of unquoted investments		**11,119.89**		*5,055.37*
Aggregate amount of impairment in value of investments		**—**		—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

9.1 Category-wise other investments - as per Ind AS 109 classification

	As at March 31, 2019	*As at March 31, 2018*
Financial assets carried at fair value through profit or loss (FVTPL)		
Investment in quoted equity shares	2,534.08	*4,065.79*
Investment in unsecured debentures	529.50	—
Investment in unquoted preference shares	844.88	—
Investment in mutual funds	9,143.21	*5,055.37*
	13,051.67	*9,121.16*
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Investment in unquoted equity shares	602.30	—
	602.30	—
Total	13,653.97	*9,121.16*

10. Loans

	As at March 31, 2019	*As at March 31, 2018*
Non-Current		
Loans to others		
unsecured, considered good	197.74	*197.74*
Total	197.74	*197.74*

11. Other financial assets

	As at March 31, 2019	*As at March 31, 2018*
Non-current		
Security deposits	24.78	*23.47*
Fixed deposits with banks under lien	105.23	*105.23*
Total	130.01	*128.70*
Current		
Advances to subsidiary companies	0.28	*0.28*
Interest accrued but not due on bank deposits	2.15	*5.60*
Intercorporate deposits	—	*100.00*
Others	17.51	*13.47*
Total	19.94	*119.35*

12. Non current tax asset (net)

	As at March 31, 2019	*As at March 31, 2018*
Advance Tax (net of provisions)	51.13	—
Total	51.13	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

13. Other assets

	As at March 31, 2019	*As at March 31, 2018*
Non-current		
Capital advance	**400.38**	*542.61*
Advances other than capital advances		
- Amounts deposited against disputed rent	**1,153.26**	*1,153.26*
- Advance to creditors	**197.96**	*211.58*
Less: Provision for doubtful advances	**(197.96)**	*(197.96)*
	—	*13.62*
- Balance with Government authorities	**1,255.30**	*323.13*
Total	**2,808.94**	*2,032.62*
Current		
Advances other than capital advances		
- Advance to creditors	**19.97**	*35.20*
Prepaid expenses	**21.00**	*8.58*
Others	**0.46**	*0.61*
Total	**41.43**	*44.39*

14. Inventories

	As at March 31, 2019	*As at March 31, 2018*
Inventories (lower of cost and net realisable value)		
- Stock-in-trade	**20.76**	*25.68*
Total	**20.76**	*25.68*

The cost of inventories recognised as an expense during the year was ₹ 1,209.17 Lakhs (for the year ended March 31, 2018: ₹ 984.36 Lakhs).

The cost of inventories recognised as an expense includes ₹ Nil Lakhs (during 2017-2018: ₹ 25.68 Lakhs) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 2.14.

15. Property under development

	As at March 31, 2019	*As at March 31, 2018*
Property under development (at lower of cost and net realisable value)		
Land development including related Capital work-in-progress (Refer note 43)	**7,630.23**	*4,439.73*
Total	**7,630.23**	*4,439.73*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

16. Trade Receivables

	As at March 31, 2019	*As at March 31, 2018*
Current		
Outstanding for a period exceeding six months		
Unsecured, considered good	1,053.89	*16.82*
Unsecured, considered doubtful	426.34	*426.34*
Allowance for doubtful debts (expected credit loss allowances)	(426.34)	*(426.34)*
	1,053.89	*16.82*
Outstanding for a period less than six months		
Unsecured, considered good	272.24	*3,054.64*
Total	1,326.13	*3,071.46*

16.1 The average credit period on sales of goods is 90 days. No interest is charged on trade receivables.

16.2 Age of receivables

	As at March 31, 2019	*As at March 31, 2018*
Within the credit period	197.94	*3,054.64*
1-30 days past due	37.50	—
31-60 days past due	2.07	—
61-90 days past due	38.57	—
More than 90 days past due	1,476.39	*443.16*

16.3 Movement in the expected credit loss allowance

	As at March 31, 2019	*As at March 31, 2018*
Balance at beginning of the year	426.34	*364.05*
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	—	*62.29*
Balance at end of the year	426.34	*426.34*

17. Cash and bank balance

	As at March 31, 2019	*As at March 31, 2018*
A. Cash and cash equivalents		
Balances with banks		
In current account	4,242.94	*785.51*
In deposits account	29.08	*46.38*
Cash on hand	6.58	*4.13*
Total	4,278.60	*836.02*
B. Bank balance other than cash and cash equivalent		
Balances with bank in unpaid dividend account	56.43	*46.38*
Total	56.43	*46.38*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

18. Equity share capital

	As at March 31, 2019	As at March 31, 2018
Equity share capital	**3,216.45**	*3,216.45*
Total	**3,216.45**	*3,216.45*
Authorised share capital		
15,00,00,000 Equity shares of ₹ 5/- each	**7,500.00**	*7,500.00*
Issued and subscribed capital comprises:		
6,43,28,941 Equity Shares of ₹ 5/- each fully paid-up	**3,216.45**	*3,216.45*
Total	**3,216.45**	*3,216.45*

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

18.2 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2019	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*12,404,487*	*19.28%*
Satin Limited	*25,000,000*	*38.86%*

	As at March 31, 2018	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*12,404,487*	*19.28%*
Satin Limited	*25,000,000*	*38.86%*

19. Other equity

	As at March 31, 2019	As at March 31, 2018
Reserves and surplus		
General reserve	**800.00**	*800.00*
Securities premium reserve	**2,526.90**	*2,526.90*
Capital redemption reserve	**12.00**	*12.00*
Other comprehensive income	**(7.53)**	—
Retained earnings	**(1,400.02)**	*1,778.13*
Total	**1,931.35**	*5,117.03*

19.1 General Reserve

	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of year	**800.00**	*1,004.00*
Transfer to retained earnings	**—**	*(204.00)*
Balance at end of year	**800.00**	*800.00*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

19.2 Securities premium reserve

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**2,526.90**	*2,526.90*
Addition on account of issue of shares	**—**	*—*
Balance at end of year	**2,526.90**	*2,526.90*

Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

19.3 Capital Redemption reserve

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**12.00**	*12.00*
Movement during the year	**—**	*—*
Balance at end of year	**12.00**	*12.00*

This reserve was created for redemption of preference shares. The preference shares were redeemed in the financial year 1982-83.

19.4 Other comprehensive income

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**—**	*—*
Remeasurement of defined benefits plan	**(7.53)**	*—*
Balance at end of year	**(7.53)**	*—*

19.5 Retained earnings

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**1,778.13**	*1,010.78*
(Loss)/Profit attributable to owners of the Company	**(2,402.61)**	*1,144.06*
Dividend on equity shares paid	**(643.29)**	*(482.47)*
Corporate tax on dividend paid	**(132.25)**	*(98.24)*
Transfer from general reserves	**—**	*204.00*
Balance at end of year	**(1,400.02)**	*1,778.13*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013.

"In June, 2018, an interim dividend for F.Y 2017-18 of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) and in September, 2018, a final dividend for F.Y 2017-18 of ₹ 0.25 per share (total dividend ₹ 160.82 Lakhs and tax on dividend paid ₹ 34.01 Lakhs) was paid to holders of fully paid equity shares.

In September 2017, the dividend for F.Y 2016-17 paid was ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs)."

20. Non-current borrowings

	As at March 31, 2019	*As at March 31, 2018*
Secured - at amortised cost		
Term loans from financial institutions		
- IIFL Wealth Finance Limited	**9,376.03**	*5,868.30*
- HDFC Limited	**4,964.70**	*4,954.71*
Less: Current maturity of long term loans	**(9,376.03)**	—
Total	**4,964.70**	*10,823.01*

20.1 Summary of borrowing arrangements

The terms of repayment of term loans and other loans are stated below:

As at March 31, 2019

Particulars	**Amount outstanding**	**Terms of repayment**	**Rate of interest**
IIFL Wealth Finance Limited	**9,376.03**	Bullet repayment at the end of 24 months	12% p.a. till September 30, 2018 and after that 12.50% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 6,287.92 Lakhs			
HDFC Limited	**4,964.70**	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 12.85% p.a.
Security - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC			

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

As at March 31, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited	**5,868.30**	Bullet repayment at the end of 24 months	12% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 2,725.82 Lakhs			
HDFC Limited	**4,954.71**	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 11% p.a.
Security - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC			

20.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2019 and March 31, 2018.

20.3 Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

Particulars	Term loans from financial institutions
As at 1st April, 2017	*1,867.91*
Financing cash flows	*9,053.82*
Non-cash changes	
Interest accruals on account of amortisation	*(98.72)*
As at 31st March, 2018	**10,823.01**
Financing cash flows	*3,470.23*
Non-cash changes	
Interest accruals on account of amortisation	*47.49*
As at 31st March, 2019	**14,340.73**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21. Provisions

	As at March 31, 2019	*As at March 31, 2018*
Non-current		
Other provisions		
- for disputed rent (refer note 21.1)	583.66	*583.66*
Total	583.66	*583.66*
Current		
Employee benefits		
- for compensated absences	31.56	*32.55*
- for gratuity (refer Note 35)	0.50	—
Total	32.06	*32.55*

21.1 Provision for disputed rent

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	583.66	*583.66*
Additional provision recognised	—	—
Balance at end of year	583.66	*583.66*

The provision for disputed rent relates to claim of rent by the owner of the premises which were used by the Company in earlier years. Refer note 40(f) on contingent liabilities and commitments.

22. Trade payables

	As at March 31, 2019	*As at March 31, 2018*
Trade payables	384.75	*229.40*
Total	384.75	*229.40*

The average credit period on purchases is 90 days. No interest is charged by the trade payables.

Refer note 42 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

23. Other financial liabilities

	As at March 31, 2019	*As at March 31, 2018*
Current		
Current maturities of long-term debt	9,376.03	—
Interest accrued but not due on borrowings	324.95	*171.98*
Interest accrued and due on advances	—	*143.80*
Unpaid dividends	56.43	*46.38*
Deposits received (Unsecured)	18,500.00	*612.67*
Payable on account of property, plant and equipments	420.92	—
Total	28,678.33	*974.83*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

24. Current tax liabilities (net)

	As at March 31, 2019	*As at March 31, 2018*
Provision for tax (net)	—	*79.17*
Total	—	*79.17*

25. Other current liabilities

	As at March 31, 2019	*As at March 31, 2018*
Statutory Liabilities	**867.66**	*852.68*
Advance against property under development	—	*6,500.00*
Others	**0.03**	*42.65*
Total	**867.69**	*7,395.33*

26. Revenue from operations

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Sale of products		
- Cloth	**1,257.89**	*996.62*
- Made-ups	**0.30**	*2.80*
Other operating revenues		
- Royalty received	**21.00**	*18.00*
	1,279.19	*1,017.42*

26.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2019 (refer note 16).

26.2 The Company presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer Note 33 on Segment information disclosure).

26.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2019
Closing balances	
Trade receivables - current	**1,326.13**
Opening balances	
Trade receivables - current	**3,071.46**

26.4 The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

26.5 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2019.

26.6 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2019
Revenue from contracts with customers (as per Statement of Profit and Loss)	**1,279.19**
Add: Discounts, rebates, refunds, credits, price concessions	**—**
Contracted price with the customers	**1,279.19**

27. Other Income

		For the year ended March 31, 2019	*For the year ended March 31, 2018*
(a)	**Interest Income**		
	Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
	- Bank deposits (at amortised cost)	**31.47**	*24.36*
	- Other financial assets carried at amortised cost	**—**	*—*
	- On income-tax refund	**—**	*—*
		31.47	*24.36*
(b)	**Dividend income**		
	Dividend on equity investments	**8.89**	*30.09*
	Dividend on mutual funds	**42.31**	*64.57*
		51.20	*94.66*
(c)	**Other non-operating income (net of expenses directly attributable to such income)**		
	Profit arising from assignment of TDR Entitlement (Note 44)	**—**	*3,503.13*
	Sundry credit balances written back	**0.44**	*4.79*
	Miscellaneous income	**15.50**	*2.27*
		15.94	*3,510.19*
(d)	**Other gains and losses**		
	Gain on disposal of property, plant and equipment	**0.44**	*1.69*
	Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**169.02**	*103.48*
	Net gain/(loss) arising on fair value of financial assets designated as at FVTPL	**688.88**	*148.09*
		858.34	*253.26*
(a + b + c + d)		**956.95**	*3,882.47*

28. Changes in inventories of stock-in-trade

		For the year ended March 31, 2019	*For the year ended March 31, 2018*
(a)	**Opening stock:**		
	Finished stock	**25.68**	*56.84*
(b)	**Closing stock:**		
	Finished stock	**20.76**	*25.68*
A - B		**4.92**	*31.16*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

29. Employee benefits expenses

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Salaries and Wages	**117.58**	*128.40*
Contribution to provident and other funds	**15.56**	*16.52*
Staff Welfare Expenses	**26.39**	*29.44*
	159.53	*174.36*

30. Finance Costs

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Interest on loans from banks and financial institutions	**1,499.06**	*641.82*
Unwinding of transaction cost	**47.49**	*19.20*
Other finance costs	**296.38**	*159.78*
Total	**1,842.93**	*820.80*

31. Depreciation and amortisation expense

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Depreciation of property, plant and equipment	**91.98**	*55.13*
Depreciation of investment property	**20.33**	*20.66*
Amortisation of intangible assets	**1.00**	*0.64*
Total depreciation and amortisation expenses	**113.31**	*76.43*

32. Other expenses

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Charges for corporate office service and facilities	**130.68**	*135.58*
Consulting fees	**64.04**	*59.57*
Contributions and financial assistance	**13.10**	*11.15*
Directors' fees	**9.20**	*8.53*
Donations	**73.43**	*70.17*
Electricity	**38.64**	*34.86*
General charges	**18.52**	*14.98*
GST input reversal	**117.40**	*12.10*
Insurance	**10.18**	*4.47*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Leave and license fees	**97.20**	*99.90*
Legal and professional fees	**97.36**	*82.73*
Ownership Flat maintenance expenses	**76.82**	*64.90*
Packing material consumed	**0.06**	*0.32*
Payment to auditors (refer note 32.1)	**7.65**	*7.47*
Provision for doubtful debts/advances	**—**	*62.28*
Rates and taxes	**37.62**	*61.52*
Rent	**15.48**	*15.91*
Repairs to buildings, machinery and others	**76.15**	*69.80*
Registrar and share transfer charges	**19.03**	*6.88*
Security charges	**76.08**	*73.08*
Staff canteen expenses	**22.89**	*22.82*
Stationery, printing, advertisement, postage and telegrams etc.	**41.30**	*47.61*
Temporary manpower	**60.70**	*67.29*
Travelling and conveyance expenses	**98.44**	*49.86*
Vehicle expenses	**55.00**	*64.51*
Miscellaneous expenses	**56.84**	*213.38*
Total	**1,313.81**	*1,361.67*

32.1 Payments to auditors

		For the year ended March 31, 2019	*For the year ended March 31, 2018*
a)	For audit	**6.00**	*6.00*
b)	Certification work	**1.65**	*1.15*
c)	For service tax	**—**	*0.27*
d)	For reimbursement of expenses	**—**	*0.05*
	Total	**7.65**	*7.47*

33 Segment information

33.1 Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the 'Property Division*' and 'trading' operations. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company.

Specifically, the Company's reportable segments under Ind AS 108 are as follows:

- Property division*
- Trading

* The property division (Real estate) comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

33.2 Segment revenues and results

The following is an analysis of the Company's revenue and results from operations by reportable segment.

Particulars	**Segment revenue**	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Good and services provided		
- Property division	—	—
- Trading	**1,279.19**	*1,017.42*
Total for operations	**1,279.19**	*1,017.42*
	Segment profit	
Good and services provided		
- Property division	**(402.07)**	*2,638.40*
- Trading	**45.76**	*(28.45)*
Total for operations	**(356.31)**	*2,609.95*
Unallocated corporate expenses	**(3,003.28)**	*(1,503.89)*
Unallocated corporate income	**949.45**	*376.21*
(Loss)/Profit before tax	**(2,410.14)**	*1,482.27*
Tax expenses	—	*338.21*
(Loss)/Profit after tax	**(2,410.14)**	*1,144.06*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2017-2018: ₹ Nil).

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2. Segment profit represents the profit before tax earned by each segment without allocation of unallocated expenses and income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

33.3 Segment assets and liabilities

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Segment assets		
- Property division	**14,562.90**	*11,069.63*
- Trading	**375.13**	*158.58*
Total segment assets	**14,938.03**	*11,228.21*
Unallocated corporate assets	**25,720.96**	*17,223.22*
Total assets	**40,658.99**	*28,451.43*
Segment liabilities		
- Property division	**19,669.07**	*6,893.49*
- Trading	**282.42**	*96.41*
Total segment liabilities	**19,951.49**	*6,989.90*
Unallocated corporate liabilities	**15,559.70**	*13,128.05*
Total liabilities	**35,511.19**	*20,117.95*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

33.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
- Property division	**113.21**	*76.41*
- Trading	**0.10**	*0.02*
Total	**113.31**	*76.43*

Particulars	Additions to non-current assets	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
- Property division	**2,936.63**	*539.17*
- Trading	**—**	*342.28*
Total	**2,936.63**	*881.45*

33.5 Information about geographical areas

The Company presently caters to only domestic market i.e. India and hence there is no revenue from external customers outside India nor any of its non-current asset is located outside India.

33.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 782.75 Lakhs (year ended 31 March, 2018: ₹ 668.05 Lakhs) which arose from sales to its one (previous year: five) major customers which accounts for 62.21 percent (year ended 31 March, 2018: 66.83 percent) of the total revenue from trading operation. No other single trading customer contributed 10% or more to the company's revenue for year ended 31 March, 2019 and year ended 31 March, 2018.

34. Earnings per share

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Basic earnings per share	**(3.75)**	*1.78*
Diluted earnings per share	**(3.75)**	*1.78*

34.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(Loss)/Profit for the year attributable to owners of the Company	**(2,410.14)**	*1,144.06*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share	**(2,410.14)**	*1,144.06*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

34.2 Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(Loss)/Profit for the year used in the calculation of basic earnings per share	**(2,410.14)**	*1,144.06*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Earnings used in the calculation of diluted earnings per share	**(2,410.14)**	*1,144.06*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

34.3 Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Weighted average number of equity shares used in the calculation of Basic EPS	**64,328,941**	*64,328,941*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Weighted average number of equity shares used in the calculation of Diluted EPS	**64,328,941**	*64,328,941*

35. Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident fund and other funds aggregating during the period ended march 31, 2019 is ₹ 15.56 Lakhs (and during the year ended 31 March 2018: ₹ 16.52 Lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

ii) Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contribution to be made to a separately administered fund.

The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the previous year, the Company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs, for those employees who are getting benefit as per Payment of Gratuity Act, 1972. Change in liability (if any) due to this scheme change is recognised as past service cost.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

(1) Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(2) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

(3) Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(4) Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(5) Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	**Valuation as at**	
	31-Mar-19	*31-Mar-18*
(i) Financial assumptions		
Discount rate (p.a.)	**6.96%**	*7.18%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*
(ii) Demographic assumptions		
Mortality rate	**Indian assured lives mortality (2006-08)**	*Indian assured lives mortality (2006-08)*

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Current service cost	**0.51**	*1.05*
Past service cost and (gains)/losses from settlements	**—**	*—*
Net interest expense	**(0.51)**	*(0.67)*
Components of defined benefit costs recognised in profit or loss	**—**	*0.38*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**0.07**	*(0.16)*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	*—*
Actuarial (gains)/loss arising form experience adjustments	**9.73**	*0.41*
Return on plan assets (excluding amount included in net interest expense)	**(2.27)**	*2.30*
Adjustment to recognise the effect of asset ceiling	**—**	*—*
Components of defined benefit costs recognised in other comprehensive income	**7.53**	*2.55*
Total	**7.53**	*2.93*

Notes:

i) The Current service cost and the net interest expense for the period are included in the ‘Employee benefits expense’ line item in the statement of profit and loss.

ii) The remeasurement of the net define benefits liability is included in other comprehensive income for the year ended March 31, 2019.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	As at March 31, 2019	*As at March 31, 2018*
Present value of benefit obligation at the end of the year	**(141.54)**	*(134.82)*
Fair value of plan assets at the end of the year	**141.04**	*141.86*
Unfunded status -Surplus/ (Deficit)*	**(0.50)**	*7.04*

* In previous year the Company has not recognised excess fund balance as asset in it books as it does not have any contractual right to receive the surplus.

Movement in the present value of the defined benefit obligation are as follows:

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening of defined benefit obligation	**134.81**	*130.68*
Current service cost	**0.51**	*1.05*
Past service cost	**—**	—
Interest on defined benefit obligation	**9.69**	*8.72*
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	**0.07**	*(0.16)*
Actuarial loss / (gain) arising from change in demographic assumptions	**—**	—
Actuarial loss / (gain) arising on account of experience changes	**9.73**	*0.41*
Benefits paid	**(13.27)**	*(5.89)*
Closing of defined benefit obligation	**141.54**	*134.81*

Movement in the fair value of the plan assets are as follows:

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening fair value of plan assets	**141.85**	*140.66*
Employer contribution	**—**	—
Interest on plan assets	**10.19**	*9.38*
Administration expenses	**—**	—
Remeasurement due to:		
Return on Plan Assets, Excluding Interest Income	**2.27**	*(2.30)*
Benefits paid	**(13.27)**	*(5.89)*
Assets distributed on settlement	**—**	—
Closing of defined benefit obligation	**141.04**	*141.85*

Major category of plan assets (as a percentage of total plan assets)

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Government securities	**41.16**	*73.92*
Corporate bonds	**31.06**	*10.67*
Trust Managed/Insurer Managed Funds	—	—
Others	**68.82**	*57.26*
Total	**141.04**	*141.85*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 1%.

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	*Decrease in assumption*
a) Discount rate		
As at 31st March, 2019	**(0.32)**	*0.35*
As at 31st March, 2018	**(0.30)**	*0.31*
b) Salary Escalation Rate		
As at 31st March, 2019	**0.35**	*(0.33)*
As at 31st March, 2018	**0.32**	*(0.31)*
c) Employee Turnover Rate		
As at 31st March, 2019	**0.05**	*(0.06)*
As at 31st March, 2018	**0.02**	*(0.03)*

Notes:

i) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

ii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

iii) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Company expects to contribute ₹ 0.94 Lakhs (as at March 31, 2018: ₹ Nil) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments: From the Fund

Projected benefits payable in future years from the date of reporting:

Particulars	As at March 31, 2019	As at March 31, 2018
1st following year	**131.63**	*121.01*
2nd following year	**0.33**	*7.36*
3rd following year	**4.90**	*0.25*
4th following year	**5.64**	*3.85*
5th following year	**0.03**	*4.64*
Sum of years 6 to 10	**0.17**	*0.02*

The weighted average duration of the defined benefit obligation as at March 31, 2019: 1 year (March 31, 2018: 1 year)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

36. Leases

Operating Lease

i) The Company has entered into operating lease arrangements for commercial premises at various locations. Amount of lease rentals (excluding service tax and GST) in respect of cancellable operating leases recognised in the statement of profit and loss is ₹ 97.20 Lakhs (for the year ended March 31, 2018: ₹ 97.20 Lakhs)

37. Financial instruments

37.1 Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt offset by cash and bank balances and total equity of the Company.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Debt	**14,340.73**	*10,823.01*
Cash and bank balances	**4,278.60**	*836.02*
Net debt	**10,062.13**	*9,986.99*
Total equity	*5,147.80*	*8,333.48*
Net debt to equity ratio	*1.95*	*1.20*

37.2 Categories of financial instruments:

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investment in equity instruments	**2,534.08**	*4,065.79*
Investment in mutual funds	**9,143.21**	*5,055.37*
Investment in preference shares	**844.88**	—
Investment in unsecured debentures	**529.50**	—
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments	**602.30**	—
Measured at amortised cost		
Trade receivables	**1,326.13**	*3,071.46*
Loans	**197.74**	*197.74*
Cash and bank balances	**4,335.03**	*882.40*
Other financial assets	**149.95**	*248.05*
Financial liabilities		
Measured at amortised cost		
Borrowings	**14,340.73**	*10,823.01*
Trade payables	**384.75**	*229.40*
Other financial liabilities	**19,302.30**	*974.83*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

37.3 Financial risk management objectives

The company monitors and manages the financial risks to the operations of the company. These risks include market risk, credit risk, interest risk and liquidity risk.

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company uses its own trading records to rate its major customers. The Company's exposure to financial loss from defaults are continuously monitored.
Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due.

The Company continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	1-5 years	Total
March 31, 2019			
Borrowings	**9,376.03**	*4,964.70*	**14,340.73**
Trade payables	**384.75**	—	**384.75**
Other financial liabilities	**19,302.30**	—	**19,302.30**
March 31, 2018			
Borrowings	—	*10,928.81*	**10,928.81**
Trade payables	**229.40**	—	**229.40**
Other financial liabilities	**974.83**	—	**974.83**

The above table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Financing facilities

Particulars	As at March 31, 2019	*As at March 31, 2018*
Secured loan facilities from IIFL Wealth Finance Limited		
amount used	**9,399.04**	*5,928.81*
amount unused	**600.96**	*4,071.19*
	10,000.00	*10,000.00*
Secured loan facilities from HDFC Limited		
amount used	**5,000.00**	*5,000.00*
amount unused	**—**	—
	5,000.00	*5,000.00*
Total	**15,000.00**	*15,000.00*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. In the normal course of business and in accordance with our policies, we manage these risks through a variety of strategies.

i). Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is domiciled in India and has its revenues and other major transactions in its functional currency i.e. INR. Accordingly the Company is not exposed to any currency risk.

ii). Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has borrowed funds with both fixed and floating interest rate.

Particulars	As at March 31, 2019	*As at March 31, 2018*
Fixed rate borrowings:		
Term loan from financial institutions		
IIFL Wealth Finance Limited	**9,399.04**	*5,928.81*
	9,399.04	*5,928.81*
Floating rate borrowing		
Term loan from financial institutions		
HDFC Limited	**5,000.00**	*5,000.00*
	5,000.00	*5,000.00*
Total Borrowings	**14,399.04**	*10,928.81*

Interest rate sensitivity

A change of 1% in interest rates of HDFC borrowing would have following impact on profit before tax

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
1% increase in interest rate – decrease in profit	**(50.00)**	*(23.84)*
1% decrease in interest rate – increase in profit	**50.00**	*23.84*

38. Fair Value Measurement

38.1 Fair value of the financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2019	Fair value as at *March 31, 2018*	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Financial assets						
Investments in						
i) Equity shares (Quoted)	**2,534.08**	*4,065.79*	Level 1	Quoted bid prices in an active market	NA	NA

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2019	Fair value as at March 31, 2018	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
ii) Equity shares (Unquoted)	**602.30**	—	Level 3	Discounted Cash Flow Method based on future cash flows	Discount rate is determined using cost of equity i.e. capitalisation rate	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.
iii) Preference shares (Unquoted)	**844.88**	—	Level 3	Discounted Cash Flow method based on projections and estimates of future financial performance	"Discount rate of 37.9% i.e. cost of equity. Revenue- Revenue growth is expected to decline linearly in a high growth phase and stabilize in mature phase."	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.
iv) Mutual fund	**9,143.21**	**5,055.37**	Level 1	NAV in an active market	NA	NA
iv) Unsecured debentures	**529.50**	—	Level 1	Debenture value in an active market	NA	NA
Total financial assets	**13,653.97**	*9,121.16*				

As at the reporting date, the Company does not have any financial liability measured at fair values.

38.2 Inter Level transfers

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year

38.3 Reconciliation of Level 3 fair value

Particulars	**Unlisted equity instruments measured at FVTPL**	**Unlisted preference shares measured at FVTPL**	**Total**
For the year ended March 31, 2019			
Opening balance	—	—	—
Total gains or (losses) recognised in profit or loss	—	**(50.12)**	**(50.12)**
Purchases	—	*895.00*	*895.00*
Disposals/settlements	—	—	—
Closing balance	—	844.88	844.88
For the year ended March 31, 2018			
Opening balance	*15.44*	—	*15.44*
Total gains or losses recognised in profit or loss	—	—	—
Purchases	—	—	—
Disposals/settlements	*(15.44)*	—	*(15.44)*
Closing balance	—	—	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

38.4 Fair value of financial assets and financial liabilities that are measured at amortised cost:

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

39. Related parties transactions

39.1 Names of the related parties and related party relationships

Particulars	Relationship as at	
	March 31, 2019	*March 31, 2018*
Shanudeep Private Limited	**KMP of the Company has Significant influence over this entity**	*KMP of the Company has Significant influence over this entity*
Key Management Personnel		
Pradeep R. Mafatlal	**Chairman**	*Chairman*
Divya P. Mafatlal	**Director**	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*
M. L. Apte	**Director**	*Director*
K J. Pardiwalla	**Director**	*Director*
Shobhan Diwanji	**Director**	*Director*
Tanaz B. Panthaki	**Vice president (legal) & Company Secretary**	*Vice president (legal) & Company Secretary*
Jayantkumar R. Shah	**Chief Financial Officer**	*Chief Financial Officer*

39.2 Details of related party transactions

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Shanudeep Private Limited		
Transactions during the year		
Leave and License fees	**97.20**	*99.90*
Corporate Office and Service facilities	**130.68**	*135.58*
Payment of common expenses	**23.15**	*23.49*
Standard Salt Works Limited		
Transactions during the year		
Advances given during the year	**1.54**	*29.25*
Advances received back during the year	**1.54**	*29.25*

39.3 Details of related party closing balances

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Mafatlal Enterprises Limited		
Advances receivable	**0.28**	*0.28*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39.4 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	**54.91**	*55.24*
Post-employment benefits	**—**	—
Other long-term benefits	**—**	—
Termination benefits	**—**	—
Total	**54.91**	*55.24*
Sitting fee paid to directors	**9.20**	*8.20*

As the liabilities for defined benefit plan are provided on actuarial basis for the Company as a whole, the amount pertaining to key managerial persons are not included.

40. Contingent liabilities and commitments

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Contingent liabilities (to the extent not provided for)		
a) Claims against the Company not acknowledged as debts		
- ESIC claims in respect of contractor's workers (i)	**6.84**	*18.01*
- Claims in respect of labour matters (i)	**0.50**	*0.50*
b) 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.	**513.44**	*520.31*
c) Guarantees given by Bank on behalf of Company to Government authority	**—**	*105.23*
d) 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.	**1,375.74**	*1,375.74*
e) Disputed demands of Income Tax (ii)	**—**	*166.17*
f) 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'ble High Court of Judicature at Bombay granted a stay against the unfavourable 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.	**1,364.17**	*1,364.17*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Notes:

(i) The above claims are pending before various Authorities / court. The Company is confident that the cases will be successfully contested.

(ii) 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.

(iii) There are no capital commitments

41. Deferred tax asset/(liability)

Components of deferred tax assets/(liabilities) are as under:

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Deferred tax asset/(liability) created on:		
Property, plant and equipments and intangible	**(609.54)**	*(173.38)*
Provisions	**8.34**	*18.26*
Trade receivables	**110.85**	*124.15*
Other assets	**51.47**	*57.65*
Investments	**(155.42)**	*(43.12)*
Borrowings	**(15.16)**	*(28.75)*
Carry forward business loss and depreciation	**2,644.43**	*2,354.62*
Deferred tax assets/(liability)	**2,034.97**	*2,309.43*

The Company has not recognised deferred tax assets on all deductible temporary differences based on the certainty and virtual certainty requirement as per Ind AS 12 Income taxes.

42. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**—**	—
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**—**	—
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**—**	—
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	**—**	—
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**—**	—
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**—**	—

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.

43. On September 1, 2016, the Company had entered into a Memorandum of Understanding (MOU) in respect of the proposed transfer and assignment to Feat Properties Private Limited (FPPL) of the Company's leasehold rights in approx. 62.25 acres comprising of plot No. 4, situated at Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, District-Thane ("Property"). The said MOU contemplated fulfilment of various conditions precedent as well as other terms and conditions, to be satisfied by the respective parties. Certain

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

conditions precedent/terms and conditions are yet to be fulfilled. Accordingly, the said transfer and assignment of the Property has not been completed. Arising out of and in pursuance of such compliances, the Parties have mutually decided to terminate the said MOU. Consequently the Company and Feat Properties Private Limited have terminated the said MOU on March 29, 2019, vide letter of Termination dated March 29, 2019, in accordance with the terms and conditions contained therein.

44. During the previous year, in terms of the agreement / understanding entered with a buyer, the Company has assigned all its rights and interest concerning entitlement of Transferable Development Right (TDR) with respect to its land situated at Sewree, which the Company is entitled to in terms of Notification dated 16.11.2016 under the Development Control Regulations of Greater Mumbai 1991. Considering acknowledgement on the part of the buyer and views of expert , the management has concluded that, pending only certain formalities for entitlement and assignment, there is no uncertainty in respect of its entitlement of TDR and passing of significant risks and rewards in respect the same and its consequential assignment in favour of the buyer. Accordingly the Company has recognised assignment of TDR entitlement in the financial statements of the previous year and profit arising therefrom, amounting to ₹ 3503.13 Lakhs, has been disclosed under schedule 27 as “other income”.

45. During the earlier periods, the unsecured loan of ₹ 5370.00 Lakhs (including accrued interest of ₹ 1,249.18 Lakhs and business advance of ₹ 159.45 Lakhs) given to Standard Salt Works Limited (SSWL) has been converted into equity shares. Consequently, the total investment in SSWL as at March 31, 2019 aggregates ₹ 5,969.82 Lakhs. The net worth of SSWL as at March 31, 2019 post aforesaid conversion has become positive.

Further, in view of the long-term strategic nature of the investment in leasehold rights to salt pans and the growth prospects of the subsidiary which is engaged in the manufacture of salt from the significant leased salt pans that it is holding, no provision for diminution in the value of the investment is considered necessary at this stage.

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

		For the year ended March 31, 2019	*For the year ended March 31, 2018*
	Subsidiary Companies:		
(i)	Mafatlal Enterprises Limited	**0.28**	*0.28*
	Maximum amount outstanding	**0.28**	*0.28*
(ii)	Standard Salt Works Limited	**—**	—
	Maximum amount outstanding	**—**	—

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN: 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

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

(₹ in lakhs)

Sr. No.	Particular	Standard Salt Works Limited	Mafatlal Enterprises Limited
a.	Share capital	584.00	5.00
b.	Reserves and Surplus	(314.05)	(4.64)
c.	Total Assets	314.84	0.82
d.	Total Liabilities	44.89	0.46
e.	Details of Investments (except investment in Subsidiaries)	1.09	—
f.	Turnover	349.05	—
g.	(Loss)/Profit before taxation	61.30	(0.54)
h.	Provision for taxation	—	—
i.	(Loss)/Profit after taxation	61.30	(0.54)
j.	Proposed Dividend	—	—
k.	% of Shareholding	100%	100%
l.	Names of subsidiares which are yet to commence operation	NIL	NIL

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 IND AS Financial Statements

We have audited the accompanying Consolidated Ind AS Financial Statements of STANDARD INDUSTRIES LIMITED ('the Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2019, and Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity and note to Consolidated Financial Statements, for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS financial statements").

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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the consolidated loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters as follows :-

The Key Audit Matters	How the matter was addressed in our Audit
a. Adoption of Ind AS 115 – Revenue From Contracts with Customer	
As described in Note No. (2.4) & Note No. (26) To the Consolidated Financial Statements, The Company adopted Ind AS 115 - Revenue from Contracts with Customers which is a new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	We Assessed the Company's process to identify the impact of adoption of the new accounting standard. Our Audit Approach consisted testing of design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedure involving enquiry and observations, reperformance and inspection of evidence in respect of operations of this controls. • Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.

The Key Audit Matters	How the matter was addressed in our Audit
b. Evaluation of Uncertain Tax Positions	
The Company has material uncertain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes,	• We obtained details of completed tax assessments and demands for the year ended March 31, 2019 from management.
Refer Note No. (40) of the financial statements	• We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; • Assessed management's estimate to the possible outcome of the disputed cases.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance inclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding 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 Ind AS Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated cash flows of group and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

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 of the assets of the group 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 Consolidated Ind AS Financial Statement 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 Consolidated Financial Statements by directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective board of directors of the companies included in the groups is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are also responsible for overseeing the Company's financial reporting process of the group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid Consolidated Financial Statements.
   - (b) In our opinion, proper books of account as required by law have been kept by the group so far as it appears from our examination of those books.
   - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   - (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 Group Company as on March 31, 2019, taken on record by the Board of Directors of respective Company, none of the directors of the group is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
   - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operative effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

(g) 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 Ind AS Financial Statements disclosed the impact of pending litigation on consolidated financial position of the group, as referred to in note no (40) to the Consolidated Financial Statements.

(ii) Provision has been made in the Consolidated Ind AS Financial Statements as required under the applicable law or accounting standards for material foreseeable losses, if any, on long term contracts including derivative contracts.

(iii) There has been no delay in transferring the amount to the Investor Education and Protection Fund by the Company.

For Arunkumar K. Shah & Co
Chartered Accountants
(FRN: 126935W)

Arunkumar K. Shah
Proprietor
Membership No. 34606.

Place: Mumbai
Dated: 30th May, 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 1(f) under "Report on Legal and Regulatory Requirement" section of our report of even date on the Consolidated Ind AS Financial Statement Of Standard Industries Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the Consolidated Ind AS Financial Statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of **Standard Industries Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

2. Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion to the best of our information and accordingly to the explanation given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

(ARUNKUMAR K. SHAH)
Proprietor
Membership No. 034606

Place: Mumbai
Dated: 30th May, 2019

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
Assets			
1 Non-current assets			
a. Property, plant and equipment	5	3,160.09	1,470.75
b. Capital work in progress		—	—
c. Investment property	6	1,420.72	1,075.17
d. Goodwill	7	50.77	50.77
e. Other intangible assets	8	4.25	4.04
f. Financial assets			
i. Other investments	9	2,014.59	54.06
ii. Loans	10	197.74	197.74
iii. Other financial assets	11	137.66	136.35
g. Non-current tax assets (net)	12	56.42	5.07
h. Other non-current assets	13	2,813.94	2,037.62
Total non-current assets		9,856.18	5,031.57
2 Current assets			
a. Inventories	14	93.24	74.88
b. Property under development	15	7,630.23	4,439.73
c. Financial Assets			
i. Other investments	9	11,640.47	9,067.64
ii. Trade receivables	16	1,378.28	3,109.23
iii. Cash and cash equivalents	17	4,288.45	842.75
iv. Bank balances other than (iii) above	17	97.83	46.38
v. Loans	10	0.18	0.70
vi. Other financial assets	11	19.66	119.62
d. Other current assets	13	45.81	44.98
Total current assets		25,194.15	17,745.91
Total assets		35,050.33	22,777.48
Equity and liabilities			
Equity			
a. Equity share capital	18	3,216.45	3,216.45
b. Other equity	19	(3,722.40)	(597.02)
Total Equity		(505.95)	2,619.43
Liabilities			
1 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	20	4,964.70	10,823.01
b. Provisions	21	583.66	583.66
Total non-current liabilities		5,548.36	11,406.67
2 Current liabilities			
a. Financial liabilities			
i. Trade payables	22	401.36	239.69
ii. Other financial liabilities	23	28,688.18	984.68
b. Provisions	21	48.37	48.94
c. Current tax liabilities (net)	24	—	79.17
d. Other current liabilities	25	870.01	7,398.90
Total current liabilities		30,007.92	8,751.38
Total liabilities		35,556.28	20,158.05
Total Equity and Liabilities		35,050.33	22,777.48

See accompanying notes to the consolidated financial statements

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN : 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2019	*For the year ended March 31, 2018*
I	Revenue from operations	26	1,623.55	*1,368.13*
II	Other Income	27	961.20	*3,881.62*
III	**Total Income (I + II)**		2,584.75	*5,249.75*
IV	**Expenses**			
	Purchases of stock-in-trade		1,204.25	*964.69*
	Changes in inventories of stock-in-trade	28	(18.36)	*97.44*
	Employee benefits expense	29	189.75	*201.78*
	Finance costs	30	1,842.93	*820.80*
	Depreciation and amortisation expense	31	127.85	*87.98*
	Other expenses	32	1,580.19	*1,614.50*
	Total expenses (IV)		4,926.61	*3,787.19*
V	**(Loss)/Profit before tax (III - IV)**		(2,341.86)	*1,462.56*
VI	**Tax expenses**			
	Current tax		—	*338.21*
	Deferred tax		—	*—*
			—	*338.21*
VII	**(Loss)/Profit for the year (V - VI)**		(2,341.86)	*1,124.35*
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	– Remeasurements of the defined benefit plans		(7.98)	*(0.55)*
IX	**Total comprehensive (Loss)/ Income for the year (VII + VIII)**		(2,349.84)	*1,123.80*
	Earnings per equity share	34		
	(1) Basic (in ₹)		(3.65)	*1.75*
	(2) Diluted (in ₹)		(3.65)	*1.75*

See accompanying notes to the consolidated financial statements

In terms of our report attached

For and on behalf of Board of Directors

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN : 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Cash flows from operating activities		
(Loss)/Profit for the year	**(2,341.86)**	*1,124.35*
Adjustments for:		
Income tax expense recognised in profit or loss	—	*338.21*
Depreciation	**127.85**	*87.98*
(Profit)/loss on sale of property, plant and equipments (net)	**5.97**	*(1.26)*
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**(169.02)**	*(103.48)*
Net gain/(loss) arising from fair value of financial assets designated as at FVTPL	**(688.88)**	*(148.09)*
Gain on surrender of land	—	*13.54*
Sundry credit balances written back	**(2.76)**	*(5.30)*
Dividends from equity investments	**(8.89)**	*(30.09)*
Dividend on investments in mutual funds	**(42.31)**	*(64.57)*
Interest income on fixed deposits with banks	**(33.65)**	(24.36)
Fund raising expenses on financial liabilities measured at amortised cost	**47.49**	19.20
Bonus to employees	**1.62**	1.53
Interest on loans from banks and financial institutions	**1,499.06**	*641.82*
Other finance cost	**296.38**	*159.78*
	(1,309.00)	*2,009.26*
Movements in working capital:		
(Increase)/decrease in trade and other receivables	**906.46**	*(3,177.59)*
(Increase)/ decrease in inventories	**(18.35)**	*97.44*
Increase/ (Decrease) in trade and other payables	**11,512.96**	*1,325.24*
Cash generated from operations	**11,092.07**	*254.35*
Income taxes paid	**(130.52)**	*(24.19)*
Net cash generated by operating activities	**10,961.55**	*230.16*
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	**(4,797.33)**	*(803.95)*
Purchase of intangibles	**(1.21)**	*(2.88)*
Sale of property, plant and equipments	**2.28**	*53.55*
Payment to acquire financial assets	**(13,333.98)**	*(13,561.87)*
Call money paid on partly paid-up equity shares	—	—
Proceeds from sale of financial assets	**9,663.09**	*6,489.61*
Loans and advances given to subsidiary	—	—
Dividend on investments	**47.18**	*94.66*
Balance in earmarked accounts	**(10.05)**	*(2.75)*
Interest income on fixed deposits with banks	**37.10**	*22.03*
Interest income on loan to related parties	—	—
Net cash (used in)/generated by investing activities	**(8,392.92)**	*(7,711.60)*

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flows from financing activities		
Proceeds/(repayment) from borrowing	**3,470.23**	*9,053.81*
Processing fees paid	**—**	*(125.00)*
Dividend and dividend tax paid	**(765.49)**	*(577.95)*
Interest paid on borrowings	**(1,786.27)**	*(509.32)*
Net cash generated by financing activities	**918.47**	*7,841.54*
Net increase in cash and cash equivalents	**3,487.10**	*360.10*
Cash and cash equivalents at the beginning of the year	**842.75**	*482.65*
Cash and cash equivalents at the end of the year	**4,329.85**	*842.75*

See accompanying notes to the consolidated financial statements

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

(b)	As at March 31, 2019	As at March 31, 2018
A. Cash and cash equivalents comprises of		
Balances with banks		
- In current account	**4,252.09**	792.13
- In deposits account	**29.08**	46.38
Cash on hand	**7.28**	4.24
Cash and cash equivalents (Refer Note 17A)	**4,288.45**	842.75
Add: Deposits with bank	**41.40**	—
Cash and cash equivalents as per Statement of Cashflow	**4,329.85**	*842.75*

See accompanying notes to the financial statements

In terms of our report attached

For and on behalf of Board of Directors

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN : 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2019

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2017	*64,328,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2018	*64,328,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2019	**64,328,941**	**3,216.45**

b. Other equity

Particulars	Reserves & surplus					Other comprehensive income	Total
	General reserve	Securities premium reserve	Capital redemption reserve	Capital reserve - cash subsidy	Retained earnings	Remeasurement of defined benefits plan	
Balance at April 1, 2017	*1,004.00*	*2,526.90*	*12.00*	*4.14*	*(4,686.39)*	*(0.74)*	*(1,140.09)*
Transfer from general reserve	*(204.00)*	—	—	—	*204.00*	—	—
Dividend on equity shares	—	—	—	—	*(482.48)*	—	*(482.48)*
Corporate tax on dividend paid	—	—	—	—	(98.25)	—	(98.25)
Remeasurement of defined benefits plan	—	—	—	—	—	(0.55)	(0.55)
Profit/(Loss) for the year	—	—	—	—	*1,124.35*	—	*1,124.35*
Balance at March 31, 2018	**800.00**	**2,526.90**	**12.00**	**4.14**	**(3,938.77)**	**(1.29)**	**(597.02)**
Transfer to retained earnings	—	—	—	—	—	—	—
Transfer from general reserve	—	—	—	—	—	—	—
Dividend on equity shares	—	—	—	—	*(643.29)*	—	*(643.29)*
Corporate tax on dividend paid	—	—	—	—	*(132.25)*	—	*(132.25)*
Remeasurement of defined benefits plan	—	—	—	—	—	*(7.98)*	*(7.98)*
(Loss)/Profit for the year	—	—	—	—	*(2,341.86)*	—	*(2,341.86)*
Balance at March 31, 2019	**800.00**	**2,526.90**	**12.00**	**4.14**	**(7,056.17)**	**(9.27)**	**(3,722.40)**

See accompanying notes to the consolidated financial statements

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN : 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Standard Mills Company Limited was incorporated in India 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 'Holding Company') in October 1989. The Holding Company has two wholly owned (100%) subsidiaries namely i) Standard Salt Works Limited ii) Mafatlal Enterprises Limited.

The holding Company was engaged in the business of manufacturing textiles, chemicals and garments. Presently, the Company is in the business of property division (previously known as real estate) and trading in textiles and chemicals. The property division comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

The Subsidiary Company Standard Salt Works Limited is engaged in the business of manufacturing of Common Salt.

2. Significant accounting policies:

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2. Basis of preparation and presentation

2.2.1 Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.2 Current non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

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

Assets:

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Group's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

The Board of Directors approves the consolidated financial statements for issue on May 30, 2019. The aforesaid consolidated financial statement have been prepared in Indian Rupee (‘) and denominated in Lakhs.

2.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries (together the 'Group').

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Goodwill arising on consolidation is not amortised and it is tested for impairment on annual basis.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Sr. No.	Name of Subsidiaries	Country of Incorporation	Principal Place of Business	Effective percentage of shareholding	
				As at March 31, 2019	As at March 31, 2018
1	Standard Salt Works Limited	India	India	100%	100%
2	Mafatlal Enterprises Limited	India	India	100%	100%

2.4. Revenue Recognition

With effect from 1st April, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method. In accordance with this transition method, the comparatives have not been retrospectively adjusted. The following is revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Sale of goods:

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable. The Group recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

Rendering of services:

Revenue from services is recognised (net of service tax/goods and services tax, as applicable) by reference to the stage of completion of the contract.

Royalties:

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

Interest and dividend income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

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

2.5. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor:

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee:

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.6. Foreign currencies

The functional currency of each individual group entity is determined on the basis of the primary economic environment in which each entity of the group operates. The functional currency of the each of the group entity is Indian National Rupee (₹).

The transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.7. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.8. Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

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

2.9. Employee benefits

2.9.1. Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.9.2. Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.10. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Minimum alternate tax (MAT) paid in a year is charged to statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement” under the deferred tax assets. The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

2.11. Property, plant and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group’s accounting policy and includes all other expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

Stores and tools are acquired as and when required and treated as consumed in the year of acquisition.

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

Depreciation 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 advice, taking in to account the nature of the assets, the estimated usage of the asset, the operation condition of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

Estimated useful lives of the assets are as follows:

Class of assets	**Years**
Buildings	30 - 60 years
Plant and machinery	6 - 15 years
Furniture and fixtures	10 years
Office equipment	5 - 15 years
Vehicles	8 - 10 years
Washery plant	10 years
Salt works- reservoirs, salt pans	10 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

2.12. Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

2.13. Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Software	6 years

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal, Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.14. Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.15. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

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

2.16. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.17. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, overdrawn bank balances, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.18. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.19. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows: and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets: and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of ‘Reserve for debt instruments through other comprehensive income’. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

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

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments, which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases, The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurements recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FYTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Group has equity investments in an entity which is not held for trading. The Group has elected the FVTOCI irrevocable option for this investment (see note 9.1). Fair value is determined in the manner described in note 38.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend win flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss is included in the 'Other income' line item.

Impairment of financial assets5

The Group assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.20. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

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

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the Statement of Profit and Loss. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new fi.nancial liability, Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.21. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of directors, they constitute as CODM.

2.22. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Group to satisfy the exercise of the share options by the employees.

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

3. Application of new Revised Ind AS

3.1. Ind AS 116- Leases:

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019. It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019. The Group will adopt the standard on April 1, 2019. The Group is under the process of evaluating the impact of Ind AS 116.

3.2. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Group will adopt the standard on April 1, 2019. . The Group is under the process of evaluating the impact of Ind AS 12 Appendix C.

3.3. Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment on the financial statements.

3.4. Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Group does not have any impact on account of this amendment.

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

4. Critical estimates and judgements

In the course of applying the policies outlined in all notes under section 3 above, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

A. Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment and intangible assets

Management reviews the useful lives of property, plant and equipment and intangible assets at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly depreciable lives are reviewed annually using the best information available to the management.

ii. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

iii. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

iv. Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the consolidated financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

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

All amounts are ₹ in Lakhs unless otherwise stated

5. Property, plant and equipment

Description of assets	Freehold land	Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Salt Works - Reservoirs, Salt Pans	Washery Plant	Total
Cost									
As at April 1, 2017	721.67	61.60	89.76	58.96	11.77	87.28	14.26	—	1,045.30
Additions	—	—	14.35	0.37	8.82	512.10	—	76.73	612.37
Disposals/reclassifications	(13.82)	(28.04)	(4.24)	—	—	(17.57)	—	—	(63.67)
As at March 31, 2018	**707.85**	**33.56**	**99.87**	**59.33**	**20.59**	**581.81**	**14.26**	**76.73**	**1,594.00**
Additions	—	36.59	1,699.09	39.70	2.15	26.57	—	—	1,804.10
Disposals/ reclassifications	—	—	(11.50)	—	—	(2.48)	—	—	(13.98)
As at March 31, 2019	**707.85**	**70.15**	**1,787.46**	**99.03**	**22.74**	**605.90**	**14.26**	**76.73**	**3,384.12**
Depreciation									
As at April 1, 2017	—	3.09	13.31	10.45	4.11	35.63	1.36	—	67.95
Depreciation expense for the year	—	3.09	15.30	8.08	1.50	32.77	1.36	4.59	66.69
Eliminated on disposal of assets/ reclassifications	—	(4.03)	(0.48)	—	—	(6.88)	—	—	(11.39)
As at March 31, 2018	—	**2.15**	**28.13**	**18.53**	**5.61**	**61.52**	**2.72**	**4.59**	**123.25**
Depreciation expense for the period	—	1.06	15.60	9.65	2.73	68.82	1.36	7.29	106.51
Eliminated on disposal of assets/ reclassifications	—	—	(4.13)	—	—	(1.60)	—	—	(5.73)
As at March 31, 2019	—	**3.21**	**39.60**	**28.18**	**8.34**	**128.74**	**4.08**	**11.88**	**224.03**
As at March 31, 2019	**707.85**	**66.94**	**1,747.86**	**70.85**	**14.40**	**477.16**	**10.18**	**64.85**	**3,160.09**
As at March 31, 2018	707.85	31.41	71.74	40.80	14.98	520.29	11.54	72.14	1,470.75

5.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year

5.2 Assets pledged as security

Buildings with a carrying amount of ₹ 43.24 Lakhs (as at March 31, 2018: ₹ 6.87 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Group (see note 20). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

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

All amounts are ₹ in Lakhs unless otherwise stated

6. Investment property

	Investment property	Total
Cost		
As at April 1, 2017	1,116.49	1,116.49
Additions	—	—
Disposals/ reclassifications	—	—
As at March 31, 2018	1,116.49	1,116.49
Additions	365.88	365.88
Disposals/ reclassifications	—	—
As at March 31, 2019	**1,482.37**	**1,482.37**
Accumulated depreciation and impairment		
As at April 1, 2017	20.66	20.66
Depreciation expense for the year	20.66	20.66
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2018	41.32	41.32
Depreciation expense for the year	20.33	20.33
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	61.65	61.65
As at March 31, 2019	1,420.72	1,420.72
As at March 31, 2018	1,075.17	1,075.17

6.1 Fair value of the Group's investment properties

The fair value of the Group's investment properties situated at Surat as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out as on the respective dates by Sai Consultants, independent valuers not related to the Group. Sai Consultants are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

The fair value of the other investment properties as at March 31, 2019 and March 31, 2018 have been arrived at on the basis of a valuation carried out as on the respective dates by K.C. Gandhi & Co., independent valuers not related to the Group. K.C. Gandhi & Co. are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

Details of the Group's investment properties and information about the fair value hierarchy as at March 31, 2019 and March 31, 2018 are as follows:

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

All amounts are ₹ in Lakhs unless otherwise stated

	Fair value as at	
	March 31, 2019	*March 31, 2018*
Level 2		
Residential units located in India- Thane	**849.30**	*849.30*
Residential units located in India- Chembur	**770.00**	*770.00*
Residential units located in India- Prabhadevi	**16,818.18**	*16,818.18*
Residential units located in India- Bhulabhai Desai Road	**808.00**	*808.00*
Residential units located in India- Tardeo	**118.00**	*118.00*
Residential units located in India- Sewree	**524.00**	*524.00*
Residential units located in India- Surat	**138.23**	*138.23*

6.2 Assets pledged as security

Buildings with a carrying amount of ₹ 432.42 Lakhs (as at March 31, 2018: ₹ 68.71 Lakhs) included in the investment property have been pledged to secure borrowings of the Group (see note 20). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

6.3 Income and expenses related to investment property recognised on profit or loss

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Rental income from investment property	**1.48**	*1.20*
Expenses arising from investment property that generated rental income	**0.19**	*2.70*
Expenses arising from investment property that did not generate rental income	**18.79**	*78.14*
Total Expenses	**18.98**	*80.84*

7. Goodwill

	Goodwill	**Total**
Cost		
As at April 1, 2017	50.77	50.77
Additional recognised on consolidation	—	—
As at March 31, 2018	50.77	*50.77*
Additional recognised on consolidation	—	—
As at March 31, 2019	**50.77**	*50.77*
Accumulated impairment losses		
As at April 1, 2017		
Impairment expenses	—	—
As at March 31, 2018	—	—
Impairment expenses	—	—
As at March 31, 2019	—	—
As at March 31, 2019	50.77	50.77
As at March 31, 2018	50.77	50.77

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

All amounts are ₹ in Lakhs unless otherwise stated

8. Other intangible assets

	Software	Total
Cost		
As at April 1, 2017	3.47	3.47
Additions	2.88	2.88
Disposals/ reclassifications	—	—
As at March 31, 2018	**6.35**	**6.35**
Additions	1.21	1.21
Disposals/ reclassifications	—	—
As at March 31, 2019	**7.56**	**7.56**
Accumulated amortisation and impairment		
As at April 1, 2017	1.67	1.67
Amortisation expenses	0.64	0.64
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2018	**2.31**	**2.31**
Amortisation expenses	1.00	1.00
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	**3.31**	**3.31**
As at March 31, 2019	**4.25**	**4.25**
As at March 31, 2018	**4.04**	**4.04**

9. Other investments

	As at March 31, 2019 Qty.	As at March 31, 2019 Amount	*As at March 31, 2018 Qty.*	*As at March 31, 2018 Amount*
Non-Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
Nocil Limited	**13,320**	**19.51**	*13,320*	*25.55*
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**18.40**	*19,009*	*28.51*
Total aggregate quoted investments (A)		**37.91**		*54.06*
Unquoted Investments (all fully paid)				
(B) Investments in equity instruments measured at FVTPL				
Stanrose Mafatlal Lubechem Limited	**200**	**—**	*200*	—
		—		—
(C) Investments in equity instruments measured at FVTOCI				
Duville Estate Private Limited	**723,857**	**602.30**	—	—
		602.30		—
(D) Investments in Preference shares measured at FVTPL				
Connect India E-commerce Services Private Limited	**32,712**	**844.88**	—	—
		844.88		—
(E) Investment in Unsecured debenture measured at FVTPL				
IIFL Wealth Finance Limited	**500**	**529.50**	—	—
		529.50		—
Total aggregate unquoted investments (B + C + D + E)		**1,976.68**		—
Total non-current investments (Quoted) + (Unquoted)		**2,014.59**		*54.06*

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

All amounts are ₹ in Lakhs unless otherwise stated

		As at March 31, 2019 Qty.	Amount	As at March 31, 2018 Qty.	Amount
Current					
	Quoted investments (all fully paid)				
(A)	**Investments in equity instruments measured at FVTPL**				
	HDFC Bank	1,000	23.19	25,000	471.53
	HDFC Limited	1,000	19.68	11,000	200.82
	Finolex Industries Limited	—	—	20,461	134.99
	Bajaj Finserv Limited	7,000	492.59	12,000	620.59
	Larsen & Toubro Limited	1,000	13.85	3,000	39.33
	Maruti Suzuki India Limited	1,000	66.73	6,000	531.67
	ICICI Bank Limited	2,000	8.01	25,000	69.59
	Infosys Limited	—	—	5,000	56.59
	Mahindra & Mahindra Limited	1,000	6.74	14,000	103.45
	Reliance Industries Limited	—	—	115,000	1,015.11
	Bajaj Auto Limited	500	14.56	6,500.00	178.41
	Bajaj Finance Limited	1,000	30.25	15,000.00	265.13
	TI Financial Holdings Limited	2,000	9.73	20,000.00	129.98
	HDFC Standard Life Insurance Co. Limited	—	—	5,000.00	22.72
	Hindustan Zinc Limited	—	—	15,000.00	45.08
	Vedanta Limited	—	—	35,000.00	97.25
	JBF Industries Limited	13,102	2.68	35,000.00	29.49
	Chalet Hotels Limited	535,671	1,808.16	—	—
			2,496.17		4,011.73
	Unquoted investments (all fully paid)				
(B)	**Investments in mutual funds measured at FVTPL**				
	HDFC Low duration Fund- Regular Plan (Daily Dividend)	16,651	1.69	13,717,095	1,391.30
	Franklin India Floating Rate Fund	54,174	5.42	51,743	5.18
	ABSL Low Duration Fund - Daily Dividend Reinvestment	2,795,990	2,820.60	336,664	338.10
	HDFC Liquid Fund (Growth)	148	5.40	868	29.60
	ICICI Prudential Liquid Fund (Growth)	1,393	3.84	6,757	17.32
	Kotak Money Market Scheme - Regular Plan (Growth)	443	13.64	443	12.61
	Kotak Money Market Scheme - Regular Plan -Daily Dividend	119	1.20	12,945	130.95
	Kotak Low Duration Fund Standard-Weekly Dividend	345	3.50	39,760	404.49
	IIFL Blended Fund Series-A	19,127,813	1,914.67	6,401,001	604.30
	IIFL Special Opportunities Funded Fund Series-A	10,296,823	1,002.47	5,180,289	510.70
	WHITE OAK India Equity Fund	9,910,432	1,112.60	9,910,432	1,010.15
	IDFC Equity Opportunity - Series 5 Regular	6,000,000	589.80	6,000,000	600.67
	IIFL Special Opportunities Fund Series-7	5,992,846	618.00	—	—
	Blume Ventures (Opportunities) Fund IIA	325,000	320.03	—	—
	IIFL India Private Equity Fund	4,000,000	402.06	—	—
	IIFL High Growth Companies Fund	2,989,120	328.29	—	—
			9,143.21		5,055.37
(C)	**Investments carried at amortised cost**				
	Investments in Government securities		1.09		0.54
			1.09		0.54
Total current investments (A) + (B) + (C)			11,640.47		9,067.64
Aggregate book value of quoted investments			2,534.08		4,065.79
Aggregate market value of quoted investments			2,534.08		4,065.79
Aggregate carrying value of unquoted investments			11,119.89		5,055.37
Aggregate amount of impairment in value of investments			—		—

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

All amounts are ₹ in Lakhs unless otherwise stated

9.1 Category-wise other investments - as per Ind AS 109 classification

	As at March 31, 2019	As at March 31, 2018
Financial assets carried at fair value through profit or loss (FVTPL)		
Investment in quoted equity shares	2,534.08	4,065.79
Investment in unsecured debentures	529.50	—
Investment in unquoted preference shares	844.88	—
Investment in mutual funds	9,143.21	5,055.37
	13,051.67	9,121.16
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Investment in unquoted equity shares	602.30	—
	602.30	—
Financial assets carried at amortised cost		
Investments in Government securities	1.09	0.54
	1.09	0.54
Total	13,655.06	9,121.70

10. Loans

	As at March 31, 2019	As at March 31, 2018
Non- Current		
Loans to others		
Unsecured considered good	197.74	197.74
Total	197.74	197.74
Current		
Loans to employees		
Unsecured considered good	0.18	0.70
Total	0.18	0.70

11. Other financial assets

	As at March 31, 2019	As at March 31, 2018
Non- current		
Security deposits	32.43	31.12
Fixed deposits with banks under lien	105.23	105.23
Total	137.66	136.35
Current		
Security deposits	—	0.55
Interest accrued but not due on bank deposits	2.15	5.60
Intercorporate deposits	—	100.00
Others	17.51	13.47
Total	19.66	119.62

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

All amounts are ₹ in Lakhs unless otherwise stated

12. Non current tax asset (net)

	As at March 31, 2019	*As at March 31, 2018*
Advance Tax (net of provisions)	**56.42**	*5.07*
Total	**56.42**	*5.07*

13. Other assets

	As at March 31, 2019	*As at March 31, 2018*
Non-Current		
Capital Advance	**400.38**	*542.61*
Advances other than capital advances		
- Amounts deposited against disputed rent	**1,153.26**	*1,153.26*
- Advance to creditors	**197.96**	*211.58*
Less: Provision for doubtful advances	**(197.96)**	*(197.96)*
	—	*13.62*
- Security deposits	**5.00**	*5.00*
- Balance with Government authorities	**1,255.30**	*323.13*
Total	**2,813.94**	*2,037.62*
Current		
Advances other than capital advances		
- Advance to creditors	**23.97**	*35.30*
Prepaid expenses	**21.08**	*8.77*
Others	**0.76**	*0.91*
Total	**45.81**	*44.98*

14. Inventories

	As at March 31, 2019	*As at March 31, 2018*
Inventories (lower of cost and net realisable value)		
- Finished Goods	**31.49**	*9.90*
- Stock-in-trade	**61.75**	*64.98*
Total	**93.24**	*74.88*

The cost of inventories recognised as an expense during the year was ₹ 1,185.89 Lakhs (for the year ended March 31, 2018: ₹ 1,062.13 Lakhs).The cost of inventories recognised as an expense includes ₹ Nil Lakhs (during 2017-2018: ₹ 25.68 Lakhs) in respect of write-downs of inventory to net realisable value. The mode of valuation of inventories has been stated in note 2.15.

15. Property under development

	As at March 31, 2019	*As at March 31, 2018*
Property under development (at lower of cost and net realisable value)		
Land development including related Capital work-in-progress (Refer note 43)	**7,630.23**	*4,439.73*
Total	**7,630.23**	*4,439.73*

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

All amounts are ₹ in Lakhs unless otherwise stated

16. Trade Receivables

	As at March 31, 2019	As at March 31, 2018
Current		
Outstanding for a period exceeding six months		
Unsecured, considered good	**1,060.42**	*17.14*
Unsecured, considered doubtful	**426.34**	*426.34*
Allowance for doubtful debts (expected credit loss allowances)	**(426.34)**	*(426.34)*
	1,060.42	*17.14*
Outstanding for a period less than six months		
Unsecured, considered good	**317.86**	*3,092.09*
	1,378.28	*3,109.23*

16.1 The average credit period on sales of goods is 90 days. No interest is charged on trade receivables.

16.2 Age of receivables

	As at March 31, 2019	As at March 31, 2018
Within the credit period	**243.56**	*3,054.64*
1-30 days past due	**37.50**	*0.26*
31-60 days past due	**2.07**	*5.48*
61-90 days past due	**38.57**	*0.91*
More than 90 days past due	**1,482.92**	*443.16*

16.3. Movement in the expected credit loss allowance

Balance at beginning of the year	**426.34**	*364.05*
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**—**	*62.29*
Balance at end of the year	**426.34**	*426.34*

17. Cash and bank balance

A. Cash and cash equivalents		
Balances with banks		
- In current account	**4,252.09**	*792.13*
- In deposits account	**29.08**	*46.38*
Cash on hand	**7.28**	*4.24*
Total	**4,288.45**	*842.75*
B. Bank balance other than cash and cash equivalent		
Balances with bank in unpaid dividend account	**56.43**	*46.38*
Deposits with bank	**41.40**	*—*
Total	**97.83**	*46.38*

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All amounts are ₹ in Lakhs unless otherwise stated

18. Equity share capital

	As at March 31, 2019	As at March 31, 2018
Equity share capital	3,216.45	3,216.45
Total	**3,216.45**	3,216.45
Authorised share capital		
15,00,00,000 Equity shares of ₹ 5/- each	7,500.00	7,500.00
Issued and subscribed capital comprises:		
6,43,28,941 Equity Shares of ₹ 5/- each fully paid-up	3,216.45	3,216.45
Total	**3,216.45**	3,216.45

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

18.2 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2019	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	12,404,487	19.28%
Satin Limited	25,000,000	38.86%

	As at March 31, 2018	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	12,404,487	19.28%
Satin Limited	25,000,000	38.86%

19. Other equity

	As at March 31, 2019	As at March 31, 2018
Reserves and surplus		
General reserve	800.00	800.00
Securities premium reserve	2,526.90	2,526.90
Capital redemption reserve	12.00	12.00
Capital reserve - cash subsidy	4.14	4.14
Other comprehensive income	(9.27)	(1.29)
Retained earnings	(7,056.17)	(3,938.77)
Total	**(3,722.40)**	(597.02)

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All amounts are ₹ in Lakhs unless otherwise stated

19.1 General Reserve

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**800.00**	*1,004.00*
Transfer to retained earnings	**—**	*(204.00)*
Balance at end of year	**800.00**	*800.00*

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

19.2 Securities premium reserve

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**2,526.90**	*2,526.90*
Addition on account of issue of shares	**—**	*—*
Balance at end of year	**2,526.90**	*2,526.90*

Securities premium reserve represents the premium received on issue of shares over and above the face value of equity shares. The reserve is available for utilisation in accordance with the provisions of the Companies Act, 2013.

19.3 Capital Redemption reserve

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**12.00**	*12.00*
Movement during the year	**—**	*—*
Balance at end of year	**12.00**	*12.00*

This reserve was created for redemption of preference shares. The preference shares were redeemed in the financial year 1982-83.

19.4 Capital reserve - cash subsidy

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**4.14**	*4.14*
Additions during the year	**—**	*—*
Balance at end of year	**4.14**	*4.14*

Capital Reserve of ₹ 4.14 Lakhs was created for cash subsidy received against property, plant and equipments installed at Surat site in the financial year 1981-82.

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

All amounts are ₹ in Lakhs unless otherwise stated

19.5 Other comprehensive income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of year	(1.29)	(0.74)
Remeasurement of defined benefits plan	(7.98)	(0.55)
Balance at end of year	**(9.27)**	(1.29)

19.6 Retained earnings

	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning of year	(3,938.77)	(4,686.39)
(Loss)/Profit attributable to owners of the Company	(2,341.86)	1,124.35
Dividend on equity shares	(643.29)	(482.48)
Corporate tax on dividend paid	(132.25)	(98.25)
Transfer from general reserves	—	204.00
Balance at end of year	**(7,056.17)**	(3,938.77)

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amount reported above are not distributable in entirely.

"In June, 2018, an interim dividend for F.Y 2017-18 of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) and in September, 2018, a final dividend for F.Y 2017-18 of ₹ 0.25 per share (total dividend ₹ 160.82 Lakhs and tax on dividend paid ₹ 34.01 Lakhs) was paid to holders of fully paid equity shares. In September 2017, the dividend for F.Y 2016-17 paid was ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs)."

20. Non-current borrowings

	As at March 31, 2019	As at March 31, 2018
Secured - at amortised cost		
Term loans from financial institutions		
- IIFL Wealth Finance Limited	9,376.03	5,868.30
- HDFC Limited	4,964.70	4,954.71
Less: Current maturity of long term loans	(9,376.03)	—
Total	**4,964.70**	10,823.01

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

All amounts are ₹ in Lakhs unless otherwise stated

20.1 Summary of borrowing arrangements

The terms of repayment of term loans and other loans are stated below:

As at March 31, 2019

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited	**9,376.03**	Bullet repayment at the end of 24 months	12% p.a. till September 30, 2018 and after that 12.50% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 6,287.92 Lakhs			
HDFC Limited	**4,964.70**	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 12.85% p.a.
Security - "Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC"			

As at March 31, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited	**5,868.30**	Bullet repayment at the end of 24 months	12% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 2,725.82 Lakhs			
HDFC Limited	**4,954.71**	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 11% p.a.
Security - "Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC"			

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

All amounts are ₹ in Lakhs unless otherwise stated

20.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2019 and March 31, 2018.

20.3 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non–cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

Particulars	*Term loans from financial institutions*
As at 1st April, 2017	*1,867.91*
Financing cash flows	*9,053.82*
Non-cash changes	
Interest accruals on account of amortisation	*(98.72)*
As at 31st March, 2018	*10,823.01*
Financing cash flows	*3,470.23*
Non-cash changes	
Interest accruals on account of amortisation	*47.49*
As at 31st March, 2019	*14,340.73*

21. Provisions

	As at March 31, 2019	*As at March 31, 2018*
Non-current		
Other provisions		
- for disputed rent (refer note 21.1)	**583.66**	*583.66*
	583.66	*583.66*
Current		
Employee benefits		
- for compensated absences	**31.56**	*32.55*
- for gratuity (refer note 35)	**16.81**	*16.39*
Total	**48.37**	*48.94*

21.1 Provision for disputed rent

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Balance at the beginning of year	**583.66**	*583.66*
Additional provision recognised	**—**	*—*
Balance at end of year	**583.66**	*583.66*

The provision for disputed rent relates to claim of rent by the owner of the premises which were used by the Group in earlier years. Refer note 40(f) on contingent liabilities and commitments.

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

All amounts are ₹ in Lakhs unless otherwise stated

22. Trade payables

	As at March 31, 2019	*As at March 31, 2018*
Trade payables	**401.36**	*239.69*
Total	**401.36**	*239.69*

The average credit period on purchases is 90 days. No interest is charged by the trade payables. Refer note 42 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

23. Other financial liabilities

	As at March 31, 2019	*As at March 31, 2018*
Current		
Current maturities of long-term debt	**9,376.03**	—
Interest accrued but not due on borrowings	**324.95**	*171.98*
Interest accrued and due on advances	**—**	*143.80*
Unpaid dividends	**56.43**	*46.38*
Deposits received (Unsecured)	**18,500.00**	*612.67*
Payable on account of property, plant and equipments	**430.77**	*9.85*
Total	**28,688.18**	*984.68*

24. Current tax liabilities (net)

	As at March 31, 2019	*As at March 31, 2018*
Provision for tax (net)	**—**	*79.17*
Total	**—**	*79.17*

25. Other current liabilities

	As at March 31, 2019	*As at March 31, 2018*
Statutory Liabilities	**868.36**	853.22
Advance against property under development	**—**	*6,500.00*
Contract liabilities (Advance from customers)	**—**	*1.50*
Bonus payable	**1.62**	*1.53*
Others	**0.03**	*42.65*
Total	**870.01**	*7,398.90*

26. Revenue from operations

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Sale of products		
- Cloth	**1,257.89**	*996.62*
- Made-ups	**0.30**	*2.80*
- Common salt	**343.48**	*343.18*

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

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
- Gypsum salt	—	*6.44*
Other operating revenues		
- Income from weighbridge/ quality bonus	**0.88**	*1.09*
- Royalty received	**21.00**	*18.00*
Total	**1,623.55**	*1,368.13*

26.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2019 (refer note 16).

26.2 The Group presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 33 on Segment information disclosure).

26.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2019
Closing balances	
Trade receivables - current	**1,378.28**
Contract liabilities - current	**—**
Opening balances	
Trade receivables - current	**3,109.23**
Contract liabilities - current	**1.50**

26.4 Revenue recognized from contract liabilities

	As at March 31, 2019
Revenue recognized that was included in the contract liability (advance from customers) balance at beginning of the reporting period.	**0.56**
Total	**0.56**

26.5 The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

26.6 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2019.

26.7 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended 31 March, 2019
Revenue from contracts with customers (as per Statement of Profit and Loss)	**1,623.55**
Add: Discounts, rebates, refunds, credits, price concessions	**—**
Contracted price with the customers	**1,623.55**

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

All amounts are ₹ in Lakhs unless otherwise stated

27. Other Income

	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Bank deposits (at amortised cost)	**33.65**	*24.36*
	33.65	*24.36*
(b) Dividend income		
Dividend on equity investments	**8.89**	*30.09*
Dividend on mutual funds	**42.31**	*64.57*
	51.20	*94.66*
(c) Other non-operating income (net of expenses directly attributable to such income)		
Profit arising from assignment of TDR Entitlement (Note 44)	**—**	*3,503.13*
Sundry credit balances written back	**2.76**	*5.30*
Miscellaneous income	**15.69**	*2.60*
	18.45	*3,511.03*
(d) Other gains and losses		
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**169.02**	*103.48*
Net gain/(loss) arising on fair value of financial assets designated as at FVTPL	**688.88**	*148.09*
	857.90	*251.57*
(a + b + c + d)	**961.20**	*3,881.62*

28. Changes in inventories of stock-in-trade

		For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock:			
Finished stock		**35.58**	*147.61*
Process stock		**39.30**	*24.71*
	A	**74.88**	*172.32*
Closing stock:			
Finished stock		**52.26**	*35.58*
Process stock		**40.98**	*39.30*
	B	**93.24**	*74.88*
	A - B	**(18.36)**	*97.44*

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

All amounts are ₹ in Lakhs unless otherwise stated

29. Employee benefits expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and Wages	142.25	150.57
Gratuity (refer note 35)	1.78	2.16
Contribution to provident and other funds	18.03	18.57
Staff Welfare Expenses	27.69	30.48
	189.75	201.78

30. Finance Costs

	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on loans from banks and financial institutions	1,499.06	641.82
Unwinding of transaction cost	47.49	19.20
Other finance costs	296.38	159.78
Total	1,842.93	820.80

31. Depreciation and amortisation expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment	106.52	63.95
Depreciation of investment property	20.33	23.39
Amortisation of intangible assets	1.00	0.64
Total depreciation and amortisation expenses	127.85	87.98

32. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Charges for corporate office service and facilities	130.68	135.58
Consulting fees	64.04	59.57
Contract labour expenses	12.22	10.80
Contributions and financial assistance	13.10	11.15
Directors' fees	9.23	8.56
Donations	73.43	70.17
Electricity	38.64	34.86
General charges	18.52	14.98
Insurance	10.35	4.94
Labour charges	56.37	42.87
Leave and license fees	97.20	99.90
Legal and professional fees	98.56	83.29
Loss on sale of property, plant and equipment (net)	5.97	(1.26)
Ownership Flat maintenance expenses	76.82	64.90
Packing material consumed	0.06	0.32

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

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to auditors (refer note 32.1)	**8.65**	*8.32*
Power and fuel	**49.20**	*44.68*
Provision for doubtful debts/advances	**—**	*62.29*
Rates and taxes	**56.07**	*81.13*
Rent	**20.16**	*20.58*
Repairs to buildings, machinery and others	**113.24**	*85.85*
Registrar and share transfer charges	**19.03**	*6.88*
Security charges	**76.08**	*73.08*
Salt - internal shifting expenses	**53.71**	*59.45*
Staff canteen expenses	**22.89**	*22.82*
Stationery, printing, advertisement, postage and telegrams etc.	**42.12**	*48.65*
Stores and tools consumed	**0.02**	*0.14*
Temporary manpower	**60.70**	*67.29*
Transport and freight charges	**20.99**	*46.75*
Travelling and conveyance expenses	**98.84**	*51.05*
Vehicle expenses	**57.31**	*67.19*
Miscellaneous expenses	**175.99**	*227.72*
Total	**1,580.19**	*1,614.50*

32.1 Payments to auditors

	For the year ended March 31, 2019	For the year ended March 31, 2018
a) For audit	**6.68**	*6.65*
b) Certification work	**1.97**	*1.15*
c) For taxation matters	**—**	*0.20*
d) For service tax	**—**	*0.27*
e) For reimbursement of expenses	**—**	*0.05*
Total	**8.65**	*8.32*

33 Segment information

33.1 Products and services from which reportable segments derive their revenues

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the 'Property division*', 'trading', 'manufacturing' and 'others' operations. The directors of the Company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments under Ind AS 108 are as follows:

- Property division*
- Trading
- Manufacturing
- Others

* The property division (Real estate) comprises of assets which are in excess of business needs, which the Group would liquidate based on the market condition.

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

All amounts are ₹ in Lakhs unless otherwise stated

33.2 Segment revenues and results

The following is an analysis of the Group's revenue and results from operations by reportable segment.

Particulars	Segment revenue	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Good and services provided		
- Property division	**—**	*—*
- Trading	**1,279.19**	*1,017.42*
- Manufacturing	**344.36**	*350.71*
- Others	**—**	*—*
Total for operations	**1,623.55**	*1,368.13*
	Segment profit	
Good and services provided		
- Property division	**(402.07)**	*2,638.40*
- Trading	**45.76**	*(28.45)*
- Manufacturing	**60.85**	*(19.79)*
- Others	**(0.54)**	*(0.46)*
Total for operations	**(296.00)**	*2,589.70*
Unallocated corporate expenses	**(3,003.28)**	*(1,503.92)*
Unallocated corporate income	**949.44**	*376.23*
(Loss)/Profit before tax	**(2,349.84)**	*1,462.01*
Tax expenses	**—**	*338.21*
(Loss)/Profit after tax	**(2,349.84)**	*1,123.80*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2017-2018: Nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. Segment profit represents the profit before tax earned by each segment without allocation of unallocated expenses and income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

33.3 Segment assets and liabilities

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Segment assets		
- Property division	**14,562.90**	*11,069.63*
- Trading	**375.13**	*158.58*
- Manufacturing	**314.84**	*249.06*
- Others	**0.82**	*1.33*
Total segment assets	**15,253.69**	*11,478.60*
Unallocated corporate assets	**19,796.64**	*11,298.88*
Total assets	**35,050.33**	*22,777.48*
Segment liabilities		
- Property division	**19,669.07**	*6,893.49*
- Trading	**282.42**	*96.41*
- Manufacturing	**44.89**	*39.95*
- Others	**0.18**	*0.15*
Total segment liabilities	**19,996.56**	*7,030.00*
Unallocated corporate liabilities	**15,559.72**	*13,128.05*
Total liabilities	**35,556.28**	*20,158.05*

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

All amounts are ₹ in Lakhs unless otherwise stated

33.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
- Property division	**113.21**	*76.41*
- Trading	**0.10**	*0.02*
- Manufacturing	**14.54**	*11.55*
- Others	**—**	*—*
Total	**127.85**	*87.98*

Particulars	Additions to non-current assets	
	For the year ended March 31, 2019	*For the year ended March 31, 2018*
- Property division	**2,936.63**	*539.17*
- Trading	**—**	*144.32*
- Manufacturing	**1.69**	*98.14*
- Others	**—**	*—*
Total	**2,938.32**	*781.63*

33.5 Information about geographical areas

The Group presently caters to only domestic market i.e. India and hence there is no revenue from external customers outside India nor any of its non-current asset is located outside India.

33.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 782.75 Lakhs (year ended 31 March, 2018: ₹ 668.05 Lakhs) which arose from sales to its one (previous year: five) major customers which accounts for 62.21 percent (year ended 31 March, 2018: 66.83 percent) of the total revenue from trading operation.

Revenue from manufacturing operation includes of ₹ 289.35 Lakhs (year ended March 31, 2018: ₹ 264.71 Lakhs) which arose from sales to its three (previous year: three) major customers which accounts for 84.18 percent (year ended March 31, 2018: 76 percent) of the total revenue.

No other single customer contributed 10% or more to the Group's revenue for both year ended March 31, 2019 and March 31, 2018."

34. Earnings per share

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Basic earnings per share	**(3.65)**	*1.75*
Diluted earnings per share	**(3.65)**	*1.75*

34.1 Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(Loss)/Profit for the year attributable to owners of the Company	**(2,349.84)**	*1,123.80*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share	**(2,349.84)**	*1,123.80*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

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

All amounts are ₹ in Lakhs unless otherwise stated

34.2 Diluted Earnings Per Share

The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(Loss)/Profit for the year used in the calculation of basic earnings per share	**(2,349.84)**	*1,123.80*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Earnings used in the calculation of diluted earnings per share	**(2,349.84)**	*1,123.80*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

34.3 Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Weighted average number of equity shares used in the calculation of Basic EPS	**64,328,941**	*64,328,941*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Weighted average number of equity shares used in the calculation of Diluted EPS	**64,328,941**	*64,328,941*

35. Employee benefits

i) Defined Contribution Plan

The Group's contribution to Provident fund and other funds aggregating during the period ended 31 March, 2019 is ₹ 18.03 Lakhs (and during the year ended 31 March 2018: ₹ 18.57 Lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

ii) Defined Benefit Plans:

Gratuity

The Group has a defined benefit gratuity plan in India (funded). The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contribution to be made to a separately administered fund.

The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

During the previous year, the Group has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs, for those employees who are getting benefit as per Payment of Gratuity Act, 1972. Change in liability (if any) due to this scheme change is recognised as past service cost.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by rule 103 of Income Tax Rules, 1962.

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

(1) Salary risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(2) Interest rate risk

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

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

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(3) Investment Risk:

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

(4) Asset Liability Matching Risk:

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(5) Mortality risk:

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

The significant actuarial assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at March 31, 2019	Valuation as at March 31, 2018
(i) Financial assumptions		
Discount rate (p.a.)	**6.96%**	*7.18%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*
(ii) Demographic assumptions		
Mortality rate	**Indian assured lives mortality (2006-08)**	*Indian assured lives mortality (2006-08)*

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current service cost	**0.68**	*1.66*
Past service cost and (gains)/losses from settlements	**—**	—
Net interest expense	**1.10**	*0.24*
Components of defined benefit costs recognised in profit or loss	**1.78**	*1.90*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**(2.05)**	*(0.36)*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	—
Actuarial (gains)/loss arising form experience adjustments	**7.76**	*1.16*
Return on plan assets (excluding amount included in net interest expense)	**7.53**	*2.30*
Adjustment to recognise the effect of asset ceiling	**—**	—
Components of defined benefit costs recognised in other comprehensive income	**13.24**	*3.10*
Total	**15.02**	*5.00*

Notes:

i) The Current service cost and the net interest expense for the period are included in the 'Employee benefits expense' line item in the statement of profit and loss.

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

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ii) The remeasurement of the net define benefits liability is included in other comprehensive income for the year ended March 31, 2019 and year ended March 31, 2018.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

	As at March 31, 2019	*As at March 31, 2018*
Present value of benefit obligation at the end of the year	**—**	*(148.89)*
Fair value of plan assets at the end of the year	**(16.31)**	*141.86*
Unfunded status (Surplus/ (Deficit)*	**(16.31)**	*(7.03)*

* In previous year the Group has not recognised excess fund balance as asset in it books as it does not have any contractual right to receive the surplus.

Movement in the present value of the defined benefit obligation are as follows:

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening of defined benefit obligation	**148.89**	*142.70*
Current service cost	**—**	*1.66*
Past service cost	**1.17**	—
Interest on defined benefit obligation	**—**	*9.62*
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	**(13.27)**	*(0.36)*
Actuarial loss / (gain) arising from change in demographic assumptions	**141.77**	—
Actuarial loss / (gain) arising on account of experience changes.	**—**	*1.16*
Benefits paid	**—**	*(5.89)*
Closing of defined benefit obligation	**278.56**	*148.89*

Movement in the fair value of the plan assets are as follows:

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening fair value of plan assets	**141.85**	*140.66*
Employer contribution	**—**	—
Interest on plan assets	**2.27**	*9.38*
Administration expenses	**(13.27)**	—
Remeasurement due to:		
Return on Plan Assets , Excluding Interest Income	**141.04**	*(2.30)*
Benefits paid	**—**	*(5.89)*
Assets distributed on settlement	**—**	—
Closing of defined benefit obligation	**271.88**	*141.85*

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All amounts are ₹ in Lakhs unless otherwise stated

Major category of plan assets (as a percentage of total plan assets)

Particulars	As at March 31, 2019	As at March 31, 2018
Government securities	**41.16**	*73.92*
Corporate bonds	**31.06**	*10.67*
Trust Managed/Insurer Managed Funds	**—**	—
Others	**68.82**	*57.26*
Total	**141.04**	*141.85*

Sensitivity Analysis

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The following table summarizes the impact on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 1%.

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	Decrease in assumption
a) Discount rate		
As at 31st March, 2019	**(0.27)**	*0.34*
As at 31st March, 2018	**0.32**	*(0.31)*
b) Salary Escalation Rate		
As at 31st March, 2019	**0.74**	*(0.71)*
As at 31st March, 2018	**0.02**	*(0.03)*
c) Employee Turnover Rate		
As at 31st March, 2019	**0.11**	*(0.12)*
As at 31st March, 2018	**—**	—

Notes:

i) The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

ii) Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognised in the balance sheet.

iii) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

The Group expects to contribute ₹ 0.94 Lakhs (as at March 31, 2018: ₹ Nil) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments: From the Fund

Projected benefits payable in future years from the date of reporting:

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Particulars	As at March 31, 2019	As at March 31, 2018
1st following year	0.03	4.64
2nd following year	0.17	0.02
3rd following year	—	—
4th following year	—	—
5th following year	—	—
Sum of years 6 to 10	—	—

Maturity Analysis of the Benefit Payments: From the Employer

Projected benefits payable in future years from the date of reporting:

Particulars	As at March 31, 2019	As at March 31, 2018
1st following year	2.75	0.47
2nd following year	0.49	2.54
3rd following year	10.04	0.45
4th following year	0.55	9.43
5th following year	4.65	4.59
Sum of years 6 to 10	—	—

The weighted average duration of the defined benefit obligation as at March 31, 2019: 1 year (March 31, 2018: 1 year)

36. Leases

Operating Lease

i) The Group has entered into operating lease arrangements for commercial premises at various locations. Amount of lease rentals (excluding service tax and GST) in respect of cancellable operating leases recognised in the statement of profit and loss is ₹ 97.20 Lakhs (for the year ended March 31, 2018: ₹ 97.20 Lakhs)

ii) The Group has applied for Lease renewal and has duly paid the lease renewal fees every year for operating lease arrangement for land at Dandi and Lawcha (Surat). As per notification issued by the Land Revenue Department of Government of Gujarat vide Notification no. 1597/1372A1 dated 9th October, 2017, the Group is entitle to renew the leases for the period of 30 years from the last renewal date.

37 Financial instruments

37.1 Capital management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of net debt offset by cash and bank balances and total equity of the Group.

Gearing ratio

The gearing ratio at end of the reporting period was as follows.

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

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	As at March 31, 2019	As at March 31, 2018
Debt	**14,340.73**	*10,823.01*
Cash and bank balances	**4,288.45**	*842.75*
Net debt	**10,052.28**	*9,980.26*
Total equity	**(505.95)**	*2,619.43*
Net debt to equity ratio	**(19.87)**	*3.81*

37.2 Categories of financial instruments:

	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investment in equity instruments	**2,534.08**	*4,065.79*
Investment in mutual funds	**9,143.21**	*5,055.37*
Investment in preference shares	**844.88**	—
Investment in unsecured debentures	**529.50**	—
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments	**602.30**	—
Measured at amortised cost		
Investment in Government securities	**1.09**	*0.54*
Trade receivables	**1,378.28**	*3,109.23*
Loans	**197.74**	*197.74*
Cash and bank balances	**4,386.28**	*889.13*
Other financial assets	**157.32**	*255.97*
Financial liabilities		
Measured at amortised cost		
Borrowings	**14,340.73**	*10,823.01*
Trade payables	**401.36**	*239.69*
Other financial liabilities	**19,312.15**	*984.68*

37.3 Financial risk management objectives

The Group monitors and manages the financial risks to the operations of the Group. These risks include market risk, credit risk, interest risk and liquidity risk.

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group uses its own trading records to rate its major customers. The Group's exposure to financial loss from defaults are continuously monitored.

Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

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

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B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due.

The Group continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	*1-5 years*	**Total**
March 31, 2019			
Borrowings	*9,376.03*	*4,964.70*	**14,340.73**
Trade payables	401.36	—	**401.36**
Other financial liabilities	19,312.15	—	**19,312.15**
March 31, 2018			
Borrowings	**—**	*10,928.81*	**10,928.81**
Trade Payables	239.69	—	**239.69**
Other financial liabilities	984.68	—	**984.68**

The above table details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Financing facilities

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Secured loan facilities from IIFL Wealth Finance Limited		
- amount used	**9,399.04**	*5,928.81*
- amount unused	**600.96**	*4,071.19*
	10,000.00	*10,000.00*
Secured loan facilities from HDFC Limited		
- amount used	**5,000.00**	*5,000.00*
- amount unused	**—**	—
	5,000.00	*5,000.00*
Total	**15,000.00**	*15,000.00*

C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk. In the normal course of business and in accordance with our policies, we manage these risks through a variety of strategies.

i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is domiciled in India and has its revenues and other major transactions in its functional currency i.e. ₹. Accordingly the Group is not exposed to any currency risk.

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All amounts are ₹ in Lakhs unless otherwise stated

ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has borrowed funds with both fixed and floating interest rate.

Particulars	As at March 31, 2019	*As at March 31, 2018*
Fixed rate borrowings:		
Term loan from financial institutions		
- IIFL Wealth Finance Limited	**9,399.04**	*5,928.81*
	9,399.04	*5,928.81*
Floating rate borrowing		
Term loan from financial institutions		
- HDFC Limited	**5,000.00**	*5,000.00*
	5,000.00	*5,000.00*
Total Borrowings	**14,399.04**	*10,928.81*

Interest rate sensitivity

A change of 1% in interest rates of HDFC borrowing would have following impact on profit before tax

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
1% increase in interest rate – decrease in profit	**(50.00)**	*(23.84)*
1% decrease in interest rate – increase in profit	**50.00**	*23.84*

38. Fair Value Measurement

38.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2019	Fair value as at March 31, 2018	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
Financial assets						
Investments in						
i) Equity shares (Quoted)	**2,534.08**	4,065.79	Level 1	Quoted bid prices in an active market	NA	NA
ii) Equity shares (Unquoted)	**602.30**	—	Level 3	Discounted Cash Flow Method based on future cash flows	Discount rate is determined using cost of equity i.e. capitalisation rate	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.

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	Financial assets/ financial liabilities measured at Fair value	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
		March 31, 2019	March 31, 2018				
iii)	Preference shares (Unquoted)	**844.88**	—	Level 3	Discounted Cash Flow method based on projections and estimates of future financial performance	Discount rate of 37.9% i.e. cost of equity. Revenue- Revenue growth is expected to decline linearly in a high growth phase and stabilize in mature phase.	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.
iv)	Mutual fund	**9,143.21**	5,055.37	Level 1	NAV in an active market	NA	NA
v)	Unsecured debentures	**529.50**	—	Level 1	Debenture value in an active market	NA	NA
Total financial assets		**13,653.97**	9,121.16				

As at the reporting date, the Group does not have any financial liability measured at fair values.

38.2 Inter Level transfers

There are no transfers between levels 1 and 2 as also between levels 2 and 3 during the year

38.3 Reconciliation of Level 3 fair value

Particulars	Unlisted equity instruments measured at FVTPL	*Unlisted preference shares measured at FVTPL*	**Total**
For the year ended March 31, 2019			
Opening balance	**—**	—	—
Total gains or (losses) recognised in profit or loss	**—**	*(50.12)*	**(50.12)**
Purchases	**—**	*895.00*	**895.00**
Disposals/settlements	**—**	—	**—**
Closing balance	**—**	**844.88**	*844.88*
For the year ended March 31, 2018			
Opening balance	***15.44***	—	**15.44**
Total gains or losses recognised in profit or loss	**—**	—	**—**
Purchases	**—**	—	**—**
Disposals/settlements	***(15.44)***	—	**(15.44)**
Closing balance	**—**	**—**	**—**

38.4 Fair value of financial assets and financial liabilities that are measured at amortised cost:

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

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All amounts are ₹ in Lakhs unless otherwise stated

39. Related parties transactions

39.1 Names of the related parties and related party relationships

Particulars	Relationship as at March 31, 2019	Relationship as at March 31, 2018
Standard Salt Works Limited	**Subsidiary**	*Subsidiary*
Mafatlal Enterprises Limited	**Subsidiary**	*Subsidiary*
Shanudeep Private Limited	**KMP of the Company has Significant influence over this entity**	*KMP of the Company has Significant influence over this entity*
Key Management Personnel		
Pradeep R. Mafatlal	**Chairman**	*Chairman*
Divya P. Mafatlal	**Director**	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*
M L. Apte	**Director**	*Director*
K J. Pardiwalla	**Director**	*Director*
Shobhan Diwanji	**Director**	*Director*
D. M. Nadkarni	**Director**	*Director*
R. N. Patel	**Director**	*Director*
Surendra B. Shah	**Director**	*Director*
Mahesh K. Shah (upto 31.12.2018)	**Director**	*Director*
Tanaz B. Panthaki	**Vice president (legal) & Company Secretary**	*Vice president (legal) & Company Secretary*
Pradeepkumar Tiwari	**Company Secretary**	*Company Secretary*
Jayantkumar R. Shah	**Chief financial officer**	*Chief financial officer*

39.2 Details of related party transactions

	For the year ended March 31, 2019	For the year ended March 31, 2018
Shanudeep Private Limited		
Transactions during the year		
Leave and License fees	**97.20**	*99.90*
Corporate Office and Service facilities	**130.68**	*135.58*
Payment of common expenses	**23.15**	*23.49*

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

All amounts are ₹ in Lakhs unless otherwise stated

39.3 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Short-term employee benefits	**54.91**	*55.24*
Post-employment benefits	**—**	*—*
Other long-term benefits	**—**	*—*
Termination benefits	**—**	*—*
Total	**54.91**	*55.24*
Sitting fee paid to directors	**9.23**	*8.23*

As the liabilities for defined benefit plan are provided on actuarial basis for the Group as a whole, the amount pertaining to key managerial persons are not included.

40. Contingent liabilities and commitments

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Contingent liabilities (to the extent not provided for)		
a) Claims against the Group not acknowledged as debts		
- ESIC claims in respect of contractor's workers (refer note (i) below)	**6.84**	*18.01*
- Claims in respect of labour matters (refer note (i) below)	**0.50**	*0.50*
- Local and education cess (refer note (ii) below)	**252.26**	*252.26*
b) 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 Group is confident that the cases will be successfully contested	**513.44**	*520.31*
c) Guarantees given by Bank on behalf of Group to Government authority	**—**	*105.23*
d) 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 Holding Company is confident of success in this SLP when heard.	**1,375.74**	*1,375.74*
e) Disputed demands of Income Tax (iii)	**—**	*166.17*
f) The Holding Company had disputed the claim for rent, mesne profit and related interest claimed by the owner of the premises which were used by the Holding Company in earlier years. On the application of the Holding Company, the Hon'ble High Court of Judicature at Bombay granted a stay against the unfavourable Order of the Small Causes Court and directed the Holding 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 Holding 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 Holding Company is hopeful of succeeding in its Petition.	**1,364.17**	*1,364.17*

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

All amounts are ₹ in Lakhs unless otherwise stated

Notes:

(i) The above claims are pending before various Authorities / court. The Group is confident that the cases will be successfully contested.

(ii) Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The Subsidiary has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.

(iii) These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Holding Company is confident that all these cases can be successfully contested.

(iv) There are no capital commitments

41. Deferred tax asset/(liability)

Components of deferred tax assets/(liabilities) are as under:

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Deferred tax asset/(liability) created on:		
Property, plant and equipments and intangible	**(616.07)**	*(181.25)*
Provisions	**8.78**	*18.96*
Trade receivables	**110.85**	*124.15*
Other assets	**51.47**	*57.65*
Investments	**(155.42)**	*(43.12)*
Borrowings	**(15.16)**	*(28.75)*
Other liabilities	**0.42**	*0.39*
Carry forward business loss and depreciation	**2,988.37**	*3,692.47*
Deferred tax assets/(liability)	**2,373.24**	*3,640.50*

The Group has not recognised deferred tax assets on all deductible temporary differences based on the certainty and virtual certainty requirement as per Ind AS 12 Income taxes.

42. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**—**	—
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**—**	—
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**—**	—
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	**—**	—
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**—**	—
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	**—**	—

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.

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

All amounts are ₹ in Lakhs unless otherwise stated

43. On September 1, 2016, the Holding Company had entered into a Memorandum of Understanding (MOU) in respect of the proposed transfer and assignment to Feat Properties Private Limited (FPPL) of the Company's leasehold rights in approx. 62.25 acres comprising of plot No. 4, situated at Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, District-Thane ("Property"). The said MOU contemplated fulfilment of various conditions precedent as well as other terms and conditions, to be satisfied by the respective parties. Certain conditions precedent/terms and conditions are yet to be fulfilled. Accordingly, the said transfer and assignment of the Property has not been completed. Arising out of and in pursuance of such compliances, the Parties have mutually decided to terminate the said MOU. Consequently the Company and Feat Properties Private Limited have terminated the said MOU on March 29, 2019, vide letter of Termination dated March 29, 2019, in accordance with the terms and conditions contained therein.

44. During the previous year, in terms of the agreement / understanding entered with a buyer, the Holding Company has assigned all its rights and interest concerning entitlement of Transferable Development Right (TDR) with respect to its land situated at Sewree, which the Holding Company is entitled to in terms of Notification dated 16.11.2016 under the Development Control Regulations of Greater Mumbai 1991. Considering acknowledgement on the part of the buyer and views of expert , the management has concluded that, pending only certain formalities for entitlement and assignment, there is no uncertainty in respect of its entitlement of TDR and passing of significant risks and rewards in respect the same and its consequential assignment in favour of the buyer. Accordingly the Holding Company has recognised assignment of TDR entitlement in the financial statements of the previous year and profit arising therefrom, amounting to ₹ 3503.13 lakhs, has been disclosed under schedule 27 as "other income".

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

All amounts are ₹ in Lakhs unless otherwise stated

45. Disclosure of additional information as required by the Schedule III:

(a) As at and for the year ended March 31, 2019

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹ In Lakhs)	As % of Consolidated profit or loss	Amount (₹ In Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ In Lakhs)	As % of consolidated total comprehensive income	Amount (₹ In Lakhs)
Parent Company								
Standard Industries Limited	153.48%	(776.53)	102.59%	(2,402.61)	94.35%	(7.53)	102.57%	(2,410.14)
Subsidiaries								
Indian								
Standard Salts Works Limited	-53.35%	269.95	-2.62%	61.30	5.65%	(0.45)	-2.59%	60.85
Mafatlal Enterprises Limited	-0.12%	0.63	0.02%	(0.55)	0.00%	—	0.02%	(0.55)
Total	**100.00%**	**(505.95)**	**100.00%**	**(2,341.86)**	**100.00%**	**(7.98)**	**100.00%**	**(2,349.84)**

(b) As at and for the year ended March 31, 2018

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹ In Lakhs)	As % of Consolidated profit or loss	Amount (₹ In Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ In Lakhs)	As % of consolidated total comprehensive income	Amount (₹ In Lakhs)
Parent Company								
Standard Industries Limited	91.97%	2,409.16	101.75%	1,144.07	0.00%	—	101.80%	1,144.05
Subsidiaries								
Indian								
Standard Salts Works Limited	7.98%	209.08	-1.71%	(19.26)	100.00%	(0.55)	-1.76%	(19.79)
Mafatlal Enterprises Limited	0.05%	1.19	-0.04%	(0.46)	0.00%	—	-0.04%	(0.46)
Total	**100.00%**	**2,619.43**	**100.00%**	**1,124.35**	**100.00%**	**(0.55)**	**100.00%**	**1,123.80**

In terms of our report attached

For, Arunkumar K. Shah & Co.
Chartered Accountants
FRN : 126935W

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: May 30, 2019

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 30, 2019

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

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STANDARD INDUSTRIES LTD.

Registered Office:

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

Tel: 61391210/61391213 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

GREEN INITIATIVE FORM

To,

M/s. Karvy Fintech Pvt. Ltd.
(Formerly known as Karvy Computershare Private Limited)
Karvy Selenium Tower B,
Plot No. 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.

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

Note: The Green Initiative Form may, in the alternative be sent at the following address: M/s. Karvy Fintech Pvt. Ltd. (Formerly known as Karvy Computershare Private Limited), 24-B, Raja Bahadur Mansion, Ground Floor, Ambalal Doshi Marg, Behind BSE, Fort, Mumbai – 400 023.

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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: 61391210/61391213 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

122nd 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:...

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 122nd Annual General Meeting of the Company, to be held on Tuesday, 13th August, 2019 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 Directors' Report, Audited Financial Statements for the year ended 31st March, 2019 & Auditors' Report thereon
2.	Re-appointment of Shri Pradeep R. Mafatlal who retires by rotation
SPECIAL BUSINESS	
3.	Re-appointment of Shri M. L. Apte as Non-Executive Independent Director and continuance of his directorship pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 till expiry of his term on 13th August, 2022
4.	Re-appointment of Shri Shobhan Diwanji as Non-Executive Independent Director
5.	Re-appointment of Shri K. J. Pardiwalla as Non-Executive Independent Director and continuance of his directorship pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 till expiry of his term on 9th February, 2023
6.	Approval of material related party transactions with Shanudeep Private Limited

Signed this ....day of... 2019.

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 Statements & Notes please refer to the Notice of the 122nd 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 than 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.