

MAFATLAL ENTERPRISES LIMITED

21st ANNUAL REPORT 2016-2017



BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL (*Chairman*)

SHRI SURENDRA B. SHAH

SHRI MAHESH K. SHAH

BANKERS

IDBI BANK

UNION BANK OF INDIA

AUDITORS

M/s. ARUNKUMAR K. SHAH & CO.
Chartered Accountants

REGISTERED OFFICE

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

CIN: U24242MH1995PLC089649

NOTICE

NOTICE is hereby given that the Twentyfirst Annual General Meeting of the Members of Mafatlal Enterprises Limited will be held at the Registered Office of the Company at 59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005, on Friday, the 11th August 2017, at 2.30 P.M. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri S. B. Shah (holding DIN 00029808), who retires by rotation but, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modifications, the following:

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to Section 139(8) and other applicable provisions of the Companies Act, 2013 and rules made thereunder (as amended from time to time), the Company hereby appoints M/s. R. S. Gokani & Co., Chartered Accountants, (ICAI Firm Registration No. 140229W), as Statutory Auditors, for a period of 5 years from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting to

fill the casual vacancy caused by the resignation of M/s. Arunkumar K. Shah & Co.”

NOTES :

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

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Registered Office:

59, 'The Arcade', 1st Floor,
World Trade Centre,
Cuffe Parade, Colaba,
Mumbai - 400005.
Tel.: +91 022 61391200
CIN: U24242MH1995PLC089649

Mumbai

Dated: 12th May, 2017.

DIRECTORS' REPORT

To
The Members,
MAFATLAL ENTERPRISES LIMITED

Your Directors submit their 21st Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2017.

FINANCIAL RESULTS

	Current Year 01.04.2016 to 31.03.2017 (in ₹)	Previous Year 01.04.2015 to 31.03.2016 (in ₹)
Gross Operating Profit before depreciation and tax	(50,699)	(43,068)
Less: Depreciation	-	-
Profit before Taxes	(50,699)	(43,068)
Current Tax	(-)	(-)
Profit after Taxes	(50,699)	(43,068)
Balance brought forward from previous year	(3,12,088)	(2,69,020)
Closing Balance	(3,62,787)	(3,12,088)

During the Financial Year under review, the Company has made a loss of ₹ 50,699/-.

NATURE OF BUSINESS OF THE COMPANY

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

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

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

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

FIXED DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 and rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (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; and
- (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.

DIRECTORATE

Shri S. B. Shah is due to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013 but being eligible offers himself for re-appointment.

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.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

M/s. Arunkumar K. Shah & Company, Chartered Accountants, Mumbai, have been appointed to certify the adequacy and effectiveness of Internal Financial Controls over Financial Reporting for the Financial Year 2016-17.

Pursuant to the provisions of Section 139(8) of the Companies Act, 2013 and the rules made thereunder the Company has appointed M/s. R.S. Gokani & Co., Chartered Accountants (ICAI Firm Registration No. 140229W), as Statutory Auditors. Thus, M/s. R. S. Gokani & Co., Chartered Accountants, Mumbai, have been appointed to certify the adequacy and effectiveness of Internal Financial Controls over Financial Reporting for the Financial Year 2017-18.

AUDITORS' OBSERVATIONS AND EXPLANATION OR COMMENTS BY THE BOARD

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report.

EXTRACT OF THE ANNUAL RETURN

Please refer Annexure A to the Directors' Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 4 times during the Financial Year from 1st April, 2016 to 31st March, 2017 i.e. 26.04.2016, 22.08.2016, 17.11.2016 and 03.03.2017.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any loans, guarantees or made any investments pursuant to Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

There are no contracts or arrangements or transactions not at arm's length basis or material contracts or arrangement or transactions at arm's length basis with any related party.

The Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

PARTICULARS OF EMPLOYEES

As on 31st March, 2017, there are no employees of the Company.

BUSINESS RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Directors have to report that they have carried out necessary assessment in this behalf and have to state that the Company has not identified any element of risk which may threaten the existence of the Company.

AUDITORS

M/s. Arunkumar K. Shah & Co., existing Statutory Auditors of the Company have expressed their unwillingness to continue as Statutory Auditors of the Company from the Financial Year 2017-18. Pursuant to the provisions of Section 139(8) of the Companies Act, 2013 and the Rules made thereunder, the Company hereby appoints M/s. R. S. Gokani & Co., Chartered Accountants (ICAI Firm Registration No. 140229W), as Statutory Auditors for a period of 5 years i.e. from the conclusion of the 21st Annual General Meeting until the conclusion of the 26th Annual General Meeting to fill the casual vacancy caused by the resignation of M/s. Arunkumar K. Shah & Co.

The Company has received a confirmation from M/s. R. S. Gokani & Co., Chartered Accountants, Mumbai, to the effect that they are eligible and not disqualified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder, for being appointed as Auditors of the Company.

For and on behalf of the Board

PRADEEP R. MAFATLAL

Chairman

Mumbai

Dated : 12th May, 2017.

ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31st March, 2017

[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	U24242MH1995PLC089649
ii.	Registration Date	16 th June, 1995
iii.	Name of the Company	MAFATLAL ENTERPRISES LIMITED
iv.	Category/Sub-Category of the Company	Unlisted Public Company Limited by Shares
v.	Address of the Registered Office and contact details	59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005 Maharashtra Tel.: +91 022 61391200
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any.	NA

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	% of total turnover of the Company
1.	NIL	—	—

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 Industries Limited Plot no. 4, TTC Industrial Area, Thane Belapur Road, PO Millenium Business Park, Navi Mumbai - 400 710.	L17110MH1892PLC000089	Holding	100%	Sec. 2(46)

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2016)				No. of Shares held at the end of the year (31-03-2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individuals/H.U.F	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	0	50,007	50,007	100.00	0	50,007	50,007	100.00	0.00
(e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	0	50,007	50,007	100.00	0	50,007	50,007	100.00	0.00
(2) Foreign									
(a) Non Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	0	50,007	50,007	100.00	0	50,007	50,007	100.00	0.00
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Fund	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non Institutions									
(a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
(c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
(C) Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	0	50,007	50,007	100.00	0	50,007	50,007	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholders' Name	No. of Shares held at the beginning of the year (01-04-2016)			No. of Shares held at the end of the year (31-03-2017)			% 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.	Standard Industries Limited	50,001	100%	—	50,001	100%	—	—
	Nominees of Standard Industries Limited							
2.	Shri S. B. Shah & Standard Industries Limited	1	—	—	1	—	—	—
3.	Shri K. J. Pardiwalla & Standard Industries Limited	1	—	—	1	—	—	—
4.	Shri D. H. Parekh & Standard Industries Limited	1	—	—	1	—	—	—
5.	Shri T. B. Panthaki & Standard Industries Limited	1	—	—	1	—	—	—
6.	Shri M. K. Shah & Standard Industries Limited	1	—	—	1	—	—	—
7.	Shri M. J. Mehta & Standard Industries Limited	1	—	—	1	—	—	—
	Total	50,007	100%	—	50,007	100%	—	—

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

Sr. No.	Names	Shareholding at the beginning of the year (01-04-2016)		Remarks	Shareholding at the end of the year (31-03-2017)	
		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 (01-04-2016)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31-03-2017)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
NOT APPLICABLE							

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Names	Shareholding at the beginning of the year (01-04-2016)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31-03-2017)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
NOT APPLICABLE							

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary	NOT APPLICABLE	
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961		
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(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)		
	Ceiling as per Act		

B. Remuneration to other Directors:

(in ₹)

Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1.	Independent Directors	NOT APPLICABLE	
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
2.	Other Non-Executive Directors		
	• Fee for attending board committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall ceiling as per the Act		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NOT APPLICABLE			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission — as % of profit — others				
5.	Others				
	Total (A)				
	Ceiling as per Act				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any
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 :12th May, 2017.

INDEPENDENT AUDITORS' REPORT

To The Members of Mafatlal Enterprises Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of MAFATLAL ENTERPRISES LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the Note No 2 (II) (7) regarding preparation of accounts on going concern basis.

Report on other Legal and Regulatory Requirements

- 1) As required by Companies (Auditor's Report) order 2015, issued by the Central Government of India in terms of sub-section (11) of section 143(3) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order; to the extent applicable.
- 2) As required by sec 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 appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by

- this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) The going concern matter described in under the Emphasis of Matters paragraph above.
 - f) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to our best of our information and according to the explanations given to us:-
 - i. The Company does not have any pending litigations which would impact on its financial position in its financial statements.
 - ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided details of holdings or dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 in note no (9) of notes to accounts, based on audit procedures and relying on management representation we report that the disclosure requirements are in accordance with books of accounts maintained by the company and as produced to us by the management.

For Arunkumar K. Shah & Co.
Chartered Accountants
Firm Reg. No: 126935W
(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Dated: May 12, 2017

Annexure "A" to the Independent Auditors' Report

Re: Mafatlal Enterprises Limited

The Annexure referred to in our Independent Auditor's Report to the members of the company on the financial statements for the year ended 31st March 2017, we report that :-

1. The Company does not have any fixed assets and hence sub clause (a), (b) and (c) of clause (i) of paragraph 3 of the order is not applicable to the company for the year.
2. The Company does not have any inventory and hence sub clause (a), (b) and (c) of clause (ii) of paragraph 3 of the order is not applicable to the company for the year.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (a), (b), & (c) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
4. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not granted any Loan to Directors neither given any loans to any person or other body corporate, or guarantee given or security provided in connection with a loan to any other body corporate or person. Also not acquired securities of any other body corporate by way of subscription, purchase or otherwise.
5. The company has not accepted the deposits from public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act for any activities of the Company.
7. (a) In our opinion and according to explanation given to us the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
(b) There are no cases for non deposit with appropriate authorities of disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Cess.
8. As per the Information & explanation given to us, the company has not borrowed money from banks/ financial institutions nor issued any debentures and hence the question of default in repayment of dues does not arise. Accordingly, clause (viii) of paragraph 3 of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not paid/provided for managerial remuneration.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
13. 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 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given 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.
15. 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. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Dated: May 12, 2017

Annexure “B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of MAFATLAL ENTERPRISES LIMITED

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

I have audited the internal financial controls over financial reporting of MAFATLAL ENTERPRISES LIMITED (“the Company”) as of March 31, 2017 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

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. 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.

Auditors’ Responsibility

My responsibility is to express an opinion on the Company’s internal financial controls over Financial reporting based on my audit. I 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, 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company’s internal financial controls system over financial reporting.

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.

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.

Opinion

In my 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, 2017 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 Accountant of India.

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

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Dated: May 12, 2017

BALANCE SHEET

AS AT MARCH 31, 2017

Particulars	Notes	As at March 31, 2017 ₹	As at March 31, 2016 ₹
I. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share capital	3	5,00,070	5,00,070
(b) Reserves and surplus	4	(3,62,787)	(3,12,088)
2. Current liabilities			
(a) Other Short term liabilities	5	28,360	26,560
(b) Trade payables	6	15,000	15,000
Total.....		1,80,643	2,29,542
II. ASSETS			
1. Current assets			
(a) Cash and cash equivalents	7	1,80,643	2,29,542
Total.....		1,80,643	2,29,542

See accompanying notes forming part of the financial statements

In terms of our report attached

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

PRADEEP R. MAFATLAL

Chairman

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

S. B. SHAH
M. K. SHAH

Directors

Mumbai, Dated: 12th May, 2017.

Mumbai, Dated: 12th May, 2017.

**PROFIT AND LOSS STATEMENT
FOR THE YEAR ENDED MARCH 31, 2017**

Particulars	Notes	Year ended March 31, 2017 ₹	Year ended March 31, 2016 ₹
I. Revenue from operations.....		—	—
II. Other income.....		—	—
III. Total Revenue (I + II)		—	—
IV. Expenses:			
Other expenses	8	50,699	43,068
Total expenses (IV)		50,699	43,068
V. Profit before tax (III – IV)		(50,699)	(43,068)
VI. Tax expense:			
(1) Current tax.....		—	—
(2) Deferred tax.....		—	—
Excess Provision for Taxes in respect of earlier years		—	—
VII. Profit (Loss) for the year		(50,699)	(43,068)
VIII. Earnings per equity share:			
(1) Basic.....		(1.01)	(0.86)
(2) Diluted.....		(1.01)	(0.86)

See accompanying notes forming part of the financial statements

In terms of our report attached

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

PRADEEP R. MAFATLAL

Chairman

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

S. B. SHAH
M. K. SHAH

Directors

Mumbai, Dated: 12th May, 2017.

Mumbai, Dated: 12th May, 2017.

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2017

	Year ended March 31, 2017	Year ended March 31, 2016
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET (LOSS)/PROFIT BEFORE TAX	(50,699)	(43,068)
Adjustments for:		
Provision for tax of earlier period written back	—	—
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(50,699)	(43,068)
Decrease/(Increase) in Trade and Other receivables	—	—
(Decrease)/Increase in Trade and Other Payables	1,800	9,800
	1,800	9,800
	(48,899)	(33,268)
Direct Taxes Paid	—	—
NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES (A)	(48,899)	(33,268)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	—	—
Sale of Fixed Assets.....	—	—
NET CASH USED IN INVESTING ACTIVITIES (B)	—	—
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long-term borrowings.....	—	—
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	—	—
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(48,899)	(33,268)
CASH AND CASH EQUIVALENTS AS AT 01.04.2016 (OPENING BALANCE)	2,29,542	2,62,810
CASH AND CASH EQUIVALENTS AS AT 31.03.2017 (CLOSING BALANCE)	1,80,643	2,29,542

Notes:

- The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 3 on "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

See accompanying notes forming part of the financial statements

In terms of our report attached

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

PRADEEP R. MAFATLAL

Chairman

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

S. B. SHAH
M. K. SHAH

Directors

Mumbai, Dated: 12th May, 2017.

Mumbai, Dated: 12th May, 2017.

**NOTES
FORMING PART OF THE FINANCIAL STATEMENTS****Note 1:****I. Corporate Information:**

Corporate Identity Number: - U24242MH1995PLC089649

Mafatlal Enterprises Limited, formerly known as Astor Mafatlal Waxos Limited was incorporated in the year 1995. It changed its name to Mafatlal Enterprises Limited in the year 1999.

It is 100% subsidiary of Standard Industries Limited.

Note 2:**I. SIGNIFICANT ACCOUNTING POLICIES****a. Basis of Preparation of Financial Statements:**

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

b. Use of Estimates:

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

c. Revenue Recognition:

- i. Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- ii. Dividend income is accounted for when the right to receive payment is established.

d. Investments:

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

e. Fixed Assets:

Fixed Assets are stated at historical cost less accumulated depreciation.

f. Impairment of Fixed Assets:

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an assets' net selling price and value in use.

g. Depreciation:

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2: (Contd.)

h. Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Accounts.

Contingent assets are neither recognized nor disclosed in financial statements.

i. Taxation:

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originate in one period and are capable of reversal in one or more subsequent periods.

j. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

II. Notes on Accounts

1. Earnings per share:

Earnings per share is calculated by dividing the profit/ (loss) attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period as under:

	Year ended March 31, 2017 ₹	Year ended March 31, 2016 ₹
Loss for the period (₹)	(50,699)	(43,068)
Weighted average number of equity shares outstanding during the period.....	50,007	50,007
Earnings per share (Basic/Diluted) (₹)	(1.01)	(0.86)
Nominal value per share (₹)	10.00	10.00
2. Payment to Auditors:		
(a) As Audit fees.....	15,000	15,000
(b) As Service Tax on fees.....	—	—
Total	<u>15,000</u>	<u>15,000</u>

3. 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 disclosures required under the Act have been given accordingly.

4. Segment information:

The Company is engaged in the business of real estate. These in the context of Accounting Standard 17 on segment reporting are considered to constitute a single reportable segment.

**NOTES
FORMING PART OF THE FINANCIAL STATEMENTS**

Note 2: (Contd.)

5. Related Party Disclosure:

A. Name of the related party	Relationship
Standard Industries Limited	Holding Company

B. Details of transaction with related parties

<u>Nature of transactions</u>	₹
Advance received during the period (net)	1,800 (4,800)
Advances payable as at 31 March, 2017	28,360 (26,560)

Note: Figures shown in the bracket pertain to previous year.

6. No provision for income-tax has been made in the accounts for the year as it is estimated that there would be no taxable income under the provision of The Income Tax Act, 1961.
7. The accumulated losses of the company as at the year ended have eroded more than 50% of the shareholders funds. However the accounts of the company have been prepared on going concern basis in the view of the continued availability of finance/financial support from the Holding Company and expected improvement in the economic conditions/scenario.

8. Disclosure on Specified Bank Notes (SBNs):

During the year, Company has specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBN's*	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	Nil	Nil	Nil
(+) Permitted Receipts	Nil	Nil	Nil
(-) Permitted Payments	Nil	Nil	Nil
(-) Amount Deposited in Banks	Nil	Nil	Nil
Closing cash in hand as on December 30, 2016	Nil	Nil	Nil

* For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic affairs member S.O. 3407(E), dated the November 8, 2016.

9. Previous year figures

The Company has reclassified previous year figures to confirm to this year's classification.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3: (Contd.)

Note 3:

1. Share Capital

	As at March 31, 2017		As at March 31, 2016	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10/- each	80,00,000	8,00,00,000	80,00,000	8,00,00,000
Issued				
Equity Shares of ₹ 10/- each	50,007	5,00,070	50,007	5,00,070
Subscribed & Paid up				
Equity Shares of ₹ 10/- each fully paid	50,007	5,00,070	50,007	5,00,070
Total	50,007	5,00,070	50,007	5,00,070

2. Reconciliation of Shares Outstanding at the Beginning and at the end of the reporting period

Particulars	Equity Shares	
	Number	₹
Shares outstanding at the beginning of the year.....	50,007	5,00,070
Shares Issued during the year	—	—
Shares bought back during the year....	—	—
Shares outstanding at the end of the year	50,007	5,00,070

3. Shares held by holding Company

50,007 Equity Shares (Previous year 50,007) are held by Standard Industries Ltd., the holding Company.

4. Details of shareholders holding more than 5% shares in the Company

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Standard Industries Ltd.....	50,007	100%	50,007	100%

**NOTES
FORMING PART OF THE FINANCIAL STATEMENTS**

Note 4: Reserves and Surplus

	As at March 31, 2017	As at March 31, 2016
	₹	₹
Surplus/(Deficit) in the statement of Profit and Loss		
Opening balance	(3,12,088)	(2,69,020)
(+) Net Profit/(Net Loss) for the current year	(50,699)	(43,068)
Closing Balance	(3,62,787)	(3,12,088)
Total	(3,62,787)	(3,12,088)

Note 5: Other Short Term Liabilities

	As at March 31, 2017	As at March 31, 2016
	₹	₹
(a) Payables to Holding Company	28,360	26,560
(b) Others	—	—
Total	28,360	26,560
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	—	—
(ii) Total outstanding dues of Trade Payable other than Micro Enterprises and Small Enterprises.....	28,360	26,560

Note 6: Current Liabilities

	As at March 31, 2017	As at March 31, 2016
	₹	₹
(a) Trade Payables	15,000	15,000
Total	15,000	15,000
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	—	—
(ii) Total outstanding dues of Trade Payables other than Micro Enterprises and Small Enterprises.....	15,000	15,000

**NOTES
FORMING PART OF THE FINANCIAL STATEMENTS**

Note 7: Cash and cash equivalents

	As at March 31, 2017		As at March 31, 2016	
	₹	₹	₹	₹
(a) Balances with banks	1,80,643		2,29,542	
(b) Cash on hand	—		—	
Total	1,80,643		2,29,542	

Note 8: Other Expenses

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
	₹	₹	₹	₹
Registration & Filing Fees	9,041		4,800	
Printing & Stationery Expenses	21,628		19,031	
Professional Charges	4,600		4,237	
Payment to Auditors	15,000		15,000	
Bank Charges	430		—	
General Expenses	—		—	
Total	50,699		43,068	

In terms of our report attached

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

PRADEEP R. MAFATLAL *Chairman*

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

S. B. SHAH
M. K. SHAH } *Directors*

Mumbai, Dated: 12th May, 2017.

Mumbai, Dated: 12th May, 2017.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2015)

MAFATAL ENTERPRISES LIMITED

Registered Office:

59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400 005
Tel.: +91 022 61391200 • CIN: U24242MH1995PLC089649

21st 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 Mafatal Enterprises Limited, holding....., shares of the above named company, hereby appoint

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

Address:

..... Signature:

or failing him/her

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

Address:

..... Signature:

or failing him/her

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

Address:

..... Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Friday, 11th August, 2017 at 2.30 P.M. at 59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400 005 and at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution Number	Resolution
ORDINARY BUSINESS	
1	Adoption of Financial Statements for the year ended 31 st March, 2017.
2	Re-appointment of Shri S. B. Shah, who retires by rotation.
3	Appointment of M/s. R. S. Gokani & Co., Chartered Accountants, Mumbai, as the Auditors of the Company.

Signed thisday of 2017.

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 and Notes, please refer to the Notice of the 21st Annual General Meeting.

