STANDARD SALT WORKS LIMITED

33rd ANNUAL REPORT 2012-2013



BOARD OF DIRECTORS

SHRI D. H. PAREKH *(Chairman)* SHRI D. M. NADKARNI SHRI R. N. PATEL

BANKERS

IDBI BANK
CENTRAL BANK OF INDIA
BANK OF BARODA

AUDITORS

M/S. S. U. KAPASI & CO., Chartered Accountants

REGISTERED OFFICE

912, ALISHAN AWAAS, DIWALI BAUG, ATHWA LINES, NANPURA, SURAT-395 001.

SALT WORKS

DANDI BHAGWA, TALUKA OLPAD, DISTRICT SURAT.

NOTICE

NOTICE is hereby given that the Thirty-third Annual General Meeting of Standard Salt Works Limited will be held at the Registered Office of the Company at 912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat - 395 001, on Monday, the 12th August, 2013, at 9.00 a.m. to transact the following business:

- To receive, consider and adopt the Directors' Report and the Audited Profit and Loss Account of the Company for the Financial Year ended 31st March, 2013 and the Balance Sheet of the Company as on that date.
- To appoint a Director in place of Shri Rohit N. Patel, who retires by rotation but, being eligible, offers himself for re-appointment.
- To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

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.

For Standard Salt Works Limited

D. H. Parekh Chairman

Registered Office:

912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat – 395 001.

Mumbai

Dated: 20th May, 2013.

DIRECTORS' REPORT

To The Members, STANDARD SALT WORKS LIMITED

Your Directors hereby present the 33rd Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2012 to 31st March, 2013.

1. GENERAL

The stay on our land bearing Survey Nos. 511 and 513 in Lavacha village and Survey No. 193 in Dandi village, totally admeasuring 754 acres still continues. Efforts are on to get this land released for salt production.

The production of salt started at proper time and the Company could fill the crystallizers in time. This has resulted in record salt production. Production during the financial year is 74,778 M.T. as against 46,834 M.T. recorded in the previous financial year. All out efforts are being made to increase the production further by modifying the circuit and adding new crystallizers.

2. FINANCIAL RESULTS

The value of salt sold during the financial year under review amounted to ₹ 324.94 lakhs. There is a loss of ₹ 1541.01 lakhs in this financial year.

3. DESPATCHES

The total sale of salt during the period April 2012 to March 2013 is 56.416 M.T.

4. IMPROVEMENTS

In order to reduce the cost, more tidal water for salt manufacturing is used but it has restriction on availability and some more Bore Wells will have to be dug at proper position to increase the production further.

5. PARTICULARS OF EMPLOYEES

The Company has no employees in respect of whom the information as per Section 217 (2A) of the Companies Act, 1956, is required to be given.

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988, is annexed hereto and forms part of the Report.

7. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the Final Accounts for the Financial Year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were 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 or loss of the Company for the said year;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the Financial Year ended 31st March, 2013, on a 'going concern' basis.

8. SECRETARIAL AUDIT

Your Directors wish to state that pursuant to Section 383A of the Companies Act, 1956, the Company complied with all the provisions of the Act and a certificate to that effect has been obtained from a Company Secretary in whole time practice.

9. DIRECTORATE

Shri Rohit N. Patel is due to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 256 of the Companies Act, 1956, but being eligible offers himself for re-appointment.

10. AUDITORS

At the ensuing Annual General Meeting, members will be requested to appoint Auditors for the current year and to fix their remuneration.

For and on behalf of the Board

D. H. PAREKH Chairman

Mumbai

Dated: 20th May, 2013.

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF DIRECTORS' REPORT.

A. CONSERVATION OF ENEREGY

The Company is engaged in the business of manufacturing salt. The main source of energy for production of salt is solar energy. Electricity is required only for the purpose of pumping brine in the crystallizers and therefore there is no major scope for conservation of energy. However, all necessary precautions have been taken to make sure that the pumps are operated at an optimum efficiency for saving in energy.

B. TECHNOLOGY ABSORPTION

Research and Development

Nil

Technology absorption, adaptation and innovation:

Not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

 Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

There has been no export of salt during the Financial Year.

2. Total Foreign Exchange used and earned:

(i) Total Foreign Exchange Nil used

(ii) Total Foreign Exchange Nil earned

For and on behalf of the Board

D. H. PAREKH Chairman

Mumbai

Dated: 20th May, 2013.

COMPLIANCE CERTIFICATE

CIN OF THE COMPANY : U24110GJ1979PLC003315 Nominal capital : ₹ 50 Lakhs

To, The Members, Standard Salt Works Limited.

I have examined the registers, records, books and papers of Standard Salt Works Limited as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In my opinion and to the best of my information and according to the examination carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provision of the Act and the rules made thereunder and all entries therein have been duly recorded.
- The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
- 3. The Company is a Public Limited Company.
- 4. The Board of Directors duly met four times respectively on 23rd April, 2012, 2nd August, 2012, 14th December, 2012 and 22nd March, 2013 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
- The Company was not required to close its Register of Members during the financial year.
- The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 9th August, 2012 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
- No Extra-Ordinary General Meeting was held during the financial year.
- 8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under Section 295 of the Act.
- The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
- The Company was not required to make entry in the register maintained under Section 301 of the Act.
- As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of directors, members or Central Government.
- 12. The Company has not issued any duplicate share certificates during the financial year.

- 13. During the financial year ending 31st March, 2013:
 - There was no allotment/transfer/transmission of securities during the financial year.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared.
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared.
 - (iv) The Company was not required to transfer any amounts as there was no unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) The Company has duly complied with the requirements of Section 217 of the Act.
- 14. The Board of Directors of the Company is duly constituted and the appointment of Directors and Additional Directors have been duly made.
- The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.
- The Company has not appointed any sole selling agents during the financial year.
- 17. The Company obtained necessary approvals from the Registrar. However the Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director and/or such authorities prescribed under the various provisions of the Act during the financial year.
- 18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- The Company has not issued any shares, debentures or other securities during the financial year.
- The Company has not bought back any shares during the financial year ending 31st March, 2013.
- There was no redemption of preference shares or debentures during the financial year.
- There were no transactions necessitating the Company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
- The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
- 24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2013 are within the borrowing limits of the Company.
- 25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.

- 26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's registered office from one state to another during the year under scrutiny.
- 27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny and complied with provisions of the Act.
- 28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- The Company has not altered its Articles of Association during the financial year under scrutiny.
- 31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment imposed on the Company during the financial year, for offences under the Act.
- The Company has not received any money as security from its employees during the financial year.
- 33. The Company has not constituted a separate Provident Fund Trust under Section 418 of the Act. The Company has deposited both employee's and employer's contribution to Provident Fund with prescribed authorities within the prescribed time.

RATAN KAPADIA Company Secretary FCS No. 1395, CP No. 957

Place: Mumbai Date: 20th May, 2013.

Annexure A

Registers as maintained by the Company

Statutory Registers

- Register of Members & Index under Section 150 & 151.
- 2. Register of Transfers.
- 3. Register of Contracts under Section 301.
- 4. Register of Directors under Section 303.
- Register of Directors' Shareholding under Section 307.
- 6. Register of Charges under Section 143.
- Minutes of Board Meetings and General Meetings under Section 193.
- 8. Annual Returns under Section 163.
- 9. Books of Accounts.
- 10. Fixed Assets Registers.

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2013.

Sr. No.	e-Form No.	Filed under Section	For	Date of filing	Whether filed within prescribed time Yes/No.	If delay in filing whether requisite additional fee paid Yes/No.
1.	66	383A(1) Compliance Certificate for the Financial year ended 31.03.12		04.09.12	Yes	N.A.
2.	23AC 220 Balance Sheet for the Financial year ended 31.03.12		19.12.12	Yes	N.A.	
3.	3. 20B 159 Annual Return as at the date of AGM held on 09.08.12		05.10.12	Yes	N.A.	
4.	23B	224(1A)	Information by Auditor to Registrar	23.08.12	Yes	N.A.
5.	32	266	Change in Designation	04.09.12	Yes	N.A.

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF STANDARD SALT WORKS LIMITED.

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

We draw attention to Note 25(j) of Financial Statements regarding preparation of accounts on going concern basis.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, we report that:
 - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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;
 - the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act. 1956.

For S. U. KAPASI & CO., Chartered Accountants (Registration No. 104799W)

> S. U. KAPASI *Proprietor* Membership No. 30639

Mumbai, Dated: May 20, 2013.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: STANDARD SALT WORKS LIMITED

(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (1) The nature of Company's activities are such that clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
- (2) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed by the management on such verification;
 - (c) The Company has not disposed off substantial part of the fixed assets during the year.
- (3) In respect of its inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable:
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;
 - (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not materials.
- (4) The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956; Consequently, requirements of clauses (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
- (5) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.

- (6) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to Section 301 that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ Five lakhs each in respect of any party during the year have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (7) The Company has not accepted any deposits from the public.
- (8) Since the Company is not a listed company, and does not have paid up capital and reserves exceeding ₹ 50 lakhs as at the commencement of the financial year or average annual turnover exceeding ₹ 5 crores for a period of three consecutive financial years immediately preceding the financial year, the clause relating to internal audit system is not applicable.
- (9) The maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956.
- (10) According to the information and explanations given to us in respect of statuary dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Gift tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income tax, Sales Tax, Custom duty, Wealth tax, Service tax, Excise duty, Cess and other material statutory dues in arrears as at 31st March, 2013 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no other cases of nondeposit with appropriate authorities of disputed dues in respect of Income tax, Excise duty.

Custom duty, Sales tax, Wealth tax, Service tax and cess. However following dues are still pending:

Name of the Statute	Nature of Dues	Amount (₹)	Period to which amount is related	Forum where the dispute is pending
Notification as per Land Revenue Laws	Amount claimed by Taluka Development Officer towards Local Cess and Education Cess	36,17,260	1995 to 2008	Gujarat High Court
Income Tax Act	Disputed Demands of Income Tax	6,30,509	Various years	Pending with Assessing officers

- (11) The accumulated losses of the Company at the end of the financial year are more than fifty percent of its net worth The Company has incurred cash losses in the current financial and in the immediately preceding financial year.
- (12) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (13) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (14) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

- (15) In our opinion and according to the information and explanations given to us, the Company has not taken term loans during the year. Hence clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (16) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have, prima facie not been used during the year for long-term investment.
- (17) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (18) According to the information and explanations given to us the Company has not issued any debentures during the year.
- (19) The Company has not raised any money by way of public issues during the year.
- (20) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For S. U. KAPASI & CO., Chartered Accountants (Registration No. 104799W)

> S. U. KAPASI Proprietor Membership No. 30639

Mumbai

Dated: May 20, 2013.

BALANCE SHEET AS AT 31ST MARCH, 2013

				Note	As at 31st March, 2013	As at 31st March, 2012
	Par	ticula	nrs	No.	₹	₹
I.	EQI	JITY	AND LIABILITIES			
	(1)	Sha	reholders' funds			
		(a)	Share capital	3	1,425,610	1,425,610
		(b)	Reserves and surplus	4	(259,238,848)	(105,137,665)
	(0)	NI	A Comment Habitities		(257,813,238)	(103,712,055)
	(2)		n-current liabilities	_	074 050 000	122 250 000
		(a)	Long-term borrowings Other long-term liabilities	5	371,250,000	133,250,000
		(b)	Other long-term liabilities	6	32,214,456	9,491,608
	(3)	Cur	rent liabilities		403,464,456	142,741,608
	` ,	(a)	Short-term borrowings	7	5,016,009	17,098,052
		(b)	Trade payables	8	2,509,947	1,626,855
		(c)	Other current liabilities	9	3,754,020	699,957
		(d)	Short-term provisions	10	815,324	932,234
					12,095,300	20,357,098
			Total		157,746,518	59,386,651
II.	ASS	SETS				
	(1)	Nor	n-current assets			
		(a)	Tangible fixed assets	11	141,692,288	48,546,090
		(b)	Long-term loans and advances	12	2,020,729	1,998,766
	(0)	O			143,713,017	50,544,856
	(2)	(a)	rent assets Current investments	13	E4 000	54,000
		(a) (b)	Inventories	14	54,000 12,212,249	6,234,233
		(c)	Trade receivables	15	496,715	1,049,027
		(d)	Cash and cash equivalents	16	946,018	739,539
		(e)	Short-term loans and advances	17	269,709	710,186
		(f)	Other current assets	18	54,810	54,810
		()			14,033,501	8,841,795
			Total		157,746,518	59,386,651
	See	acc	ompanying notes forming part of the Financial S	tatements		
For	S. U.	Kap	ir report attached asi & Co. countants	D. H.	PAREKH	Chairman
				DΜ	NADKARNI 1	
	J. Ka _l prieto				PATEL	Directors

Place : Mumbai

Date : May 20, 2013.

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Place : Mumbai

Date : May 20, 2013.

Year ended Year ended

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

			Note	31st March, 2013	rear ended 31st March, 2012		
		ticulars	No.	₹	₹		
(I)	INC	OME					
	(a)	Revenue from operations	19	32,623,025	20,704,974		
	(b)	Other income	20	428,880	146,106		
		Total Revenue		33,051,905	20,851,080		
(II)	EXF	PENSES					
	(a)	Change in inventory of stock-in-trade	21	(5,978,016)	(2,312,905)		
	(b)	Employee benefit expenses	22	2,300,451	1,783,937		
	(c)	Finance costs	23	25,247,609	8,029,777		
	(d)	Depreciation	11	144,140,072	57,526,374		
	(e)	Other expenses	24	21,442,972	15,831,362		
		Total Expenses		187,153,088	80,858,545		
(III)	(LO	SS) BEFORE TAXES (I – II)		(154,101,183)	(60,007,465)		
(IV)	TAX	(EXPENSE					
	Exc	ess Provision for taxes in respect of earlier years			1,135		
(V)	(LO	SS) FOR THE YEAR (III + IV)		(154,101,183)	(60,006,330)		
(VI)	Ear	nings Per Share – Basic and Diluted (₹)		(10,809)	(4,209)		
		ninal value per share ₹ fer Note 25(h)]		100	100		
See accompanying notes forming part of the Financial Statements							
For	S. U.	of our report attached Kapasi & Co. d Accountants	D. H.	PAREKH	Chairman		
			D. M.	NADKARNI (D: .		
	J. Ka _l orieto		R. N.	PATEL	Directors		
		Mumbai May 20, 2013.		: Mumbai : May 20, 2013.			

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

			ended rch, 2013 ₹	Year ended 31st March, 2012 ₹
A.	CASH FLOW FROM OPERATING ACTIVITIES: (LOSS) BEFORE TAXES		(154,101,183)	(60,007,465)
	Adjustments for: Depreciation Profit on Sale of Fixed Assets Interest on borrowings Sundry credit balances written back Excess Provision for Earlier years	144,140,072 — 25,247,609 (3,951) (4,664)		57,526,374 (34,389) 8,029,777 (27,245)
	OPERATING LOSS BEFORE WORKING CAPITAL CHANGES Decrease/(Increase) in Trade and Other Receivables (Increase)/Decrease in Inventories	1,012,854 (5,978,016) 1,304,099	169,379,066	5,487,052 462,486 (2,312,905) (798,392)
	Direct Taxes Paid NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES (A)		(3,661,063) 11,616,820 (42,028) 11,574,792	(2,648,811) 2,838,241 (6,260) 2,831,981
В.	CASH FLOW FROM INVESTING ACTIVITIES: Purchase of Fixed Assets		(237,286,270) — (237,286,270)	(55,927,804) 750,000 (55,177,804)
C.	CASH FLOW FROM FINANCING ACTIVITIES: Long-term borrowings		238,000,000 (12,082,043)	55,000,000 (2,603,471)
	ACTIVITIES (C)		225,917,957	<u>52,396,529</u> <u>50,706</u>
	(OPENING BALANCE)CASH AND CASH EQUIVALENTS AS AT 31.03.2013 (CLOSING BALANCE)		739,539	688,833 739,539

Notes:

- Components of cash and cash equivalents include cash and bank balances in Current Accounts (Refer Note 16 forming part of the Financial Statements)
- 2. 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 S. U. Kapasi & Co.

Chartered Accountants

S. U. Kapasi

Proprietor

D. H. PAREKH

Chairman

D. M. NADKARNI

Directors

 Place : Mumbai
 Place : Mumbai

 Date : May 20, 2013.
 Date : May 20, 2013.

Note 1:

Corporate Information

RASAPRA INVESTMENTS LIMITED was incorporated in the year 1979. The name of the Company had been changed to STANDARD SALT WORKS LIMITED (SSWL) in the year 1983. SSWL is engaged in manufacture of Industrial Salt.

The major production of Industrial Salt was used for production of Caustic Soda by the Parent Company, The Standard Industries Limited.

Presently, the Company is engaged in manufacturing of Industrial Salt and marketing through various Salt traders to different Chemical Companies.

Note 2:

Significant Accounting Policies

(a) Basis of preparation of financial statements:

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act,1956.

The Financial Statements have been prepared in the format prescribed under the Revised Schedule VI to the Companies Act, 1956. The 'operating cycle' as defined under the said Schedule and considered in these financials is of twelve months duration.

(b) Use of Estimates:

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

(c) Fixed Assets:

Fixed Assets are stated at cost of acquisition or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any.

(d) Depreciation:

Depreciation for the year has been provided on Straight Line basis at the rates and in the manner specified in Schedule XIV to the Companies Act,1956.

(e) Investments:

Current Investments are carried at lower of cost or fair value. Long Term Investments are carried at cost. However, when there is a decline, other than temporary, the carrying amount is reduced to recognize the decline.

(f) Inventories:

Finished goods and process stock are valued at cost or net realizable value whichever is lower. The cost is ascertained on the basis of absorption costing method.

(q) Contingent Liabilities and Provisions:

These, if any, are disclosed in the notes on accounts. Provision is made in the accounts, if it becomes probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

(h) Revenue Recognition:

Revenue (income) is recognized when no significant uncertainty as to measurability or collectability exists.

(i) Employee Benefits:

Provision for gratuity is made in the accounts in accordance with the provisions of Payment of Gratuity Act,1972. Contribution as required under statute is made to Government Provident Fund.

(j) Stores and Tools Consumption:

Stores and Tools are acquired as and when required and treated as consumed in the year of acquisition.

Note 2:

Significant Accounting Policies (Contd.)

(k) Government Grants:

Grants related to Specific Fixed Assets are shown as a deduction from the value of the concerned assets. Grants related to revenue are credited to the Profit and Loss Account. Grants in the nature of Promoter's Contribution are treated as Capital Reserve.

(I) Borrowing Costs:

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

(m) Taxes on Income:

Tax expenses comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets arising on account of unabsorbed depreciation and losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

(n) Impairment of Assets:

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amounts. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

	As at 31st March, 2013 ₹ ₹	As at 31st March, 2012 ₹
Note 3:		
Share Capital		
(a) Authorised		
50,000 Equity Shares of ₹ 100/- each	5,000,000	5,000,000
(b) Issued		
47,000 Equity Shares of ₹ 100/- each	4,700,000	4,700,000
(c) Subscribed and fully paid-up		
223 Equity Shares of ₹ 100/- each fully paid-up	22,300	22,300
(d) Subscribed and not fully paid-up		
46,777 Equity Shares of ₹ 100/- each with voting		
rights, ₹ 70/- per share not paid-up	1,403,310	1,403,310
Total	1,425,610	1,425,610

Notes:

- (i) 47,000 Equity Shares are held by Standard Industries Limited, the Holding Company and its nominees.
- (ii) Details of Equity Shares held in the Company by each shareholder holding more than 5% shares

Name of the Shareholder		s at arch, 2013	As at 31st March, 2012		
Name of the Shareholder	No. of	%	No. of	%	
	Shares	of Holding	Shares	of Holding	
Standard Industries Limited	47,000	100	47,000	100	

	As at arch, 2013	As at 31st March, 2012 ₹
Reserves and Surplus		
(a) Capital Reserve - Cash Subsidy		
As per last Balance Sheet	413,560	413,560
(b) Surplus in Statement of Profit and Loss Balance at		
the beginning of the year(105,551,225		(45,544,895)
Less: Loss for the year		(60,006,330)
Closing Balance	(259,652,408)	(105,551,225)
Total	(259,238,848)	(105,137,665)
Note 5:		
Long Term Borrowings		
(Unsecured)		
(a) Loan from related party [Refer Note 25 (g)]	78,250,000	78,250,000
(b) Loan from other body corporate	293,000,000	55,000,000
Total	371,250,000	133,250,000
Notes:	371,230,000	755,250,000
 (i) Loan from related party: Interest payable @ 7.50% p.a. Principal and accrued interest due after 6 years. (ii) Loan from other body corporate: Interest payable @ 9.75% p.a. (Floating rate) Principal and accrued interest due after 8 years from the date of loan. 		
	As at 31st March, 2013	As at 31st March, 2012
	₹	₹
Note 6:		
Other long-term liabilities		
Others		
(i) Interest accrued but not due on long-term borrowings	32,214,456	9,491,608
Total	32,214,456	9,491,608
Note 7:		
Short-term borrowings (Unsecured)		
Loan from related party [Refer Note 25 (g)]	5,016,009	17,098,052
Total	5,016,009	17,098,052
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Note 8:	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
Trade Payables		
(a) Total Outstanding dues of Micro Enterprises and		
Small Enterprises [Refer Note 25(c)]	_	_
(b) Total Outstanding dues of Creditors other than		
Micro Enterprises and Small Enterprises	2,509,947	1,626,855
Total	2,509,947	1,626,855
Note 9: Other Current Liabilities Other Payables (i) Statutory Liabilities	3,086,906 236,943 430,171 3,754,020	30,781 370,239 298,937 699,957
Note 10:		
Short-term Provisions		
(a) Provision for employee benefits – Gratuity	815,324	912,169
(b) Provision for Income Tax (Net of Advance Tax)	· —	20,065
Total	815,324	932,234

Note 11: FIXED ASSETS

			Gross E	Block			Accumulated D	epreciation		Net Block
Particulars		As at 01/04/2012	Additions	Deduction	As at 31/03/2013	As at 01/04/2012	For the year	Deduction	As at 31/03/2013	As at 31/03/2013
		₹	₹	₹	₹	₹	₹	₹	₹	₹
Tan	gible Assets (Owned)									
(a)	Freehold Land	140,000	_	_	140,000	_	_	_	_	140,000
	(Previous Year)	(140,000)	_	_	(140,000)	_	_	_	_	(140,000)
(b)	Buildings	2,228,120	_	_	2,228,120	1,069,080	41,797	_	1,110,877	1,117,243
	(Previous Year)	(2,228,120)	_	_	(2,228,120)	(1,028,916)	(40,164)	_	(1,069,080)	(1,159,040)
(c)	Plant and Machinery	5,326,279	189,448	_	5,515,727	2,479,237	196,628	_	2,675,865	2,839,862
	(Previous Year)	(6,108,124)	(229, 155)	(1,011,000)	(5,326,279)	(2,515,630)	(258,996)	(295,389)	(2,479,237)	(2,847,042)
(d)	Furniture and Fixtures	52,799	_	_	52,799	33,382	1,346	_	34,728	18,071
	(Previous Year)	(52,799)	_	_	(52,799)	(32,247)	(1,135)	_	(33,382)	(19,417)
(e)	Office Equipments	8,500	_	_	8,500	1,616	404	_	2,020	6,480
	(Previous Year)	(8,500)	_	_	(8,500)	(1,212)	(404)	_	(1,616)	(6,884)
(f)	Vehicles	938,387	896,522	_	1,834,909	398,738	102,383	_	501,121	1,333,788
	(Previous Year)	(938,387)	_	_	(938,387)	(311,232)	(87,506)	_	(398,738)	(539,649)
(g)	Salt Works - Reservoirs, Salt Pans									
	(Refer Note 2 below)	142,922,783	236,200,300	_	379,123,083	99,088,725	143,797,514	_	242,886,239	136,236,844
	(Previous Year)	(87,224,134)	(55,698,649)	_	(142,922,783)	(41,950,556)	(57,138,169)	_	(99,088,725)	(43,834,058)
	Total	151,616,868	237,286,270	_	388,903,138	103,070,778	144,140,072	_	247,210,850	141,692,288
Pre	vious year	(96,700,064)	(55,927,804)	(1,011,000)	(151,616,868)	(45,839,793)	(57,526,374)	(295,389)	(103,070,778)	(48,546,090)

Notes

⁽¹⁾ The above note does not include leasehold land on short-term lease, on which the Company incurs annual rent.

⁽²⁾ Additions to the salt works made during the year include costs incurred for leveling, compacting, excavating, developing of salt fields etc.

	As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
Note 12: Long-term loans and advances		
(Unsecured) (a) Security Deposits with Government authorities (considered good)	740,000	740,000
(b) Advance Tax (Net of Provisions)	1,280,729	1,258,766
Total	2,020,729	1,998,766
Nata 12:		
Note 13: Current Investments		
(unquoted – at cost)		
(a) Investment in Government Securities	54,000	54,000
Total	54,000	54,000
Note 14:		
Inventories		
(at lower of cost and net realisable value)		
(a) Finished goods	8,691,416	3,166,628
(b) Stock-in-process	3,520,833	3,067,605
Total	12,212,249	6,234,233
Note 15: Trade Receivables (Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment (considered good)	409,114	187,319
(b) Others (considered good)	87,601	861,708
Total	496,715	1,049,027
Note 16:		
Cash and Cash Equivalents		
(a) Cash on hand	38,909	_
(b) Balance with banks in current accounts	907,109	739,539
Total	946,018	739,539
Note 17:		
Short-term loans and advances		
(Unsecured, considered good)		
(a) Security deposits	1,000	26,000
(b) Loans and advances to employees	144,800	244,100
(c) Prepaid expense(d) Other short-term advances:	37,145	29,602
(i) Advance to creditors	70,572	403,688
(ii) Others	16,192	6,796
Total	269,709	710,186
Note 40:		
Note 18: Other current assets		
(a) Accruals		
(i) Interest accrued and due on Government		
Securities	54,810	54,810
Total	54,810	54,810

		For the year ended 31st March, 2013			ear ended rch, 2012
		₹	₹	₹	₹
Not	te 19:				
Rev	venue from Operations				
(I)	Sale of products – Manufactured goods				
	(a) Industrial Salt	32,036,429		20,592,207	
	(b) Gypsum Salt	457,298		36,638	
			32,493,727		20,628,845
(II)	Other Operating Income				
	(a) Income from weighbridge/quality Bonus		129,298		76,129
	Total		32,623,025		20,704,974
Not	te 20:				
	ner Income				
(a)	Interest income:				
()	(i) Interest from banks on deposits		420,265		62,598
	(ii) Interest on Income – tax refund		_		21,874
(b)	Other non-operating income:				
	(i) Profit on sale of fixed assets		_		34,389
	(ii) Sundry creditor's balances written back		3,951		27,245
	(iiii) Excess provision for yearlier years		4,664		_
	Total		428,880		146,106
Not	te 21:				
Cha	ange in inventories of Stock in Trade				
(a)	Inventories at the end of the year:				
	(i) Finished Goods		8,691,416		3,166,628
	(ii) Work-in-progress		3,520,833		3,067,605
			12,212,249		6,234,233
(b)	Inventories at the beginning of the year:				
	(i) Finished Goods		3,166,628		1,569,133
	(ii) Work-in-progress		3,067,605		2,352,195
			6,234,233		3,921,328
	Net (Increase)/Decrease		(5,978,016)		(2,312,905)
				•	

			ear ended rch, 2013 ₹	For the year ended 31st March, 2012 ₹
Not	e 22:	•	•	·
Em	ployee benefit expenses			
(a)	Salaries, Bonus, Exgratia, Leave travel and Gratuity		1,759,469	1,571,227
(b)	Contribution to Provident Fund		141,139	131,748
(c)	Workmen and Staff Welfare expenses		399,843	80,962
	Total		2,300,451	1,783,937
Not	e 23:			
Fina	ance costs			
(a)	Interest on borrowings		25,247,609	8,029,777
	Total		25,247,609	8,029,777
Not	e 24:			
Oth	er expenses			
(a)	Stores and Tools consumed		26,000	31,380
(b)	Power and Fuel		3,014,370	2,976,181
(c)	Labour charges		3,687,310	2,404,208
(d)	Rent		192,000	471,000
(e)	Repairs:			
	To Buildings	368,469		158,486
	To Machinery	445,588		441,930
	To Salt Works	4,228,859		3,043,348
	To Others	5,745		
			5,048,661	3,643,764
(f)	Rates & Taxes		810,787	714,044
(g)	Transport and Freight charges		1,626,266	1,283,680
(h)	Legal and Professional fees		282,199	256,747
(i)	Travelling and Conveyance expenses		107,028	240,014
(j)	Salt – Internal shifting expenses		5,093,193	2,720,348
(k)	Salt – Washing charges		97,255	108,760
(l)	Contract Labour expenses		749,186	215,323
(m)	Vehicle expenses		199,213	215,055
(n)	Miscellaneous expenses		509,504	550,858
	Total		21,442,972	15,831,362
Not	e: Miscellaneous expenses include Misc. Shifting expenses, Loading Unloading expenses etc.			

Note 25:			Year ended 31st March, 2013 ₹	Year ended 31st March, 2012 ₹
Addition	al inf	formation to the financial statements and		
disclosu	res ı	under Accounting Standards		
(a)	Co	ntingent Liabilities in respect of:		
	(i)	Claims against the Company not acknowledged as debts:	4,117,260	4,117,260
		Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The Company has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.		
		The Company is confident of success in the matter.		
	(ii)	Disputed demands of income tax	630,509	630,509
		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.		
(b)	Pay	ments to Auditors:		
	(a)	As Auditors	50,000	50,000
	(b)	For Tax Audit	20,000	65,000
	(c)	As Advisor or in any other capacity in respect of taxation matters	_	_
	(d)	In any other manner (Certification work etc.)	10,000	15,000
	(e)	For expenses	573	345
	(f)	For Service tax	9,959	13,390
			90,532	143,735

(Includes payments made to erstwhile auditors)

(d) Segment information:

The Company is engaged in the business of production and sale of industrial salt. These in the context of Accounting Standard 17 on segment reporting are considered to constitute a single reportable segment.

⁽c) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act have been given accordingly in Notes – 8(a).



Previous year

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25:

(e) Value of Stores and Tools:

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

` '					!	,
			Value ₹	% to total consumption	Value ₹	% to total consumption
	Imp	orted	Nil	Nil	Nil	Nil
	Indi	genous	26,000	100	31,380	100
			26,000	100	31,380	100
(f)		nsumption of Stores & Spares ng the year	26,000		31,380	
(g)	Rela	ated Party disclosure:				
	(i)	Name of the related party		Relations	hip	
		Standard Industries Limited		Holding C	ompany	
	(ii)	Details of transactions with related parties	s:			
		Nature of transactions				
		Unsecured Loan:		Holding C	ompany	
		Received during the year (net)			Nil (Nil)	
		Unsecured Loan:				
		Repayment during the year (net)		12,082, <i>(</i> 2,603,		
		Interest on unsecured loan		5,868, (5,868,		
		Outstanding Balances - Payables as on 31.	03.2013			
		Unsecured Loan		83,266, (95,348,		
		Interest accrued but not due		12,828, (7,546,		
		Note: Figures shown in bracket pertain to p	revious yea	r.		
					ear ended lst March, 2013 ₹	Year ended 31st March, 2012 ₹
(h)	Earı	nings per Share:				
	attri ave	nings per share is calculated by dividing butable to the equity shareholders by the vage number of equity shares outstanding do das under:	weighted			
	(Los	ss) for the year (₹)		(15	64,101,183)	(60,006,330)

Note 25:

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

		Year ended 31st March, 2013 ₹	Year ended 31st March, 2012 ₹
	Weighted average number of equity shares outstanding during the year (Nos.)	14,256	14,256
	Earnings per share (Basic/Diluted) (₹)	(10,809)	(4,209)
	Nominal value per share (₹)	100	100
		As at 31st March, 2013 ₹	As at 31st March, 2012 ₹
(i)	Components of deferred tax assets/liabilities are as under:-		
	Differences in the tax and books written down value of Fixed Assets	(26,339,660)	(5,707,169)
	Provision for Gratuity	251,935	(281,860)
	Disallowances U/s. 43B of the Income-tax Act, 1961	200,097	159,783
	Carried forward Business loss and Depreciation	105,587,020	18,255,929
	Deferred Tax Assets (Net)	79,699,392 *	12,426,683*

- * The Net Deferred Tax Asset as at March 31, 2013 has not been recognized in view of the requirements of certainty/virtual certainty as stated in Accounting Standard 22 on "Accounting for Taxes on Income".
- (j) The accumulated losses of the Company as at the year end have eroded the Shareholders' Funds. However, the accounts of the Company have been prepared on a going concern basis in view of the continued availability of finance/financial support from the Holding Company and expected improvement in the economic conditions/scenario. Also the Company is in process of developing more Salt Kyaras which will result in substantial increase in the production of salt.
- (k) Balances of creditors and amounts receivable/payable on current accounts being subject to confirmations and consequent reconciliations/adjustments if any.
- (I) The figures of the previous year have been regrouped wherever necessary to correspond with those of current year.

	Signatures to Notes 1 to 25	
In terms of our report attached For S. U. Kapasi & Co. Chartered Accountants	D. H. PAREKH	Chairman
S. U. Kapasi Proprietor	D. M. NADKARNI R. N. PATEL	Directors

 Place : Mumbai
 Place : Mumbai

 Date : May 20, 2013.
 Date : May 20, 2013.

FORM OF PROXY

STANDARD SALT WORKS LIMITED

(Code No. & Name of the Shareholders/Jointholders & address as given on the envelope in BLOCK LETTERS to be furnished below.)

I/We
of
being a member/members of STANDARD SALT WORKS LIMITED
hereby appointof
or failing himof
as my/our proxy to vote for me/us and on my/our behalf at the 33 rd Annual General Meeting of the Company to be held on Monday, the 12 th August, 2013 at 9.00 A.M. and at any adjournment thereof.
As witness my/our hand(s) this day of 2013.
Signed by the said

Note: The proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.

Affix a 30 paise Revenue Stamp