

STANDARD SALT WORKS LIMITED

37th ANNUAL REPORT 2016-2017



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BOARD OF DIRECTORS

SHRI D. H. PAREKH (*Chairman*)

SHRI D. M. NADKARNI

SHRI R. N. PATEL

SHRI F. M. PARDIWALLA (*appointed on 18.05.2016 and resigned on 21.11.2016*)

SHRI K. J. PARDIWALLA (*w.e.f. 28.02.2017*)

BANKERS

IDBI BANK

BANK OF BARODA

AUDITORS

M/S. ARUNKUMAR K. SHAH & CO.,
Chartered Accountants

REGISTERED OFFICE

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

CIN: U24110GJ1979PLC003315

SALT WORKS

DANDI BHAGWA,
TALUKA OLPAD,
DISTRICT SURAT.

NOTICE

NOTICE is hereby given that the Thirty-seventh 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 Thursday, the 10th August, 2017, at 9.00 a.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 D. M. Nadkarni (holding DIN 00023200), 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 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting to fill the casual vacancy caused by the resignation of M/s. Arunkumar K. Shah & Co.

SPECIAL BUSINESS

4. To appoint a Director in place of Shri K. J. Pardiwalla, who was appointed by the Board of Directors as an Additional Director on 28th February, 2017, under Section 161 of the Companies Act, 2013 and Article 22 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting under the said Article and being

eligible, offers himself for appointment. Notice in writing from a Member proposing his candidature for the Office of Director has been received under Section 160 of the Companies Act, 2013.

AS AN ORDINARY RESOLUTION

“RESOLVED THAT Shri K. J. Pardiwalla, who has been appointed as an Additional Director by the Board of Directors with effect from 28th February, 2017, to hold Office till this Annual General Meeting, be and he is hereby expressly appointed as the Director by the Shareholders in this Annual General Meeting and he shall be liable to retire by rotation.”

NOTES :

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

For and on behalf of the Board

D. H. PAREKH
Chairman

Registered Office:

912, Alishan Awaas,
Diwali Baug, Athwa Lines,
Nanpura, Surat – 395 001.
Tel: 0261-2462287
CIN:U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2017.

ANNEXURE TO THE NOTICE

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

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all, material facts relating to Item No. 4 contained in the accompanying Notice dated 12th May, 2017.

Item No. 4

In terms of Regulation 16(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has become a material subsidiary of Standard Industries Limited. As per Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least one Independent Director of the listed Company shall be appointed as a Director of an unlisted material subsidiary. As Standard Salt Works Limited falls under the category of "unlisted material subsidiary", it has become incumbent to appoint an Independent Director of Standard Industries Limited as a Director of Standard Salt Works Limited. Shri K. J. Pardiwalla, who is an Independent Director of Standard Industries Limited, was therefore appointed as an additional Director of Standard Salt Works Limited with effect from 28th February, 2017.

Shri K. J. Pardiwalla who was appointed as an Additional Director on 28th February, 2017, holds office upto the ensuing Annual General Meeting of the Company to be held on 10th August, 2017, in accordance with Article 22 of the Articles of Association of the Company and being eligible, he offers himself for appointment as a Director. Notice has been received from a member of the Company intending to propose him for the office of Director at the Annual General Meeting.

Shri K. J. Pardiwalla was born on 24th July, 1937. He is a Chartered Accountant and has diverse experience in Financial Accounting, Taxation, Marketing and Management.

Shri K. J. Pardiwalla was appointed as Managing Director of Standard Industries Limited from March, 1996 to August, 2011 and a Director of the Company from August, 2011 onwards.

Shri K. J. Pardiwalla is a Director on the Board of many Companies, viz., Standard Industries Limited, Stanrose Mafatlal Investment & Finance Limited, Vinadeep Investments Pvt. Ltd., Stan Plaza Limited and Standard Salt Works Ltd. He is the Chairman of Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee of Standard Industries Limited and Stanrose Mafatlal Investments and Finance Limited and also a Member of Share Transfer Committee, Independent Directors Committee and Investment Committee of Standard Industries Limited and a Member of Corporate Social Responsibility Committee of Stanrose Mafatlal Investments and Finance Limited.

Shri K. J. Pardiwalla does not hold any shares in the Company except one share as a Nominee of Standard Industries Ltd. (holding Company).

Shri K. J. Pardiwalla may be regarded as interested in this Resolution as the same concerns his appointment.

None of the other Directors is concerned or interested in this Resolution.

For and on behalf of the Board

D. H. PAREKH
Chairman

Registered Office:

912, Alishan Awaas,
Diwali Baug, Athwa Lines,
Nanpura, Surat – 395 001.
Tel: 0261-2462287
CIN:U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2017.

DIRECTORS' REPORT

To
The Members,
STANDARD SALT WORKS LIMITED

Your Directors hereby present the 37th Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2016 to 31st March, 2017.

FINANCIAL RESULTS

	Current Year 01.04.2016 to 31.03.2017 (₹ in lakhs)	Previous Year 01.04.2015 to 31.03.2016 (₹ in lakhs)
Gross Operating Profit before depreciation and tax	(316.38)	(270.90)
<i>Less: Depreciation</i>	6.82	5.16
Profit before Taxes	(323.20)	(276.06)
(Short) provisions for Taxes in respect of earlier years	—	(1.51)
Profit after Taxes	(323.20)	(277.57)
Balance brought forward from previous year	(4869.05)	(4591.48)
Closing Balance	(5192.25)	(4869.05)

During the Financial Year under review, the Company has made a loss of ₹ 323.20 Lakhs.

GENERAL

As expected last year, the salt market is very much dull during the year under review. Both demand and prices are reduced considerably.

Our Salt washery was commissioned in the first week of June, 2016 but it had faced teething problems. Modifications are going on and we are hopeful of successfully commissioning the same by middle of April, 2017.

PRODUCTION

The production of salt during the year amounted to 71,762 M.T. However, due to adverse market conditions, there is a closing stock of 24,401 M.T. as on 31.3.2017. All efforts are being made to sell the salt and reduce the stocks.

The Company is manufacturing quality salt and have kept a target of 65,000 M.T. in view of huge carry over of stocks.

SALE OF SALT

The value of salt sold during the financial year under review amounted to ₹ 239.47 Lakhs.

DESPATCHES

The total sale of salt during the financial year April 2016 to March 2017 is 53,358 M.T. as against 54,814 M.T. during the previous year.

IMPROVEMENTS

In view of the unfavourable salt market conditions and lower sales realization, efforts are being made to reduce the cost of manufacture of salt.

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed hereto and forms part of the Report.

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

- 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;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; 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 D. M. Nadkarni 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.

Shri F. M. Pardiwalla who was appointed on 18th May, 2016, as an Additional Director of the Company has tendered his resignation with effect from 21st November, 2016. The Board has placed on record their sense of appreciation of the valuable services rendered by Shri F. M. Pardiwalla during his association with the Company.

In terms of Regulation 16(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as Standard Salt Works Limited falls under the category of "unlisted material subsidiary", it has become incumbent to appoint an Independent Director of Standard Industries Limited as a Director of Standard Salt Works Limited. Shri K. J. Pardiwalla, who is an Independent Director of Standard Industries Limited, was therefore appointed as an additional Director of Standard Salt Works Limited with effect from 28th February, 2017.

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 & 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 7 times during the Financial Year from 1st April, 2016 to 31st March, 2017 i.e. 26.04.2016, 18.05.2016, 31.08.2016, 17.11.2016, 25.01.2017, 30.01.2017 and 28.02.2017.

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

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

There have been no complaints received during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year, the unsecured loan of ₹ 5,370.00 lakhs (including accrued interest of ₹ 1,249.18 lakhs & business advance of ₹ 159.45 lakhs) taken from Standard Industries Ltd. has been converted into 5,37,000 equity shares of the Company of ₹ 100/- each at a premium of ₹ 900/- per equity share.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Accounts forming part of the Audited Financial Statements for the year ended 31st March, 2017.

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

There were no employees drawing salary exceeding the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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 37th Annual General Meeting until the conclusion of the 42nd 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

D. H. PAREKH
Chairman

Mumbai
Dated: 12th May, 2017.

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT.

A. CONSERVATION OF ENERGY

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:

1. 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 used	Nil
(ii) Total Foreign Exchange earned	Nil

For and on behalf of the Board

D. H. PAREKH
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	U24110GJ1979PLC003315
ii.	Registration Date	23 rd February, 1979
iii.	Name of the Company	STANDARD SALT WORKS LTD.
iv.	Category/Sub-Category of the Company	Unlisted Public Company Limited by Shares
v.	Address of the Registered Office and contact details	912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat – 395 001. Gujarat Tel.: +91 0261 2462287
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.	Industrial Salt	08932	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Standard 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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55

(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	46,993	100.00 %	—	5,83,993	100.00 %	—	1142.72
2	(Nominees of Standard Industries Limited) Shri K. J. Pardiwalla & Standard Industries Limited	1	—	—	1	—	—	—
3	Shri R. N. Patel & Standard Industries Limited	1	—	—	1	—	—	—
4	Shri D. H. Parekh & Standard Industries Limited	1	—	—	1	—	—	—
5	Shri Suresh R. Patel & Standard Industries Limited	1	—	—	1	—	—	—
6	Shri M. J. Mehta & Standard Industries Limited	1	—	—	1	—	—	—
7	Shri P. R. Pichhamurthy & Standard Industries Limited	1	—	—	1	—	—	—
8	Shri Harshad Mehta & Standard Industries Limited	1	—	—	1	—	—	—
	TOTAL	47,000	100%	—	5,84,000	100%	—	1142.55

(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
1	Standard Industries Limited	47,000	100%	Purchase	5,84,000	100%

(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				
(i) Principal Amount	—	40,62,26,088	—	40,62,26,088
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	9,83,91,448	—	9,83,91,448
Total (i+ii+iii)	—	50,46,17,536	—	50,46,17,536
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	—	50,46,17,536	—	50,46,17,536
Net Change	—	50,46,17,536	—	50,46,17,536
Indebtedness at the end of the financial year				
(i) Principal Amount	—	—	—	—
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	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 ₹)

Particulars of Remuneration	Name of Directors					Total Amount
	Shri D. H. Parekh	Shri D. M. Nadkarni	Shri R. N. Patel	Shri F. M. Pardiwalla	Shri K. J. Pardiwalla	
(1) Independent Directors						
• Fee for attending board committee meetings	—	—			—	—
• Commission	—	—			—	—
• Others, please specify	—	—			—	—
Total (1)	—	—			—	—
(2) Other Non-Executive Directors						
• Fee for attending board committee meetings	—	1,750	1,750	750	250	4,500
• Commission	—	—			—	—
• Others, please specify	—	—			—	—
Total (2)	—	1,750	1,750	750	250	4,500
Total (B) = (1+2)	—	1,750	1,750	750	250	4,500
Total Managerial Remuneration	—	1,750	1,750	750	250	4,500
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	NIL			
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			NONE		
Punishment					
Compounding					
B. Directors					
Penalty			NONE		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			NONE		
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STANDARD SALT WORKS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **STANDARD SALT WORKS 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 there under.

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 25 (l) of the financial statements regarding the preparation of accounts on going concern basis.

Report on other Legal and Regulatory Requirements

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.

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 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (a) to the 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 25 (n) 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

Mumbai
Dated: May 12 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Re: Standard Salt Works Limited

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

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. (a) As per information & explanation given to us, the physical verification of inventory is conducted at reasonable intervals.
- (b) The procedure of physical verification of inventory followed by management is reasonable & adequate in relation to the size of the company & its nature of business.
- (c) The company is maintaining proper records of inventory. The discrepancies noted on verification between physical & book record where not material.
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 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) Details of 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 as follows:-

Nature of Statute	Nature of Dues	Amount (₹)	Period to which amount related	Forum where the dispute is pending
Notification as per Land Revenue Laws	Amount claimed by taluka development officer towards Local Cess & Education Cess	36,17,260/-	1995 to 2008	Gujarat High Court
Notification as per Land Revenue Laws	Amount claimed by taluka development officer towards Local Cess & Education Cess	2,11,08,930/-	2009 to 2015	Taluka Development Officer

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. However the company has issued right shares during the year to its Holding Company.
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

Mumbai
Dated: May 12, 2017

Annexure “B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of STANDARD SALT WORKS 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 **STANDARD SALT WORKS 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

Mumbai
Dated: May 12, 2017

BALANCE SHEET

AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	5,84,00,000	14,25,610
(b) Reserves and surplus	4	(3,55,10,918)	(48,64,91,316)
		<u>2,28,89,082</u>	<u>(48,50,65,706)</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5	—	39,61,37,222
(b) Other long-term liabilities.....	6	—	9,83,91,448
		—	<u>49,45,28,670</u>
(3) Current liabilities			
(a) Short-term borrowings	7	—	1,00,88,866
(b) Trade payables.....	8	41,94,871	22,56,731
(c) Other current liabilities.....	9	16,76,415	48,34,477
(d) Short-term provisions.....	10	15,12,202	14,06,092
		<u>73,83,488</u>	<u>1,85,86,166</u>
Total		<u><u>3,02,72,570</u></u>	<u><u>2,80,49,130</u></u>
II. ASSETS			
(1) Non-Current Assets			
(a) Tangible fixed assets.....	11	53,81,657	60,63,376
(b) Capital work in progress		76,25,243	45,29,979
		<u>1,30,06,900</u>	<u>1,05,93,355</u>
(c) Long-term loans and advances.....	12	16,09,459	16,43,454
		<u>1,46,16,359</u>	<u>1,22,36,809</u>
(2) Current assets			
(a) Current investments.....	13	54,000	54,000
(b) Inventories	14	1,15,47,946	85,65,600
(c) Trade receivables	15	31,32,538	18,47,386
(d) Cash and cash equivalents	16	6,11,660	42,42,781
(e) Short-term loans and advances.....	17	2,55,257	10,47,744
(f) Other current assets	18	54,810	54,810
		<u>1,56,56,211</u>	<u>1,58,12,321</u>
Total		<u><u>3,02,72,570</u></u>	<u><u>2,80,49,130</u></u>
See accompanying notes forming part of the Financial Statements	25		

In terms of our report attached
For Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH *Chairman*

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL *Directors*

Place : Mumbai
Date : May 12, 2017

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

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(I) INCOME			
(a) Revenue from operations.....	19	2,40,29,946	3,44,01,685
(b) Other income.....	20	1,015	4,27,661
Total Revenue		2,40,30,961	3,48,29,346
(II) EXPENSES			
(a) Change in inventory of stock-in-trade	21	(29,82,346)	(27,00,281)
(b) Employee benefit expenses.....	22	27,23,457	27,20,811
(c) Finance costs	23	2,94,73,397	3,36,83,882
(d) Depreciation	11	6,81,719	5,15,924
(e) Other expenses	24	2,64,54,336	2,82,14,901
Total Expenses.....		5,63,50,563	6,24,35,237
(III) (Loss) before taxes (I – II)		(3,23,19,602)	(2,76,05,891)
(IV) Tax Expense			
Excess/(short) Provision for taxes in respect of earlier years		—	(151,063)
(V) (Loss) for the year (III + IV)		(32,319,602)	(27,756,954)
(VI) Earnings Per Share – Basic and Diluted (₹)		(55)	(1,947)
Nominal value per share ₹..... [Refer Note 25(h)]		100	100
See accompanying notes forming part of the Financial Statements	25		

In terms of our report attached
For Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH Chairman

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL } Directors

Place : Mumbai
Date : May 12, 2017

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March, 2017	Year ended 31st March, 2016
	₹	₹
A. Cash Flow from Operating Activities:		
(Loss) before Taxes	(3,23,19,602)	(2,76,05,891)
Adjustments for:		
Depreciation	6,81,719	5,15,924
Loss/Profit on Sale of fixed assets	—	1,25,866
Interest on borrowings	2,94,73,397	3,36,83,882
Interest Income on Fixed Deposits with Bank	—	(3,39,941)
	<u>3,01,55,116</u>	<u>3,39,85,731</u>
Operating Profit/(Loss) before Working Capital Changes	(21,64,486)	63,79,840
Decrease/(Increase) in Trade and other receivables	(4,92,665)	52,360
(Increase)/Decrease in Inventories	(29,82,346)	(27,00,281)
(Decrease)/Increase in Trade and other payables.....	(10,38,554)	79,697
	<u>(45,13,565)</u>	<u>(25,68,224)</u>
Direct Taxes Refund/paid	(66,78,051)	38,11,616
Net Cash Generated from/(Used in) Operating Activities (A) ...	<u>33,995</u>	<u>4,66,003</u>
	<u>(66,44,056)</u>	<u>42,77,619</u>
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(31,70,522)	(53,94,558)
Sale of Fixed Assets.....	—	14,286
Interest Income on Fixed Deposits with Bank	—	3,75,910
Net Cash Used in Investing Activities (B)	<u>(31,70,522)</u>	<u>(50,04,362)</u>
C. Cash Flow from Financing Activities		
Long Term Borrowing paid	(39,61,37,222)	—
Increase in share Capital	5,69,74,390	—
Increase in share Premium	48,33,00,000	—
Short term borrowings	(1,00,88,866)	4,03,568
Interest paid	(12,78,64,845)	(33,68,388)
Net Cash Generated from Financing Activities (C).....	<u>61,83,457</u>	<u>(29,64,820)</u>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C).	<u>(36,31,121)</u>	<u>(36,91,563)</u>
Cash and Cash equivalents as at 01.04.16 (Opening Balance) ..	<u>42,42,781</u>	<u>79,34,344</u>
Cash and Cash equivalents as at 31.03.17 (Closing Balance)..	<u>6,11,660</u>	<u>42,42,781</u>

Notes:

- Components of cash and cash equivalents include cash and bank balances in Current Accounts (Refer Note 16 forming part of the Financial Statements).
- 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

Arunkumar K. Shah
Proprietor
Membership No: 034606

D. H. PAREKH *Chairman*

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL *Directors*

Place : Mumbai
Date : May 12, 2017

Place : Mumbai
Date : May 12, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1:

Corporate Information

Corporate Identity Number: - U24110GJ1979PLC003315

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

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

Pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of assets to align the useful life with those specified in Schedule II, as specified below.

Class of Assets	Useful life of Assets
Buildings	30-60 years
Plant and Machinery	6-10-15 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8-10 years
Salt Works-Reservoirs, Salt pans	10 years

(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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 2:****Significant Accounting Policies (Contd.)****(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.

(g) 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:

- (a) Provision for gratuity is made in the accounts in accordance with the provisions of Payment of Gratuity Act, 1972.
- (b) 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.

(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.

(l) 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 expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets 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, 2017 ₹	<i>As at 31st March, 2016 ₹</i>
Note 3:		
Share Capital		
(a) Authorised		
7,50,000 Equity Shares (Previous Year 50,000) of ₹ 100/- each.....	<u>7,50,00,000</u>	<u><i>50,00,000</i></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3:

Share Capital (Contd.)

	As at 31st March, 2017 ₹	<i>As at 31st March, 2016 ₹</i>
(b) Issued		
47,000 Equity Shares (Previous Year 47,000) of ₹ 100/- each.....	47,00,000	47,00,000
5,37,000 Equity Shares of ₹ 100/- each fully paid-up issued during the year (Shares allotted as right issues against conversion of unsecured loan along with accrued interest)	5,37,00,000	—
	5,84,00,000	47,00,000
(c) Subscribed and fully paid-up		
5,84,000 Equity Shares (Previous Year 223) of ₹ 100/- each fully paid-up.....	5,84,00,000	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	—	14,03,310
Total	5,84,00,000	14,25,610

Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2017		<i>As at 31st March, 2016</i>	
	Number	₹	<i>Number</i>	<i>₹</i>
Shares Outstanding at the beginning of the year				
(a) 223 Equity Shares of ₹ 100 Each fully paid up.....	223	22,300	223	22,300
(b) 46,777 Equity Shares of ₹ 100 Each partly paid up (₹ 30 Paid)	46,777	14,03,310	46,777	14,03,310
46,777 Equity Shares partly paid up at the beginning now fully paid up.....	—	32,74,390	—	—
Shares issued during the year on account of Right Issue				
(For Conversion of Unsecured Loan along with accrued interest)	5,37,000	5,37,00,000	—	—
Shares Outstanding at the end of the year	5,84,000	5,84,00,000	47,000	14,25,610

Notes:

- (i) 5,84,000 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Standard Industries Limited	5,84,000	100	47,000	100

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 4:		
Reserves and Surplus		
(a) Capital Reserve – Cash Subsidy		
As per last Balance Sheet.....	4,13,560	4,13,560
(b) Securities Premium Account		
Opening Balance	—	—
Add: Addition on account of Right Issue of Shares.	48,33,00,000	—
Closing Balance	48,33,00,000	—
(c) Surplus in Statement of Profit and Loss		
Opening Balance	(48,69,04,876)	(45,91,47,922)
Less: Loss for the year	(3,23,19,602)	(2,77,56,954)
Closing Balance	(51,92,24,478)	(48,69,04,876)
Total	(3,55,10,918)	(48,64,91,316)

Note 5:**Long-Term Borrowings**

(Unsecured)

(a) Loan from related party [Refer Note 25 (g)]	—	39,61,37,222
Total	—	39,61,37,222

Note:

(i) Loan from related party:

– Interest payable @ 7.50% p.a. on Loan amount of ₹ 7,82,50,000/- availed during 30th August, 2010 to 21st February, 2011 and on balance amount of ₹ 31,78,87,222/- @ 8.75% p.a. availed during 14th June, 2013 to 24th June, 2013.

– Principal and accrued interest due after 6 years.

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 6:		
Other long-term liabilities		
Others:		
Interest accrued but not due on long-term borrowings ...	—	9,83,91,448
Total	—	9,83,91,448

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 7:		
Short-Term Borrowings		
(Unsecured)		
Loan from related party [Refer Note 25 (g)]	—	1,00,88,866
Total	—	1,00,88,866
Note 8:		
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	41,94,871	22,56,731
Total	41,94,871	22,56,731
Note 9:		
Other Current Liabilities		
Other Payables		
(i) Statutory Liabilities	48,455	34,77,973
(ii) Payable on account of Fixed Assets	11,43,721	12,18,979
(iii) Advances from customers	3,39,114	—
(iv) Others	1,45,125	1,37,525
Total	16,76,415	48,34,477
Note 10:		
Short-term Provisions		
(a) Provision for employee benefits - gratuity.....	15,12,202	14,06,092
(b) Provision for Income Tax (Net of Advance Tax)	—	—
Total	15,12,202	14,06,092

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note 11:
FIXED ASSETS**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01/04/2016	Additions	Deduction	As at 31/03/2017	As at 01/04/2016	For the year	Deduction	As at 31/03/2017	As at 31/03/2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(i) Tangible Assets (Owned)									
(a) Freehold Land..... (Previous Year).....	1,40,000 (1,40,000)	—	—	1,40,000 (1,40,000)	—	—	—	—	1,40,000 (1,40,000)
(b) Buildings..... (Previous Year).....	22,28,120 (22,28,120)	—	—	22,28,120 (22,28,120)	12,25,755 (11,89,216)	36,463 (36,539)	—	12,62,218 (12,25,755)	9,65,902 (10,02,365)
(c) Plant and Machinery..... (Previous Year).....	40,06,484 (61,57,362)	—	—	40,06,484 (40,06,484)	13,20,648 (37,05,891)	3,12,717 (2,77,584)	—	16,33,365 (26,62,827)	23,73,119 (26,85,836)
(d) Furniture and Fixtures... (Previous Year).....	52,799 (52,799)	—	—	52,799 (52,799)	40,845 (38,364)	2,508 (2,481)	—	43,353 (40,845)	9,446 (11,954)
(e) Office Equipments..... (Previous Year).....	33,100 (33,100)	—	—	33,100 (33,100)	18,445 (13,474)	4,971 (4,971)	—	23,416 (18,445)	9,684 (14,655)
(f) Vehicles..... (Previous Year).....	18,34,909 (18,34,909)	—	—	18,34,909 (18,34,909)	10,52,227 (8,63,451)	1,89,085 (1,88,776)	—	12,41,312 (10,52,227)	5,93,597 (7,82,682)
(g) Salt Works - Reservoirs, Salt Pans..... (Previous Year).....	38,05,54,540 (37,91,23,083)	—	—	38,05,54,540 (38,05,54,540)	37,91,28,656 (37,91,23,083)	1,35,975 (5,573)	—	37,92,64,631 (37,91,28,656)	12,89,909 (14,25,884)
Total.....	38,88,49,952	—	—	38,88,49,952	38,27,86,576	6,81,719	—	38,34,68,295	53,81,657
Previous year.....	(38,95,69,373)	(20,83,558)	(28,02,979)	(38,88,49,952)	(38,49,33,479)	(5,15,924)	(26,62,827)	(38,27,86,576)	(60,63,376)
(ii) Capital Work-in Progress									
Assets under Erection - Washery.....	45,29,979	30,95,264	—	76,25,243	—	—	—	—	76,25,243
Previous year.....	—	(45,29,979)	—	(45,29,979)	—	—	—	—	(45,29,979)

Notes:

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

As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
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Note 12:

Long-term loans and advances

(Unsecured)

(a) Security Deposits with Government authorities (considered good).....	11,14,459	11,14,459
(b) Advance Tax (Net of Provisions).....	4,95,000	5,28,995
Total	16,09,459	16,43,454

Note 13:

Current Investments

(Unquoted – at cost)

Investment in Government Securities.....	54,000	54,000
Total	54,000	54,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Note 14:		
Inventories		
(at lower of cost and net realizable value)		
(a) Finished goods.....	90,77,122	<i>50,92,410</i>
(b) Stock-in-process.....	24,70,824	<i>34,73,190</i>
Total	<u>1,15,47,946</u>	<i><u>85,65,600</u></i>
Note 15:		
Trade Receivables		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment (considered good).....	—	—
(b) Others (considered good).....	31,32,538	<i>18,47,386</i>
Total	<u>31,32,538</u>	<i><u>18,47,386</u></i>
Note 16:		
Cash and Cash Equivalents		
(a) Cash on hand.....	39,388	<i>3,250</i>
(b) Balance with banks in current accounts.....	5,72,272	<i>42,39,531</i>
Total	<u>6,11,660</u>	<i><u>42,42,781</u></i>
Note 17:		
Short-Term Loans and Advances		
(Unsecured, considered good)		
(a) Security deposits.....	1,51,000	<i>1,51,000</i>
(b) Loans and advances to employees.....	44,800	<i>5,56,970</i>
(c) Prepaid expense.....	29,168	<i>39,774</i>
(d) Other short term advances:		
(i) Advance to Creditors.....	—	<i>3,00,000</i>
(ii) Cess Receivable.....	30,289	—
Total	<u>2,55,257</u>	<i><u>10,47,744</u></i>
Note 18:		
Other Current Assets		
Accruals		
Interest accrued and due on Government Securities....	54,810	<i>54,810</i>
Total	<u>54,810</u>	<i><u>54,810</u></i>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2017 ₹	₹	For the year ended 31st March, 2016 ₹
Note 19:			
Revenue from Operations			
(I) Sale of products – Manufactured goods			
(a) Industrial Salt.....	2,35,64,524		3,40,27,234
(b) Gypsum Salt.....	3,82,022		2,37,181
		<u>2,39,46,546</u>	<u>3,42,64,415</u>
(II) Other Operating Income			
Income from weighbridge/quality Bonus		83,400	1,37,270
Total		<u><u>2,40,29,946</u></u>	<u><u>3,44,01,685</u></u>
Note 20:			
Other Income			
(a) Interest income:			
(i) Interest from banks on deposits.....		—	3,39,941
(ii) Interest on Income-tax refund.....		1,015	2,300
(b) Other non-operating income:			
(i) Sundry creditor's balances written back.....		—	85,420
Total		<u><u>1,015</u></u>	<u><u>4,27,661</u></u>
Note 21:			
Change in inventories of Stock in Trade			
(a) Inventories at the end of the year:			
(i) Finished Goods	90,77,122		50,92,410
(ii) Work-in-progress	24,70,824		34,73,190
		<u>1,15,47,946</u>	<u>85,65,600</u>
(b) Inventories at the beginning of the year:			
(i) Finished Goods	50,92,410		31,66,879
(ii) Work-in-progress	34,73,190		26,98,440
		<u>85,65,600</u>	<u>58,65,319</u>
Net (Increase)/Decrease		<u><u>(29,82,346)</u></u>	<u><u>(27,00,281)</u></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Note 22:		
Employee benefit expenses		
(a) Salaries, Bonus, Exgratia, Leave travel and Gratuity....	23,63,261	23,51,977
(b) Contribution to Provident Fund	2,10,926	1,90,623
(c) Workmen and Staff Welfare expenses	1,49,270	1,78,211
Total	27,23,457	27,20,811
Note 23:		
Finance costs		
Interest on borrowings	2,94,73,397	3,36,83,882
Total	2,94,73,397	3,36,83,882
Note 24:		
Other expenses		
(a) Stores and Tools consumed	7,134	65,004
(b) Power and Fuel	46,27,348	44,33,648
(c) Labour charges	53,61,787	48,95,909
(d) Rent.....	4,67,200	4,67,200
(e) Repairs:		
To Buildings	—	380
To Machinery	3,20,569	2,85,894
To Salt Works.....	16,27,087	53,37,602
To Others	1,075	—
	19,48,731	56,23,876
(f) Insurance	12,326	10,963
(g) Rates & Taxes	22,71,493	8,93,187
(h) Stationery, Printing, Advertisement, Postage etc....	74,213	83,810
(i) Transport and Freight charges	45,71,691	39,54,341
(j) Legal and Professional fees.....	3,73,359	11,68,462
(k) Directors' Fees.....	5,171	2,848
(l) Travelling and Conveyance expenses.....	1,42,247	2,18,555
(m) Salt – Internal shifting expenses.....	55,59,940	47,05,248
(n) Salt – Washing charges	—	2,970
(o) Contract Labour expenses.....	7,21,767	10,27,538
(p) Vehicle expenses.....	1,80,737	2,30,375
(q) Loss on sale of Fixed Assets.....	—	1,25,866
(r) Miscellaneous expenses	1,29,192	3,05,101
Total	2,64,54,336	2,82,14,901

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 25:****Additional information to the financial statements and disclosures under Accounting Standards**

	Year ended 31st March, 2017 ₹	<i>Year ended 31st March, 2016 ₹</i>
(a) Contingent Liabilities in respect of:		
Claims against the Company not acknowledged as debts:.....	2,52,26,190	<i>2,52,26,190</i>
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.		
(b) Payments to Auditors:		
(a) As Auditors	65,000	<i>65,000</i>
(b) For Tax Audit.....	20,000	<i>20,000</i>
	85,000	<i>85,000</i>
(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)		
(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.		
(e) Value of Stores and Tools:		<i>Previous year</i>
	Value	<i>Value</i>
	₹	<i>₹</i>
	% to total consumption	<i>% to total consumption</i>
Imported	—	—
Indigenous.....	7,134	<i>65,004</i>
	7,134	<i>65,004</i>
(f) Consumption of Stores and Spares during the year.....	7,134	<i>65,004</i>
(g) Related Party disclosure:		
(i) Name of the related party	Relationship	
Standard Industries Limited	Holding Company	
(ii) Details of transactions with related parties:		
<u>Nature of transactions</u>		
Unsecured Loan:	Holding Company	
Received during the year	86,87,706 <i>(4,03,568)</i>	
Unsecured Loan:		
Repayment during the year.....	41,49,13,794 —	
Interest on unsecured loan.....	2,94,73,397 <i>(3,36,83,882)</i>	
(iii) <u>Outstanding Balances – Payables as on 31.03.2017</u>		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25:

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

Standard Industries Limited	
Unsecured Loan.....	— (40,62,26,088)
Interest accrued but not due.....	— (9,83,91,448)

Note: 1. Figures shown in bracket pertain to previous year.

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(h) Earnings per Share:		
Earnings per share is calculated by dividing the loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period as under:		
(Loss) for the year (₹).....	(3,23,19,602)	(2,77,56,954)
Weighted average number of equity shares outstanding during the year (Nos.).....	5,84,000	14,256
Earnings per share (Basic/Diluted) (₹)	(55)	(1,947)
Nominal value per share (₹).....	100	100
	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(i) Components of deferred tax assets/liabilities are as under:		
Differences in the tax and books written down value of fixed assets.....	(8,09,879)	(6,68,862)
Provision for gratuity.....	4,67,270	4,34,482
Disallowances U/s. 43B of the Income-tax Act, 1961.....	1,19,694	42,495
Carried forward Business loss and Depreciation.....	15,98,35,957	14,97,43,596
Deferred Tax Assets (Net)	15,96,13,043*	14,95,51,711*
	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(j) Expenditure in Foreign currency:		
Travelling	—	55,580
Total	—	55,580

* The Net Deferred Tax Asset as at March 31, 2017 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".

- (k) The Company has applied for Lease renewal and has duly paid the lease renewal fees.
- (l) The accumulated losses of the Company as at the year end is more than 50% of the Shareholders' Funds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 25:****Additional information to the financial statements and disclosures under Accounting Standards (Contd.)**

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.

- (m) Balances of creditors and amounts receivable/payable on current accounts being subject to confirmations and consequent reconciliations/adjustments if any.
- (n) 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:

(in ₹)

Particulars	SBN's*	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	2,000	8,275	10,275
(+) Permitted Receipts	—	1,64,300	1,64,300
(-) Permitted Payments	2,000	1,31,360	1,33,360
(-) Amount deposited in Banks	—	—	—
Closing cash in hand as on December 30, 2016	—	41,215	41,215

* 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.

- (o) 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 Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH *Chairman*

K. J. PARDIWALLA

D. M. NADKARNI

R. N. PATEL

} *Directors*

Place : Mumbai
Date : May 12, 2017

PROXY FORM

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

STANDARD SALT WORKS LIMITED

Registered Office:

912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat - 395 001
Tel : 2462287 • CIN: U24110GJ1979PLC003315

37th ANNUAL GENERAL MEETING

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

I/We, being the member(s) of Standard Salt Works 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 37th Annual General Meeting of the Company, to be held on Thursday, 10th August, 2017 at 9.00 A.M. at 912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat - 395 001 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 D. M. Nadkarni, who retires by rotation.
3.	Appointment of M/s. R. S. Gokani & Co., Chartered Accountants, Mumbai, as the Auditors of the Company.
SPECIAL BUSINESS	
4.	Appointment of Shri K. J. Pardiwalla as Director

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, Explanatory Statement and Notes, please refer to the Notice of the 37th Annual General Meeting.

NOTICE

NOTICE is hereby given that the Thirty-seventh 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 Thursday, the 10th August, 2017, at 9.00 a.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 D. M. Nadkarni (holding DIN 00023200), 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 37th Annual General Meeting until the conclusion of the 42nd Annual General Meeting to fill the casual vacancy caused by the resignation of M/s. Arunkumar K. Shah & Co.

SPECIAL BUSINESS

4. To appoint a Director in place of Shri K. J. Pardiwalla, who was appointed by the Board of Directors as an Additional Director on 28th February, 2017, under Section 161 of the Companies Act, 2013 and Article 22 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting under the said Article and being

eligible, offers himself for appointment. Notice in writing from a Member proposing his candidature for the Office of Director has been received under Section 160 of the Companies Act, 2013.

AS AN ORDINARY RESOLUTION

“RESOLVED THAT Shri K. J. Pardiwalla, who has been appointed as an Additional Director by the Board of Directors with effect from 28th February, 2017, to hold Office till this Annual General Meeting, be and he is hereby expressly appointed as the Director by the Shareholders in this Annual General Meeting and he shall be liable to retire by rotation.”

NOTES :

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

For and on behalf of the Board

D. H. PAREKH
Chairman

Registered Office:

912, Alishan Awaas,
Diwali Baug, Athwa Lines,
Nanpura, Surat – 395 001.
Tel: 0261-2462287
CIN:U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2017.

ANNEXURE TO THE NOTICE

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

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all, material facts relating to Item No. 4 contained in the accompanying Notice dated 12th May, 2017.

Item No. 4

In terms of Regulation 16(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has become a material subsidiary of Standard Industries Limited. As per Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at least one Independent Director of the listed Company shall be appointed as a Director of an unlisted material subsidiary. As Standard Salt Works Limited falls under the category of "unlisted material subsidiary", it has become incumbent to appoint an Independent Director of Standard Industries Limited as a Director of Standard Salt Works Limited. Shri K. J. Pardiwalla, who is an Independent Director of Standard Industries Limited, was therefore appointed as an additional Director of Standard Salt Works Limited with effect from 28th February, 2017.

Shri K. J. Pardiwalla who was appointed as an Additional Director on 28th February, 2017, holds office upto the ensuing Annual General Meeting of the Company to be held on 10th August, 2017, in accordance with Article 22 of the Articles of Association of the Company and being eligible, he offers himself for appointment as a Director. Notice has been received from a member of the Company intending to propose him for the office of Director at the Annual General Meeting.

Shri K. J. Pardiwalla was born on 24th July, 1937. He is a Chartered Accountant and has diverse experience in Financial Accounting, Taxation, Marketing and Management.

Shri K. J. Pardiwalla was appointed as Managing Director of Standard Industries Limited from March, 1996 to August, 2011 and a Director of the Company from August, 2011 onwards.

Shri K. J. Pardiwalla is a Director on the Board of many Companies, viz., Standard Industries Limited, Stanrose Mafatlal Investment & Finance Limited, Vinadeep Investments Pvt. Ltd., Stan Plaza Limited and Standard Salt Works Ltd. He is the Chairman of Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee of Standard Industries Limited and Stanrose Mafatlal Investments and Finance Limited and also a Member of Share Transfer Committee, Independent Directors Committee and Investment Committee of Standard Industries Limited and a Member of Corporate Social Responsibility Committee of Stanrose Mafatlal Investments and Finance Limited.

Shri K. J. Pardiwalla does not hold any shares in the Company except one share as a Nominee of Standard Industries Ltd. (holding Company).

Shri K. J. Pardiwalla may be regarded as interested in this Resolution as the same concerns his appointment.

None of the other Directors is concerned or interested in this Resolution.

For and on behalf of the Board

D. H. PAREKH
Chairman

Registered Office:

912, Alishan Awaas,
Diwali Baug, Athwa Lines,
Nanpura, Surat – 395 001.
Tel: 0261-2462287
CIN:U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2017.

DIRECTORS' REPORT

To
The Members,
STANDARD SALT WORKS LIMITED

Your Directors hereby present the 37th Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2016 to 31st March, 2017.

FINANCIAL RESULTS

	Current Year 01.04.2016 to 31.03.2017 (₹ in lakhs)	Previous Year 01.04.2015 to 31.03.2016 (₹ in lakhs)
Gross Operating Profit before depreciation and tax	(316.38)	(270.90)
<i>Less: Depreciation</i>	6.82	5.16
Profit before Taxes	(323.20)	(276.06)
(Short) provisions for Taxes in respect of earlier years	—	(1.51)
Profit after Taxes	(323.20)	(277.57)
Balance brought forward from previous year	(4869.05)	(4591.48)
Closing Balance	(5192.25)	(4869.05)

During the Financial Year under review, the Company has made a loss of ₹ 323.20 Lakhs.

GENERAL

As expected last year, the salt market is very much dull during the year under review. Both demand and prices are reduced considerably.

Our Salt washery was commissioned in the first week of June, 2016 but it had faced teething problems. Modifications are going on and we are hopeful of successfully commissioning the same by middle of April, 2017.

PRODUCTION

The production of salt during the year amounted to 71,762 M.T. However, due to adverse market conditions, there is a closing stock of 24,401 M.T. as on 31.3.2017. All efforts are being made to sell the salt and reduce the stocks.

The Company is manufacturing quality salt and have kept a target of 65,000 M.T. in view of huge carry over of stocks.

SALE OF SALT

The value of salt sold during the financial year under review amounted to ₹ 239.47 Lakhs.

DESPATCHES

The total sale of salt during the financial year April 2016 to March 2017 is 53,358 M.T. as against 54,814 M.T. during the previous year.

IMPROVEMENTS

In view of the unfavourable salt market conditions and lower sales realization, efforts are being made to reduce the cost of manufacture of salt.

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and outgo, in accordance with Section 134(3)(m) read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed hereto and forms part of the Report.

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

- 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;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; 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 D. M. Nadkarni 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.

Shri F. M. Pardiwalla who was appointed on 18th May, 2016, as an Additional Director of the Company has tendered his resignation with effect from 21st November, 2016. The Board has placed on record their sense of appreciation of the valuable services rendered by Shri F. M. Pardiwalla during his association with the Company.

In terms of Regulation 16(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Regulation 24(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as Standard Salt Works Limited falls under the category of "unlisted material subsidiary", it has become incumbent to appoint an Independent Director of Standard Industries Limited as a Director of Standard Salt Works Limited. Shri K. J. Pardiwalla, who is an Independent Director of Standard Industries Limited, was therefore appointed as an additional Director of Standard Salt Works Limited with effect from 28th February, 2017.

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 & 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 7 times during the Financial Year from 1st April, 2016 to 31st March, 2017 i.e. 26.04.2016, 18.05.2016, 31.08.2016, 17.11.2016, 25.01.2017, 30.01.2017 and 28.02.2017.

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

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

There have been no complaints received during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year, the unsecured loan of ₹ 5,370.00 lakhs (including accrued interest of ₹ 1,249.18 lakhs & business advance of ₹ 159.45 lakhs) taken from Standard Industries Ltd. has been converted into 5,37,000 equity shares of the Company of ₹ 100/- each at a premium of ₹ 900/- per equity share.

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Accounts forming part of the Audited Financial Statements for the year ended 31st March, 2017.

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

There were no employees drawing salary exceeding the limits prescribed under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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 37th Annual General Meeting until the conclusion of the 42nd 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

D. H. PAREKH
Chairman

Mumbai
Dated: 12th May, 2017.

ANNEXURE TO THE DIRECTORS' REPORT

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT.

A. CONSERVATION OF ENERGY

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:

1. 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 used	Nil
(ii) Total Foreign Exchange earned	Nil

For and on behalf of the Board

D. H. PAREKH
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	U24110GJ1979PLC003315
ii.	Registration Date	23 rd February, 1979
iii.	Name of the Company	STANDARD SALT WORKS LTD.
iv.	Category/Sub-Category of the Company	Unlisted Public Company Limited by Shares
v.	Address of the Registered Office and contact details	912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat – 395 001. Gujarat Tel.: +91 0261 2462287
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.	Industrial Salt	08932	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Standard 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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55
(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	47,000	47,000	100.00	0	5,84,000	5,84,000	100.00	1142.55

(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	46,993	100.00 %	—	5,83,993	100.00 %	—	1142.72
2	(Nominees of Standard Industries Limited) Shri K. J. Pardiwalla & Standard Industries Limited	1	—	—	1	—	—	—
3	Shri R. N. Patel & Standard Industries Limited	1	—	—	1	—	—	—
4	Shri D. H. Parekh & Standard Industries Limited	1	—	—	1	—	—	—
5	Shri Suresh R. Patel & Standard Industries Limited	1	—	—	1	—	—	—
6	Shri M. J. Mehta & Standard Industries Limited	1	—	—	1	—	—	—
7	Shri P. R. Pichhamurthy & Standard Industries Limited	1	—	—	1	—	—	—
8	Shri Harshad Mehta & Standard Industries Limited	1	—	—	1	—	—	—
	TOTAL	47,000	100%	—	5,84,000	100%	—	1142.55

(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
1	Standard Industries Limited	47,000	100%	Purchase	5,84,000	100%

(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				
(i) Principal Amount	—	40,62,26,088	—	40,62,26,088
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	9,83,91,448	—	9,83,91,448
Total (i+ii+iii)	—	50,46,17,536	—	50,46,17,536
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	—	50,46,17,536	—	50,46,17,536
Net Change	—	50,46,17,536	—	50,46,17,536
Indebtedness at the end of the financial year				
(i) Principal Amount	—	—	—	—
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	—	—	—	—

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	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 ₹)

Particulars of Remuneration	Name of Directors					Total Amount
	Shri D. H. Parekh	Shri D. M. Nadkarni	Shri R. N. Patel	Shri F. M. Pardiwalla	Shri K. J. Pardiwalla	
(1) Independent Directors						
• Fee for attending board committee meetings	—	—			—	—
• Commission	—	—			—	—
• Others, please specify	—	—			—	—
Total (1)	—	—			—	—
(2) Other Non-Executive Directors						
• Fee for attending board committee meetings	—	1,750	1,750	750	250	4,500
• Commission	—	—			—	—
• Others, please specify	—	—			—	—
Total (2)	—	1,750	1,750	750	250	4,500
Total (B) = (1+2)	—	1,750	1,750	750	250	4,500
Total Managerial Remuneration	—	1,750	1,750	750	250	4,500
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	NIL			
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			NONE		
Punishment					
Compounding					
B. Directors					
Penalty			NONE		
Punishment					
Compounding					
C. Other Officers in Default					
Penalty			NONE		
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STANDARD SALT WORKS LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **STANDARD SALT WORKS 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 there under.

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 25 (l) of the financial statements regarding the preparation of accounts on going concern basis.

Report on other Legal and Regulatory Requirements

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.

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 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (a) to the 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 25 (n) 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

Mumbai
Dated: May 12 2017

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Re: Standard Salt Works Limited

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

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. (a) As per information & explanation given to us, the physical verification of inventory is conducted at reasonable intervals.
 - (b) The procedure of physical verification of inventory followed by management is reasonable & adequate in relation to the size of the company & its nature of business.
 - (c) The company is maintaining proper records of inventory. The discrepancies noted on verification between physical & book record where not material.
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 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) Details of 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 as follows:-

Nature of Statute	Nature of Dues	Amount (₹)	Period to which amount related	Forum where the dispute is pending
Notification as per Land Revenue Laws	Amount claimed by taluka development officer towards Local Cess & Education Cess	36,17,260/-	1995 to 2008	Gujarat High Court
Notification as per Land Revenue Laws	Amount claimed by taluka development officer towards Local Cess & Education Cess	2,11,08,930/-	2009 to 2015	Taluka Development Officer

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. However the company has issued right shares during the year to its Holding Company.
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

Mumbai
Dated: May 12, 2017

Annexure “B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of STANDARD SALT WORKS 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 **STANDARD SALT WORKS 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

Mumbai
Dated: May 12, 2017

BALANCE SHEET

AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	5,84,00,000	14,25,610
(b) Reserves and surplus	4	(3,55,10,918)	(48,64,91,316)
		<u>2,28,89,082</u>	<u>(48,50,65,706)</u>
(2) Non-current liabilities			
(a) Long-term borrowings	5	—	39,61,37,222
(b) Other long-term liabilities.....	6	—	9,83,91,448
		—	<u>49,45,28,670</u>
(3) Current liabilities			
(a) Short-term borrowings	7	—	1,00,88,866
(b) Trade payables.....	8	41,94,871	22,56,731
(c) Other current liabilities.....	9	16,76,415	48,34,477
(d) Short-term provisions.....	10	15,12,202	14,06,092
		<u>73,83,488</u>	<u>1,85,86,166</u>
Total		<u><u>3,02,72,570</u></u>	<u><u>2,80,49,130</u></u>
II. ASSETS			
(1) Non-Current Assets			
(a) Tangible fixed assets.....	11	53,81,657	60,63,376
(b) Capital work in progress		76,25,243	45,29,979
		<u>1,30,06,900</u>	<u>1,05,93,355</u>
(c) Long-term loans and advances.....	12	16,09,459	16,43,454
		<u>1,46,16,359</u>	<u>1,22,36,809</u>
(2) Current assets			
(a) Current investments.....	13	54,000	54,000
(b) Inventories	14	1,15,47,946	85,65,600
(c) Trade receivables	15	31,32,538	18,47,386
(d) Cash and cash equivalents	16	6,11,660	42,42,781
(e) Short-term loans and advances.....	17	2,55,257	10,47,744
(f) Other current assets	18	54,810	54,810
		<u>1,56,56,211</u>	<u>1,58,12,321</u>
Total		<u><u>3,02,72,570</u></u>	<u><u>2,80,49,130</u></u>
See accompanying notes forming part of the Financial Statements	25		

In terms of our report attached
For Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH *Chairman*

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL *Directors*

Place : Mumbai
Date : May 12, 2017

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

Particulars	Note No.	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(I) INCOME			
(a) Revenue from operations.....	19	2,40,29,946	3,44,01,685
(b) Other income.....	20	1,015	4,27,661
Total Revenue		2,40,30,961	3,48,29,346
(II) EXPENSES			
(a) Change in inventory of stock-in-trade	21	(29,82,346)	(27,00,281)
(b) Employee benefit expenses.....	22	27,23,457	27,20,811
(c) Finance costs	23	2,94,73,397	3,36,83,882
(d) Depreciation	11	6,81,719	5,15,924
(e) Other expenses	24	2,64,54,336	2,82,14,901
Total Expenses.....		5,63,50,563	6,24,35,237
(III) (Loss) before taxes (I – II)		(3,23,19,602)	(2,76,05,891)
(IV) Tax Expense			
Excess/(short) Provision for taxes in respect of earlier years		—	(151,063)
(V) (Loss) for the year (III + IV)		(32,319,602)	(27,756,954)
(VI) Earnings Per Share – Basic and Diluted (₹)		(55)	(1,947)
Nominal value per share ₹..... [Refer Note 25(h)]		100	100
See accompanying notes forming part of the Financial Statements	25		

In terms of our report attached
For Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH Chairman

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL } Directors

Place : Mumbai
Date : May 12, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

	Year ended 31st March, 2017	Year ended 31st March, 2016
	₹	₹
A. Cash Flow from Operating Activities:		
(Loss) before Taxes	(3,23,19,602)	(2,76,05,891)
<u>Adjustments for:</u>		
Depreciation	6,81,719	5,15,924
Loss/Profit on Sale of fixed assets	—	1,25,866
Interest on borrowings	2,94,73,397	3,36,83,882
Interest Income on Fixed Deposits with Bank	—	(3,39,941)
	<u>3,01,55,116</u>	<u>3,39,85,731</u>
Operating Profit/(Loss) before Working Capital Changes	(21,64,486)	63,79,840
Decrease/(Increase) in Trade and other receivables	(4,92,665)	52,360
(Increase)/Decrease in Inventories	(29,82,346)	(27,00,281)
(Decrease)/Increase in Trade and other payables.....	(10,38,554)	79,697
	<u>(45,13,565)</u>	<u>(25,68,224)</u>
	(66,78,051)	38,11,616
Direct Taxes Refund/paid	33,995	4,66,003
Net Cash Generated from/(Used in) Operating Activities (A) ...	<u>(66,44,056)</u>	<u>42,77,619</u>
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(31,70,522)	(53,94,558)
Sale of Fixed Assets.....	—	14,286
Interest Income on Fixed Deposits with Bank	—	3,75,910
Net Cash Used in Investing Activities (B)	<u>(31,70,522)</u>	<u>(50,04,362)</u>
C. Cash Flow from Financing Activities		
Long Term Borrowing paid	(39,61,37,222)	—
Increase in share Capital	5,69,74,390	—
Increase in share Premium	48,33,00,000	—
Short term borrowings	(1,00,88,866)	4,03,568
Interest paid	(12,78,64,845)	(33,68,388)
Net Cash Generated from Financing Activities (C).....	<u>61,83,457</u>	<u>(29,64,820)</u>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C).	<u>(36,31,121)</u>	<u>(36,91,563)</u>
Cash and Cash equivalents as at 01.04.16 (Opening Balance) ..	<u>42,42,781</u>	<u>79,34,344</u>
Cash and Cash equivalents as at 31.03.17 (Closing Balance)..	<u>6,11,660</u>	<u>42,42,781</u>

Notes:

- Components of cash and cash equivalents include cash and bank balances in Current Accounts (Refer Note 16 forming part of the Financial Statements).
- 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

Arunkumar K. Shah
Proprietor
Membership No: 034606

D. H. PAREKH *Chairman*

K. J. PARDIWALLA
D. M. NADKARNI
R. N. PATEL *Directors*

Place : Mumbai
Date : May 12, 2017

Place : Mumbai
Date : May 12, 2017

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1:

Corporate Information

Corporate Identity Number: - U24110GJ1979PLC003315

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

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

Pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of assets to align the useful life with those specified in Schedule II, as specified below.

Class of Assets	Useful life of Assets
Buildings	30-60 years
Plant and Machinery	6-10-15 years
Furniture and Fixtures	10 years
Office Equipments	5 years
Vehicles	8-10 years
Salt Works-Reservoirs, Salt pans	10 years

(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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 2:****Significant Accounting Policies (Contd.)****(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.

(g) 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:

- (a) Provision for gratuity is made in the accounts in accordance with the provisions of Payment of Gratuity Act, 1972.
- (b) 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.

(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.

(l) 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 expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to/recovered from the tax authorities, using the applicable tax rates. Deferred income tax reflect the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future income will be available except that deferred tax assets 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, 2017 ₹	<i>As at 31st March, 2016 ₹</i>
Note 3:		
Share Capital		
(a) Authorised		
7,50,000 Equity Shares (Previous Year 50,000) of ₹ 100/- each.....	<u>7,50,00,000</u>	<u><i>50,00,000</i></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 3:

Share Capital (Contd.)

	As at 31st March, 2017 ₹	<i>As at 31st March, 2016 ₹</i>
(b) Issued		
47,000 Equity Shares (Previous Year 47,000) of ₹ 100/- each.....	47,00,000	47,00,000
5,37,000 Equity Shares of ₹ 100/- each fully paid-up issued during the year (Shares allotted as right issues against conversion of unsecured loan along with accrued interest).....	5,37,00,000	—
	5,84,00,000	47,00,000
(c) Subscribed and fully paid-up		
5,84,000 Equity Shares (Previous Year 223) of ₹ 100/- each fully paid-up.....	5,84,00,000	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	—	14,03,310
Total	5,84,00,000	14,25,610

Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the reporting period:

	As at 31st March, 2017		<i>As at 31st March, 2016</i>	
	Number	₹	<i>Number</i>	<i>₹</i>
Shares Outstanding at the beginning of the year				
(a) 223 Equity Shares of ₹ 100 Each fully paid up.....	223	22,300	223	22,300
(b) 46,777 Equity Shares of ₹ 100 Each partly paid up (₹ 30 Paid)	46,777	14,03,310	46,777	14,03,310
46,777 Equity Shares partly paid up at the beginning now fully paid up.....	—	32,74,390	—	—
Shares issued during the year on account of Right Issue				
(For Conversion of Unsecured Loan along with accrued interest)	5,37,000	5,37,00,000	—	—
Shares Outstanding at the end of the year	5,84,000	5,84,00,000	47,000	14,25,610

Notes:

- (i) 5,84,000 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Name of the Shareholder	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Standard Industries Limited	5,84,000	100	47,000	100

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 4:		
Reserves and Surplus		
(a) Capital Reserve – Cash Subsidy		
As per last Balance Sheet.....	4,13,560	4,13,560
(b) Securities Premium Account		
Opening Balance	—	—
Add: Addition on account of Right Issue of Shares.	48,33,00,000	—
Closing Balance	48,33,00,000	—
(c) Surplus in Statement of Profit and Loss		
Opening Balance	(48,69,04,876)	(45,91,47,922)
Less: Loss for the year	(3,23,19,602)	(2,77,56,954)
Closing Balance	(51,92,24,478)	(48,69,04,876)
Total	(3,55,10,918)	(48,64,91,316)

Note 5:**Long-Term Borrowings**

(Unsecured)

(a) Loan from related party [Refer Note 25 (g)]	—	39,61,37,222
Total	—	39,61,37,222

Note:

(i) Loan from related party:

– Interest payable @ 7.50% p.a. on Loan amount of ₹ 7,82,50,000/- availed during 30th August, 2010 to 21st February, 2011 and on balance amount of ₹ 31,78,87,222/- @ 8.75% p.a. availed during 14th June, 2013 to 24th June, 2013.

– Principal and accrued interest due after 6 years.

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 6:		
Other long-term liabilities		
Others:		
Interest accrued but not due on long-term borrowings ...	—	9,83,91,448
Total	—	9,83,91,448

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
Note 7:		
Short-Term Borrowings		
(Unsecured)		
Loan from related party [Refer Note 25 (g)]	—	1,00,88,866
Total	—	1,00,88,866
Note 8:		
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	41,94,871	22,56,731
Total	41,94,871	22,56,731
Note 9:		
Other Current Liabilities		
Other Payables		
(i) Statutory Liabilities	48,455	34,77,973
(ii) Payable on account of Fixed Assets	11,43,721	12,18,979
(iii) Advances from customers	3,39,114	—
(iv) Others	1,45,125	1,37,525
Total	16,76,415	48,34,477
Note 10:		
Short-term Provisions		
(a) Provision for employee benefits - gratuity.....	15,12,202	14,06,092
(b) Provision for Income Tax (Net of Advance Tax)	—	—
Total	15,12,202	14,06,092

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note 11:
FIXED ASSETS**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01/04/2016	Additions	Deduction	As at 31/03/2017	As at 01/04/2016	For the year	Deduction	As at 31/03/2017	As at 31/03/2017
	₹	₹	₹	₹	₹	₹	₹	₹	₹
(i) Tangible Assets (Owned)									
(a) Freehold Land..... (Previous Year).....	1,40,000 (1,40,000)	—	—	1,40,000 (1,40,000)	—	—	—	—	1,40,000 (1,40,000)
(b) Buildings..... (Previous Year).....	22,28,120 (22,28,120)	—	—	22,28,120 (22,28,120)	12,25,755 (11,89,216)	36,463 (36,539)	—	12,62,218 (12,25,755)	9,65,902 (10,02,365)
(c) Plant and Machinery..... (Previous Year).....	40,06,484 (61,57,362)	—	—	40,06,484 (40,06,484)	13,20,648 (37,05,891)	3,12,717 (2,77,584)	—	16,33,365 (13,20,648)	23,73,119 (26,85,836)
(d) Furniture and Fixtures... (Previous Year).....	52,799 (52,799)	—	—	52,799 (52,799)	40,845 (38,364)	2,508 (2,481)	—	43,353 (40,845)	9,446 (11,954)
(e) Office Equipments..... (Previous Year).....	33,100 (33,100)	—	—	33,100 (33,100)	18,445 (13,474)	4,971 (4,971)	—	23,416 (18,445)	9,684 (14,655)
(f) Vehicles..... (Previous Year).....	18,34,909 (18,34,909)	—	—	18,34,909 (18,34,909)	10,52,227 (8,63,451)	1,89,085 (1,88,776)	—	12,41,312 (10,52,227)	5,93,597 (7,82,682)
(g) Salt Works - Reservoirs, Salt Pans..... (Previous Year).....	38,05,54,540 (37,91,23,083)	—	—	38,05,54,540 (38,05,54,540)	37,91,28,656 (37,91,23,083)	1,35,975 (5,573)	—	37,92,64,631 (37,91,28,656)	12,89,909 (14,25,884)
Total.....	38,88,49,952	—	—	38,88,49,952	38,27,86,576	6,81,719	—	38,34,68,295	53,81,657
Previous year.....	(38,95,69,373)	(20,83,558)	(28,02,979)	(38,88,49,952)	(38,49,33,479)	(5,15,924)	(26,62,827)	(38,27,86,576)	(60,63,376)
(ii) Capital Work-in Progress									
Assets under Erection - Washery.....	45,29,979	30,95,264	—	76,25,243	—	—	—	—	76,25,243
Previous year.....	—	(45,29,979)	—	(45,29,979)	—	—	—	—	(45,29,979)

Notes:

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

As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
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Note 12:

Long-term loans and advances

(Unsecured)

(a) Security Deposits with Government authorities (considered good).....	11,14,459	11,14,459
(b) Advance Tax (Net of Provisions).....	4,95,000	5,28,995
Total	16,09,459	16,43,454

Note 13:

Current Investments

(Unquoted – at cost)

Investment in Government Securities.....	54,000	54,000
Total	54,000	54,000

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2017	As at 31st March, 2016
	₹	₹
Note 14:		
Inventories		
(at lower of cost and net realizable value)		
(a) Finished goods.....	90,77,122	<i>50,92,410</i>
(b) Stock-in-process.....	24,70,824	<i>34,73,190</i>
Total	<u>1,15,47,946</u>	<i><u>85,65,600</u></i>
Note 15:		
Trade Receivables		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment (considered good).....	—	—
(b) Others (considered good).....	31,32,538	<i>18,47,386</i>
Total	<u>31,32,538</u>	<i><u>18,47,386</u></i>
Note 16:		
Cash and Cash Equivalents		
(a) Cash on hand.....	39,388	<i>3,250</i>
(b) Balance with banks in current accounts.....	5,72,272	<i>42,39,531</i>
Total	<u>6,11,660</u>	<i><u>42,42,781</u></i>
Note 17:		
Short-Term Loans and Advances		
(Unsecured, considered good)		
(a) Security deposits.....	1,51,000	<i>1,51,000</i>
(b) Loans and advances to employees.....	44,800	<i>5,56,970</i>
(c) Prepaid expense.....	29,168	<i>39,774</i>
(d) Other short term advances:		
(i) Advance to Creditors.....	—	<i>3,00,000</i>
(ii) Cess Receivable.....	30,289	—
Total	<u>2,55,257</u>	<i><u>10,47,744</u></i>
Note 18:		
Other Current Assets		
Accruals		
Interest accrued and due on Government Securities....	54,810	<i>54,810</i>
Total	<u>54,810</u>	<i><u>54,810</u></i>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Note 19:		
Revenue from Operations		
(I) Sale of products – Manufactured goods		
(a) Industrial Salt.....	2,35,64,524	3,40,27,234
(b) Gypsum Salt.....	3,82,022	2,37,181
	<u>2,39,46,546</u>	<u>3,42,64,415</u>
(II) Other Operating Income		
Income from weighbridge/quality Bonus	83,400	1,37,270
Total	<u><u>2,40,29,946</u></u>	<u><u>3,44,01,685</u></u>
Note 20:		
Other Income		
(a) Interest income:		
(i) Interest from banks on deposits.....	—	3,39,941
(ii) Interest on Income-tax refund.....	1,015	2,300
(b) Other non-operating income:		
(i) Sundry creditor's balances written back.....	—	85,420
Total	<u><u>1,015</u></u>	<u><u>4,27,661</u></u>
Note 21:		
Change in inventories of Stock in Trade		
(a) Inventories at the end of the year:		
(i) Finished Goods	90,77,122	50,92,410
(ii) Work-in-progress	24,70,824	34,73,190
	<u>1,15,47,946</u>	<u>85,65,600</u>
(b) Inventories at the beginning of the year:		
(i) Finished Goods	50,92,410	31,66,879
(ii) Work-in-progress	34,73,190	26,98,440
	<u>85,65,600</u>	<u>58,65,319</u>
Net (Increase)/Decrease	<u><u>(29,82,346)</u></u>	<u><u>(27,00,281)</u></u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2017 ₹	For the year ended 31st March, 2016 ₹
Note 22:		
Employee benefit expenses		
(a) Salaries, Bonus, Exgratia, Leave travel and Gratuity....	23,63,261	23,51,977
(b) Contribution to Provident Fund	2,10,926	1,90,623
(c) Workmen and Staff Welfare expenses	1,49,270	1,78,211
Total	27,23,457	27,20,811
Note 23:		
Finance costs		
Interest on borrowings	2,94,73,397	3,36,83,882
Total	2,94,73,397	3,36,83,882
Note 24:		
Other expenses		
(a) Stores and Tools consumed	7,134	65,004
(b) Power and Fuel	46,27,348	44,33,648
(c) Labour charges	53,61,787	48,95,909
(d) Rent.....	4,67,200	4,67,200
(e) Repairs:		
To Buildings	—	380
To Machinery	3,20,569	2,85,894
To Salt Works.....	16,27,087	53,37,602
To Others	1,075	—
	19,48,731	56,23,876
(f) Insurance	12,326	10,963
(g) Rates & Taxes	22,71,493	8,93,187
(h) Stationery, Printing, Advertisement, Postage etc....	74,213	83,810
(i) Transport and Freight charges	45,71,691	39,54,341
(j) Legal and Professional fees.....	3,73,359	11,68,462
(k) Directors' Fees.....	5,171	2,848
(l) Travelling and Conveyance expenses.....	1,42,247	2,18,555
(m) Salt – Internal shifting expenses.....	55,59,940	47,05,248
(n) Salt – Washing charges	—	2,970
(o) Contract Labour expenses.....	7,21,767	10,27,538
(p) Vehicle expenses.....	1,80,737	2,30,375
(q) Loss on sale of Fixed Assets.....	—	1,25,866
(r) Miscellaneous expenses	1,29,192	3,05,101
Total	2,64,54,336	2,82,14,901

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 25:****Additional information to the financial statements and disclosures under Accounting Standards**

	Year ended 31st March, 2017 ₹	<i>Year ended 31st March, 2016 ₹</i>
(a) Contingent Liabilities in respect of:		
Claims against the Company not acknowledged as debts:.....	2,52,26,190	<i>2,52,26,190</i>
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.		
(b) Payments to Auditors:		
(a) As Auditors	65,000	<i>65,000</i>
(b) For Tax Audit.....	20,000	<i>20,000</i>
	85,000	<i>85,000</i>
(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)		
(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.		
(e) Value of Stores and Tools:		<i>Previous year</i>
	Value	<i>Value</i>
	₹	<i>₹</i>
	% to total consumption	<i>% to total consumption</i>
Imported	—	—
Indigenous.....	7,134	<i>65,004</i>
	7,134	<i>65,004</i>
(f) Consumption of Stores and Spares during the year.....	7,134	<i>65,004</i>
(g) Related Party disclosure:		
(i) Name of the related party	Relationship	
Standard Industries Limited	Holding Company	
(ii) Details of transactions with related parties:		
<u>Nature of transactions</u>		
Unsecured Loan:	Holding Company	
Received during the year	86,87,706 <i>(4,03,568)</i>	
Unsecured Loan:		
Repayment during the year.....	41,49,13,794 —	
Interest on unsecured loan.....	2,94,73,397 <i>(3,36,83,882)</i>	
(iii) <u>Outstanding Balances – Payables as on 31.03.2017</u>		

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25:

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

Standard Industries Limited	
Unsecured Loan.....	— (40,62,26,088)
Interest accrued but not due.....	— (9,83,91,448)

Note: 1. Figures shown in bracket pertain to previous year.

	Year ended 31st March, 2017 ₹	Year ended 31st March, 2016 ₹
(h) Earnings per Share:		
Earnings per share is calculated by dividing the loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period as under:		
(Loss) for the year (₹).....	(3,23,19,602)	(2,77,56,954)
Weighted average number of equity shares outstanding during the year (Nos.).....	5,84,000	14,256
Earnings per share (Basic/Diluted) (₹)	(55)	(1,947)
Nominal value per share (₹).....	100	100
	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(i) Components of deferred tax assets/liabilities are as under:		
Differences in the tax and books written down value of fixed assets.....	(8,09,879)	(6,68,862)
Provision for gratuity.....	4,67,270	4,34,482
Disallowances U/s. 43B of the Income-tax Act, 1961.....	1,19,694	42,495
Carried forward Business loss and Depreciation.....	15,98,35,957	14,97,43,596
Deferred Tax Assets (Net)	15,96,13,043*	14,95,51,711*
	As at 31st March, 2017 ₹	As at 31st March, 2016 ₹
(j) Expenditure in Foreign currency:		
Travelling	—	55,580
Total	—	55,580

* The Net Deferred Tax Asset as at March 31, 2017 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".

- (k) The Company has applied for Lease renewal and has duly paid the lease renewal fees.
- (l) The accumulated losses of the Company as at the year end is more than 50% of the Shareholders' Funds.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 25:****Additional information to the financial statements and disclosures under Accounting Standards (Contd.)**

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.

- (m) Balances of creditors and amounts receivable/payable on current accounts being subject to confirmations and consequent reconciliations/adjustments if any.
- (n) 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:

(in ₹)

Particulars	SBN's*	Other Denomination Notes	Total
Closing cash in hand as on November 8, 2016	2,000	8,275	10,275
(+) Permitted Receipts	—	1,64,300	1,64,300
(-) Permitted Payments	2,000	1,31,360	1,33,360
(-) Amount deposited in Banks	—	—	—
Closing cash in hand as on December 30, 2016	—	41,215	41,215

* 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.

- (o) 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 Arunkumar K. Shah & Co.
Chartered Accountants
FRN:- 126935W

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 12, 2017

D. H. PAREKH *Chairman*

K. J. PARDIWALLA

D. M. NADKARNI

R. N. PATEL

} *Directors*

Place : Mumbai
Date : May 12, 2017

as my/our proxy to attend and vote for me/us and on my/our behalf at the 37th Annual General Meeting of the Company, to be held on Thursday, 10th August, 2017 at 9.00 A.M. at 912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat - 395 001 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 D. M. Nadkarni, who retires by rotation.
3.	Appointment of M/s. R. S. Gokani & Co., Chartered Accountants, Mumbai, as the Auditors of the Company.
SPECIAL BUSINESS	
4.	Appointment of Shri K. J. Pardiwalla as Director

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, Explanatory Statement and Notes, please refer to the Notice of the 37th Annual General Meeting.

