

STANDARD SALT WORKS LIMITED

34th ANNUAL REPORT 2013-2014



BOARD OF DIRECTORS

SHRI D. H. PAREKH (*Chairman*)

SHRI D. M. NADKARNI

SHRI R. N. PATEL

BANKERS

IDBI BANK

BANK OF BARODA

AUDITORS

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

REGISTERED OFFICE

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

CIN: U24110GJ1979PLC003315

SALT WORKS

DANDI BHAGWA,
TALUKA OLPAD,
DISTRICT SURAT.

NOTICE

NOTICE is hereby given that the Thirty-fourth 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 Tuesday, the 12th August, 2014, at 9.00 a.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and Statement of Profit and Loss Account 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 the provisions of Section 140 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, (Registration No. 126935W) be and are hereby appointed as the Auditors of the Company in place of the retiring Auditors, M/s. S.U. Kapasi & Co., Chartered Accountants, Ahmedabad, from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on a remuneration to be decided in consultation with the Board of Directors”

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. 3 contained in the Notice dated 12th May, 2014.

Item No. 3

M/s. S.U. Kapasi & Co., Chartered Accountants, Ahmedabad, the existing Auditors of the Company have expressed their desire not to continue as Statutory Auditors of the Company after the expiry of their present term. Your Directors propose the appointment of M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, as Statutory Auditors of the Company in place of the existing auditors.

The Company has received a confirmation from M/s. Arunkumar K. Shah & Co., Chartered Accountants,

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.
- (b) A Special Notice in terms of Section 115 of the Companies Act, 2013, has been received under Section 140(4) of the Act from Standard Industries Limited, Shareholder of the Company, proposing the appointment of M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, as Auditors of the Company, in place of M/s. S.U. Kapasi & Co., Chartered Accountants, Ahmedabad, the retiring Auditors of the Company, who had expressed their unwillingness for re-appointment as Statutory Auditor of the Company. The change in the Statutory Auditor is proposed in recognition of regulatory changes under the Companies Act, 2013.

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 : 2462287
CIN: U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2014.

Mumbai, to the effect that they are eligible and not disqualified under Section 141 of the Companies Act, 2013 for being appointed as Auditors of the Company.

None of the directors of the Company 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 : 2462287
CIN: U24110GJ1979PLC003315

Mumbai

Dated: 12th May, 2014.

DIRECTORS' REPORT

To
The Members,
STANDARD SALT WORKS LIMITED

Your Directors hereby present the 34th Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2013 to 31st March, 2014.

1. GENERAL

The stay on our land at Lavacha and Dandi village, totally admeasuring 754 acres still continues. Efforts are being made to get the stay vacated.

2. PRODUCTION

Production of Salt during current season suffered due to unseasonal heavy rain in the month of January, 2014, which also resulted in total dilution of brine and damage to the earth work. Consequently, it reduced the production during the months of January to March, 2014. Only 2,481 M.T. of Salt was produced against 22,436 M.T. during the same period of previous year (January to March, 2013).

However, the total production of Salt for the financial year is 54412 MT as against production of 74778 MT during the last year.

3. FINANCIAL RESULTS

The value of salt sold during the financial year under review amounted to ₹ 310.25 Lakhs. There is a loss of ₹ 1729 Lakhs in this financial year.

4. DESPATCHES

The total sale of salt during the financial year April 2013 to March 2014 is 51,845 M.T. as against 56,416 M.T. during the previous year.

5. IMPROVEMENTS

Brine circuit of Dandi and Olpad side has been increased considerably as the Company has extended outer bunds. Also provision has been made to take tidal water for production. This should reduce electricity unit consumption and improve quality of Salt because of maximum use of tidal water.

6. PARTICULARS OF EMPLOYEES

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

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

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

8. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) That in the preparation of the Final Accounts for the Financial Year ended 31st March, 2014, the applicable accounting standards have

been followed along with proper explanation relating to material departures;

- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for the said year;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the Financial Year ended 31st March, 2014, on a 'going concern' basis

9. SECRETARIAL AUDIT

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

10. 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.

11. AUDITORS

M/s. S.U. Kapasi & Co., Chartered Accountants, Ahmedabad, the present Statutory Auditors, have vide their letter dated 2nd May, 2014, expressed their desire not to continue as Statutory Auditors of the Company after expiry of their present term. The Board places on record its appreciation for the services rendered by M/s. S.U. Kapasi & Co. as Statutory Auditors of the Company.

Pursuant to the provisions of Sections 115 and 140 of the Companies Act, 2013, your Directors propose the appointment of M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for the Financial Year commencing from 01.04.2014 to hold Office as such from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

The Company has also received a confirmation from M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, to the effect that they are eligible and not disqualified under Section 141 of the Companies Act, 2013 for being appointed as Auditors of the Company.

For and on behalf of the Board

D. H. PAREKH
Chairman

Mumbai
Dated: 12th May, 2014.

ANNEXURE TO THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

Efforts were concentrated on taking maximum tidal water to produce salt in order to save pumping cost and maximum care was also taken to see that the pumps are operated at optimum efficiency for saving energy. Since the main source of energy for salt production from the sea water is solar energy, there is very little possibility of improving the available solar 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, 2014.

COMPLIANCE CERTIFICATE

Name of the Company : Standard Salt Works Limited
CIN OF THE COMPANY : U24110GJ1979PLC003315

Nominal capital : ₹ 50 Lakhs

To,
 The Members,
 Standard Salt Works Limited.

I have examined the registers, records, books and papers of Standard Salt Works Limited as required to be maintained under the Companies Act, 1956 to the extent not repealed and Companies Act, 2013 to extent notified and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the period ended on 31st March, 2014, in my opinion and to the best of my information and according to the examination carried out by me and explanation furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid period:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provision of the Companies Act, 1956 and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Companies Act, 1956 and Companies Act, 2013 and the rules made thereunder.
3. The Company is a Public Limited Company.
4. The Board of Directors duly met four times respectively on 20th May, 2013, 20th September, 2013, 18th December, 2013 and 14th March, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, including the circular resolutions passed, in the Minutes Book maintained for the purpose.
5. The Company was not required to close its Register of Members during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2013 was held on 12th August, 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-Ordinary General Meeting was held during the financial year.
8. The Company has not entered into any transactions falling within the purview of section 185 of Companies Act, 2013.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Companies Act, 1956.
10. The Company was not required to make entry in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. During the financial year ending 31st March, 2014:
 - (i) There was no allotment/transfer/transmission of securities during the financial year.
 - (ii) The Company has not deposited any amount in a separate Bank Account as no dividend was declared.
 - (iii) The Company was not required to post warrants to any member of the Company as no dividend was declared.
 - (iv) The Company was not required to transfer any amounts as there was no unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the financial year.
15. The Company has not appointed any Managing Director/Whole time Director/Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Companies Act, 1956 and Companies Act, 2013 during the financial period.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year ending 31st March, 2014.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the right to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A of the Companies Act, 1956 during the financial year.
24. The amount borrowed by the Company from Directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2014 are within the borrowing limits of the Company.
25. The Company has not made any loans or advances or given guarantees or provided securities to other

bodies corporate and consequently no entries have been made in the register kept for the purpose.

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

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

Place : Mumbai

Date : 12th May, 2014.

Annexure A

Registers as maintained by the Company

Statutory Registers maintained as per the provisions of Companies Act, 1956

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

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2014.

Sr. No.	e-Form No.	Filed under Section of Companies Act, 1956	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fee paid Yes/No
1.	66	383A(1)	Compliance Certificate for the Financial year ended 31.03.13	22.08.13	Yes	N.A.
2.	23AC XBRL & 23ACA XBRL	220	Balance Sheet for the Financial year ended 31.03.13	06.09.13	Yes	N.A.
3.	20B	159	Annual Return for the Financial year ended 31.03.13	01.10.13	Yes	N.A.
4.	23B	224(1A)	Information by Auditor to Registrar	03.09.13	Yes	N.A.

INDEPENDENT AUDITORS' REPORT

TO
THE MEMBERS OF STANDARD SALT WORKS LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **STANDARD SALT WORKS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Matter

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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, 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 Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

S. U. KAPASI
Proprietor
Membership No. 30639

Mumbai,
Dated: May 12, 2014.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: STANDARD SALT WORKS LIMITED

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

- (1) The nature of Company's activities are such that clauses (xiii) and (xiv) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
- (2) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The fixed assets have been physically verified by the management during the year. We are informed that no material discrepancies were noticed by the management on such verification;
 - (c) The Company has not disposed off substantial part of the fixed assets during the year.
- (3) In respect of its inventories:
 - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable;
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business;
 - (c) The Company is maintaining proper records of inventories. The discrepancies noticed on verification between the physical stocks and book records were not materials.
- (4) The Company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956; Consequently, requirements of clauses (iii) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company for the year.
- (5) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal control system.
- (6) (a) In our opinion and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to Section 301 that need to be entered in the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹ Five lakhs each in respect of any party during the year have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (7) The Company has not accepted any deposits from the public.
- (8) Since the Company is not a listed company, and does not have paid up capital and reserves exceeding ₹ 50 lakhs as at the commencement of the financial year or average annual turnover exceeding ₹ 5 crores for a period of three consecutive financial years immediately preceding the financial year, the clause relating to internal audit system is not applicable.
- (9) The maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956.
- (10) According to the information and explanations given to us in respect of statutory dues:
 - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income tax, Sales tax, Wealth tax, Gift tax, Service tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income tax, Sales Tax, Custom duty, Wealth tax, Service tax, Excise duty, Cess and other material statutory dues in arrears as at 31st March, 2014 for a period of more than six months from the date they became payable.

- (c) Details of dues of Income tax, Value added Tax, Excise duty, Custom duty, Wealth tax, Service tax and Cess which have not been deposited as on March 31, 2014 on account of disputes are given below:

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

- (11) The accumulated losses of the Company at the end of the financial year are more than fifty percent of its net worth. The Company has incurred cash losses in the current financial and in the immediately preceding financial year.
- (12) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institutions and debenture holders.
- (13) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (14) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (15) In our opinion and according to the information and explanations given to us, the Company has not taken term loans during the year. Hence clause (xvi) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
- (16) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet, we report that funds raised on short-term basis have, prima facie not been used during the year for long-term investment.
- (17) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (18) According to the information and explanations given to us the Company has not issued any debentures during the year.
- (19) The Company has not raised any money by way of public issues during the year.
- (20) To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year

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

S. U. KAPASI
Proprietor
Membership No. 30639

Mumbai
Dated: May 12, 2014.

BALANCE SHEET

AS AT 31ST MARCH, 2014

Particulars	Note No.	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	14,25,610	14,25,610
(b) Reserves and surplus	4	(43,21,67,977)	(25,92,38,848)
		(43,07,42,367)	(25,78,13,238)
(2) Non-current liabilities			
(a) Long-term borrowings	5	39,61,37,222	37,12,50,000
(b) Other long-term liabilities.....	6	3,77,60,460	3,22,14,456
		43,38,97,682	40,34,64,456
(3) Current liabilities			
(a) Short-term borrowings	7	1,11,25,027	50,16,009
(b) Trade payables.....	8	12,99,029	25,09,947
(c) Other current liabilities.....	9	11,27,299	37,54,020
(d) Short-term provisions.....	10	11,43,136	8,15,324
		1,46,94,491	1,20,95,300
Total.....		1,78,49,806	15,77,46,518
II. ASSETS			
(1) Non-current assets			
(a) Tangible fixed assets.....	11	55,09,666	14,16,92,288
(b) Long-term loans and advances.....	12	20,33,264	20,20,729
		75,42,930	14,37,13,017
(2) Current assets			
(a) Current investments.....	13	54,000	54,000
(b) Inventories	14	44,72,761	1,22,12,249
(c) Trade receivables.....	15	11,20,008	4,96,715
(d) Cash and cash equivalents.....	16	35,94,611	9,46,018
(e) Short-term loans and advances.....	17	10,10,686	2,69,709
(f) Other current assets	18	54,810	54,810
		1,03,06,876	1,40,33,501
Total.....		1,78,49,806	15,77,46,518

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For S. U. Kapasi & Co.
Chartered Accountants

D. H. PAREKH

Chairman

S. U. Kapasi
Proprietor

D. M. NADKARNI

R. N. PATEL

Directors

Place : Mumbai
Date : May 12, 2014.

Place : Mumbai
Date : May 12, 2014.

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Note No.	Year ended 31st March, 2014 ₹	Year ended 31st March, 2013 ₹
(I) INCOME			
(a) Revenue from operations.....	19	3,32,25,223	3,26,23,025
(b) Other income.....	20	1,90,996	4,28,880
Total Revenue.....		3,34,16,219	3,30,51,905
(II) EXPENSES			
(a) Change in inventory of stock-in-trade.....	21	77,39,488	(59,78,016)
(b) Employee benefit expenses.....	22	25,73,738	23,00,451
(c) Finance costs.....	23	3,38,14,695	2,52,47,609
(d) Depreciation.....	11	13,66,36,042	14,41,40,072
(e) Other expenses.....	24	2,55,81,385	2,14,42,972
Total Expenses.....		20,63,45,348	18,71,53,088
(III) (LOSS) BEFORE TAXES (I – II).....		(17,29,29,129)	(15,41,01,183)
(IV) TAX EXPENSE			
Excess Provision for taxes in respect of earlier years.....		—	—
(V) (LOSS) FOR THE YEAR (III + IV).....		(17,29,29,129)	(15,41,01,183)
(VI) Earnings Per Share – Basic and Diluted (₹).....		(12,130)	(10,809)
Nominal value per share ₹..... [Refer Note 25(h)]		100	100

See accompanying notes forming part of the Financial Statements

In terms of our report attached
For S. U. Kapasi & Co.
Chartered Accountants

D. H. PAREKH

Chairman

S. U. Kapasi
Proprietor

D. M. NADKARNI

R. N. PATEL

Directors

Place : Mumbai
Date : May 12, 2014.

Place : Mumbai
Date : May 12, 2014.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2014

	Year ended 31st March, 2014	Year ended 31st March, 2013
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES:		
(LOSS) BEFORE TAXES	(17,29,29,129)	(15,41,01,183)
Adjustments for:		
Depreciation.....	13,66,36,042	14,41,40,072
Profit on Sale of Fixed Assets.....	—	—
Interest on borrowings	3,38,14,695	2,52,47,609
Sundry credit balances written back.....	—	(3,951)
Excess Provision for Earlier years	(66,200)	(4,664)
Interest Income on Fixed Deposits with Bank	(77,059)	(4,20,265)
	<u>17,03,07,478</u>	<u>16,89,58,801</u>
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES.....	(26,21,651)	1,48,57,618
Decrease/(Increase) in Trade and Other Receivables	(13,64,325)	10,12,854
(Increase)/Decrease in Inventories	77,39,488	(59,78,016)
(Decrease)/Increase in Trade and Other Payables	(2,55,99,735)	13,04,099
	<u>(1,92,24,572)</u>	<u>(36,61,063)</u>
Direct Taxes Paid	(2,18,46,223)	1,11,96,555
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES (A).....	<u>(2,18,58,703)</u>	<u>1,11,54,527</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(4,53,420)	(23,72,86,270)
Interest Income on Fixed Deposits with Bank	77,059	4,20,265
NET CASH USED IN INVESTING ACTIVITIES (B)	<u>(3,76,361)</u>	<u>(23,68,66,005)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Long-term borrowings.....	2,48,87,222	23,80,00,000
Short-term borrowings	61,09,018	(1,20,82,043)
Interest paid	(61,12,583)	—
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	<u>2,48,83,657</u>	<u>22,59,17,957</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C).....	<u>26,48,593</u>	<u>2,06,479</u>
CASH AND CASH EQUIVALENTS AS AT 01.04.2013 (OPENING BALANCE).....	<u>9,46,018</u>	<u>7,39,539</u>
CASH AND CASH EQUIVALENTS AS AT 31.03.2014 (CLOSING BALANCE)	<u>35,94,611</u>	<u>9,46,018</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 S. U. Kapasi & Co.
Chartered Accountants

S. U. Kapasi
Proprietor

Place : Mumbai
Date : May 12, 2014.

D. H. PAREKH

Chairman

D. M. NADKARNI

R. N. PATEL

Directors

Place : Mumbai
Date : May 12, 2014.

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

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

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

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

Note 2:**Significant Accounting Policies****(a) Basis of preparation of financial statements:**

The 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 notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs) and the relevant provisions of the 1956 Act/2013 Act, as applicable. The financial statement have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956.

(b) Use of Estimates:

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

(c) Fixed Assets:

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

(d) Depreciation:

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

(e) Investments:

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

(f) Inventories:

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

(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:

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

(j) Stores and Tools Consumption:

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

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

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

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

(n) Impairment of Assets:

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

	As at 31st March, 2014	<i>As at 31st March, 2013</i>
	₹	₹
Note 3:		
Share Capital		
(a) Authorised		
50,000 Equity Shares of ₹ 100/- each	50,00,000	<i>50,00,000</i>
(b) Issued		
47,000 Equity Shares of ₹ 100/- each	47,00,000	<i>47,00,000</i>
(c) Subscribed and fully paid-up		
223 Equity Shares of ₹ 100/- each fully paid-up	22,300	<i>22,300</i>
(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	<i>14,03,310</i>
Total	14,25,610	<i>14,25,610</i>

Notes:

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

Name of the Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Standard Industries Limited	47,000	100	47,000	100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2014 ₹	₹	As at 31st March, 2013 ₹
Note 4:			
Reserves and Surplus			
(a) Capital Reserve – Cash Subsidy			
As per last Balance Sheet.....	4,13,560		4,13,560
(b) Surplus in Statement of Profit and Loss Balance at the beginning of the year.....	<u>(25,96,52,408)</u>		<u>(10,55,51,225)</u>
Less: Loss for the year.....	<u>(17,29,29,129)</u>		<u>(15,41,01,183)</u>
Closing Balance	<u>(43,25,81,537)</u>		<u>(25,96,52,408)</u>
Total	<u>(43,21,67,977)</u>		<u>(25,92,38,848)</u>

Note 5:

Long Term Borrowings

(Unsecured)

(a) Loan from related party [Refer Note 25 (g)]	39,61,37,222		7,82,50,000
(b) Loan from other body corporate	—		29,30,00,000
Total	<u>39,61,37,222</u>		<u>37,12,50,000</u>

Notes:

- (i) Loan from related party:
– Interest payable @ 7.50% p.a. on Opening balance of ₹7,82,50,000/- and on balance amount @ 8.75% p.a.
– Principal and accrued interest due after 6 years.
- (ii) Loan from other body corporate:
– Interest payable @ 9.75% p.a. (Floating rate)
– Principal and accrued interest due after 8 years from the date of loan. The said loan and interest thereon is repaid during the year.

	As at 31st March, 2014 ₹	₹	As at 31st March, 2013 ₹
Note 6:			
Other long-term liabilities			
Others			
Interest accrued but not due on long-term borrowings	3,77,60,460		3,22,14,456
Total	<u>3,77,60,460</u>		<u>3,22,14,456</u>

Note 7:

Short-term borrowings

(Unsecured)

Loan from related party [Refer Note 25 (g)]	1,11,25,027		50,16,009
Total	<u>1,11,25,027</u>		<u>50,16,009</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
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	12,99,029	25,09,947
Total	12,99,029	25,09,947
Note 9:		
Other Current Liabilities		
Other Payables		
(i) Statutory Liabilities	22,380	30,86,906
(ii) Advances from customers	6,64,092	2,36,943
(iii) Others	4,40,827	4,30,171
Total	11,27,299	37,54,020
Note 10:		
Short-term Provisions		
(a) Provision for employee benefits – Gratuity	11,43,081	8,15,324
(b) Provision for Income Tax (Net of Advance Tax)	55	—
Total	11,43,136	8,15,324
Note 11:		
FIXED ASSETS		

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	As at 01/04/2013	Additions	Deduction	As at 31/03/2014	As at 01/04/2013	For the year	Deduction	As at 31/03/2014	As at 31/03/2014	
	₹	₹	₹	₹	₹	₹	₹	₹	₹	
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	22,28,120	—	—	22,28,120	11,10,877	41,797	—	11,52,674	10,75,446	
(Previous Year).....	(22,28,120)	—	—	(22,28,120)	(10,69,080)	(41,797)	—	(11,10,877)	(11,17,243)	
(c) Plant and Machinery..... (Previous Year).....	55,15,727 (53,26,279)	4,28,820 (1,89,448)	—	59,44,547 (55,15,727)	26,75,865 (24,79,237)	1,81,669 (1,96,628)	—	28,57,534 (26,75,865)	30,87,013 (28,39,862)	
(d) Furniture and Fixtures..... (Previous Year).....	52,799 (52,799)	—	—	52,799 (52,799)	34,728 (33,382)	1,346 (1,346)	—	36,074 (34,728)	16,725 (18,071)	
(e) Office Equipments	8,500	24,600	—	33,100	2,020	832	—	2,852	30,248	
(Previous Year).....	(8,500)	—	—	(8,500)	(1,616)	(404)	—	(2,020)	(6,480)	
(f) Vehicles	18,34,909	—	—	18,34,909	5,01,122	1,73,553	—	6,74,675	11,60,234	
(Previous Year).....	(9,38,387)	(8,96,522)	—	(18,34,909)	(3,98,738)	(1,02,383)	—	(5,01,121)	(13,33,788)	
(g) Salt Works - Reservoirs, Salt Pans (Refer Note 2 below) (Previous Year).....	37,91,23,083 (14,29,22,783)	— (23,62,00,300)	—	37,91,23,083 (37,91,23,083)	24,28,86,238 (9,90,88,725)	13,62,36,845 (14,37,97,514)	—	37,91,23,083 (24,28,86,239)	— (13,62,36,844)	
Total	38,89,03,138	4,53,420	—	38,93,56,558	24,72,10,850	13,66,36,042	—	38,38,46,892	55,09,666	
Previous year	(15,16,16,868)	(23,72,86,270)	—	(38,89,03,138)	(10,30,70,778)	(14,41,40,072)	—	(24,72,10,850)	(14,16,92,288)	

Notes:

- The above note does not include leasehold land on short-term lease, on which the Company incurs annual rent.
- Additions to the salt works made during the previous year include costs incurred for leveling, compacting, excavating, developing of salt fields etc.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2014 ₹	As at 31st March, 2013 ₹
Note 12:		
Long-term loans and advances		
(Unsecured)		
(a) Security Deposits with Government authorities (considered good).....	7,40,000	7,40,000
(b) Advance Tax (Net of Provisions).....	12,93,264	12,80,729
Total	20,33,264	20,20,729
Note 13:		
Current Investments		
(unquoted – at cost)		
Investment in Government Securities.....	54,000	54,000
Total	54,000	54,000
Note 14:		
Inventories		
(at lower of cost and net realisable value)		
(a) Finished goods.....	7,87,500	86,91,416
(b) Stock-in-process.....	36,85,261	35,20,833
Total	44,72,761	1,22,12,249
Note 15:		
Trade Receivables		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment (considered good).....	4,91,732	4,09,114
(b) Others (considered good).....	6,28,276	87,601
Total	11,20,008	4,96,715
Note 16:		
Cash and Cash Equivalents		
(a) Cash on hand.....	7,205	38,909
(b) Balance with banks in current accounts.....	35,87,406	9,07,109
Total	35,94,611	9,46,018
Note 17:		
Short-term loans and advances		
(Unsecured, considered good)		
(a) Loan to Fellow Subsidiary	8,00,000	—
(b) Security deposits.....	1,01,000	1,000
(c) Loans and advances to employees	61,500	1,44,800
(d) Prepaid expense.....	23,085	37,145
(e) Other short-term advances:		
(i) Advance to creditors.....	18,448	70,572
(ii) Others.....	6,653	16,192
Total	10,10,686	2,69,709
Note 18:		
Other current assets		
Accruals		
Interest accrued and due on Government Securities....	54,810	54,810
Total	54,810	54,810

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	₹	₹	₹	₹
Note 19:				
Revenue from Operations				
(I) Sale of products – Manufactured goods				
(a) Industrial Salt.....	3,10,25,364		3,20,36,429	
(b) Gypsum Salt.....	20,56,832		4,57,298	
		3,30,82,196		3,24,93,727
(II) Other Operating Income				
Income from weighbridge/quality Bonus.....		1,43,027		1,29,298
Total.....		3,32,25,223		3,26,23,025
Note 20:				
Other Income				
(a) Interest income:				
(i) Interest from banks on deposits..		77,059		4,20,265
(ii) Interest on Income – tax refund ..		—		—
(iii) Interest Income – Others		47,737		—
(b) Other non-operating income:				
(i) Profit on sale of fixed assets		—		—
(ii) Sundry creditor's balances written back		—		3,951
(iiii) Excess provision for earlier years		66,200		4,664
Total.....		1,90,996		4,28,880
Note 21:				
Change in inventories of Stock in Trade				
(a) Inventories at the end of the year:				
(i) Finished Goods		7,87,500		86,91,416
(ii) Work-in-progress		36,85,261		35,20,833
		44,72,761		1,22,12,249
(b) Inventories at the beginning of the year:				
(i) Finished Goods		86,91,416		31,66,628
(ii) Work-in-progress		35,20,833		30,67,605
		1,22,12,249		62,34,233
Net (Increase)/Decrease.....		77,39,488		(59,78,016)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	₹	₹
Note 22:		
Employee benefit expenses		
(a) Salaries, Bonus, Exgratia, Leave travel and Gratuity	22,60,496	17,59,469
(b) Contribution to Provident Fund	1,83,665	1,41,139
(c) Workmen and Staff Welfare expenses	1,29,577	3,99,843
Total	25,73,738	23,00,451
Note 23:		
Finance costs		
Interest on borrowings	3,38,14,695	2,52,47,609
Total	3,38,14,695	2,52,47,609
Note 24:		
Other expenses		
(a) Stores and Tools consumed	—	26,000
(b) Power and Fuel	39,65,667	30,14,370
(c) Labour charges	36,00,746	36,87,310
(d) Rent	3,84,000	1,92,000
(e) Repairs:		
To Buildings	3,37,254	3,68,469
To Machinery	3,35,579	4,45,588
To Salt Works	46,89,350	42,28,859
To Others	980	5,745
	53,63,163	50,48,661
(f) Rates & Taxes	8,29,649	8,10,787
(g) Transport and Freight charges	27,02,401	16,26,266
(h) Legal and Professional fees	2,39,643	2,82,199
(i) Travelling and Conveyance expenses	1,99,701	1,07,028
(j) Salt – Internal shifting expenses	66,84,180	50,93,193
(k) Salt – Washing charges	1,14,225	97,255
(l) Contract Labour expenses	8,21,399	7,49,186
(m) Vehicle expenses	2,13,311	1,99,213
(n) Miscellaneous expenses	4,63,300	5,09,504
Total	2,55,81,385	2,14,42,972

Note: Miscellaneous expenses include Insurance, Printing & Stationery, Telephone & Fax Machines etc.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March, 2014 ₹	Year ended 31st March, 2013 ₹		
Note 25:				
Additional information to the financial statements and disclosures under Accounting Standards				
(a) Contingent Liabilities in respect of:				
(i) Claims against the Company not acknowledged as debts:	41,17,260	41,17,260		
Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The Company has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.				
The Company is confident of success in the matter.				
(ii) Disputed demands of income tax	6,30,509	6,30,509		
These represent demands raised by Income Tax department on various matters for which disputes are pending before various Appellate authorities. The Company is confident that all these cases can be successfully contested.				
(b) Payments to Auditors:				
(a) As Auditors	50,000	50,000		
(b) For Tax Audit.....	20,000	20,000		
(c) As Advisor or in any other capacity in respect of taxation matters	—	—		
(d) In any other manner (Certification work etc.)	10,000	10,000		
(e) For expenses.....	32,204	573		
(f) For Service tax	11,124	9,959		
	1,23,328	90,532		
(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:				
	Value	% to total	Value	% to total
	₹	consumption	₹	consumption
Imported	—	—	—	—
Indigenous.....	—	—	26,000	100
	—	—	26,000	100
(f) Consumption of Stores & Spares during the year.....	—		26,000	

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25:

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

(g) Related Party disclosure:

(i)	<u>Name of the related party</u>	Relationship
	Standard Industries Limited	Holding Company

(ii) **Details of transactions with related parties:**

Nature of transactions

Unsecured Loan:		Holding Company
Received during the year		33,19,96,240 (9,50,07,561)
Unsecured Loan:		
Repayment during the year		80,00,000 (10,70,89,104)
Interest on unsecured loan		2,77,02,112 (58,68,750)

(iii) **Stan Plaza Limited:**

Fellow Subsidiary

Unsecured Loan given		8,00,000 (—)
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Outstanding Balances – Payables as on 31.03.2014

Standard Industries Limited		
Unsecured Loan.....		40,72,62,249 (8,32,66,009)
Interest accrued but not due.....		3,77,60,460 (1,28,28,559)

Stan Plaza Limited

Unsecured Loan.....		8,00,000 (—)
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Note: 1. Figures shown in bracket pertain to previous year.

	Year ended 31st March, 2014 ₹	Year ended 31st March, 2013 ₹
(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 (₹)	(17,29,29,129)	(15,41,01,183)
Weighted average number of equity shares outstanding during the year (Nos.)	14,256	14,256
Earnings per share (Basic/Diluted) (₹)	(12,130)	(10,809)
Nominal value per share (₹).....	100	100

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

	As at 31st March, 2014 ₹	<i>As at 31st March, 2013 ₹</i>
(i) Components of deferred tax assets/liabilities are as under:-		
Differences in the tax and books written down value of Fixed Assets.....	(7,08,272)	<i>(2,63,39,660)</i>
Provision for Gratuity	3,53,212	<i>2,51,935</i>
Disallowances U/s. 43B of the Income-tax Act, 1961	2,00,097	<i>2,00,097</i>
Carried forward Business loss and Depreciation.....	13,35,18,840	<i>10,55,87,020</i>
Deferred Tax Assets (Net)	13,33,63,877*	<i>7,96,99,392*</i>

* The Net Deferred Tax Asset as at March 31, 2014 has not been recognized in view of the requirements of certainty/virtual certainty as stated in Accounting Standard 22 on "Accounting for Taxes on Income".

- (j) The accumulated losses of the Company as at the year end have eroded the Shareholders' Funds. However, the accounts of the Company have been prepared on a going concern basis in view of the continued availability of finance/financial support from the Holding Company and expected improvement in the economic conditions/scenario. Also the Company is in process of developing more Salt Kyaras which will result in substantial increase in the production of salt.
- (k) Balances of creditors and amounts receivable/payable on current accounts being subject to confirmations and consequent reconciliations/adjustments if any.
- (l) The figures of the previous year have been regrouped wherever necessary to correspond with those of current year.

Signatures to Notes 1 to 25

In terms of our report attached
For S. U. Kapasi & Co.
Chartered Accountants

D. H. PAREKH

Chairman

S. U. Kapasi
Proprietor

D. M. NADKARNI

R. N. PATEL

Directors

Place : Mumbai
Date : May 12, 2014.

Place : Mumbai
Date : May 12, 2014.

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

34th 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 34th Annual General Meeting of the Company, to be held on Tuesday, 12th August, 2014 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, 2014.
2	Re-appointment of Shri D. M. Nadkarni, who retires by rotation.
3	Appointment of M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, as the Auditors of the Company.

Signed thisday of 2014.

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 34th Annual General Meeting.

