STANDARD INDUSTRIES LTD.

121st ANNUAL REPORT 2017-2018

STANDARD INDUSTRIES LTD.

CONTENTS

Shareholders are requested kindly to bring their copy of the Annual Report to the Meeting as copies of Annual Report will not be distributed at the Meeting as a measure of economy.

S T A N R O S E   M A F A T L A L

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL
Chairman

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

BANKERS

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

AUDITORS

M/S. S H R & CO.
Chartered Accountants

ADVOCATES & SOLICITORS

M/S. ALMT LEGAL

REGISTERED OFFICE

PLOT NO. 4, TTC INDUSTRIAL AREA,
THANE BELAPUR ROAD,
P.O. MILLENIUM BUSINESS PARK,
NAVI MUMBAI - 400 710

CIN : L17110MH1892PLC000089

WEBSITE : www.standardindustries.co
EMAIL : standardgrievances@rediffmail.com

CORPORATE OFFICE

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

CITY OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

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

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

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

FINANCIAL STATISTICS

	As per IGAAP			
	1-10-2007 to 31-3-2009 (18 mths.)	1-4-2009 to 31-3-2010	1-4-2010 to 31-3-2011	1-4-2011 to 31-3-2012
COMPANY OWNED:				
1. Fixed Assets (Net)	1870	3546	1371	2887
2. Investments	1443	6238	914	293
3. Net Current/Non-Current Assets	12629	6463	12938	11472
Total Assets (Net)	15942	16247	15223	14652
COMPANY OWED:				
1. Loan funds	—	—	—	—
2. Company's Net Worth: Equity Share Capital	3216	3216	3216	3216
Reserves and Surplus	12726	13031	12007	11436
Total Capital Employed	15942	16247	15223	14652
Debt/Equity Ratio#	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†
Income	24683	3782	1834	2334
Salaries and Wages	334	242	169	239
Operation and Other Expenses etc.	15680	2375	1828	2042
Interest	8	—	—	—
Profit before Depreciation and Taxes	8661	1165	(163)	53
Depreciation	132	106	133	89
Profit before extra ordinary item and taxes	8529	1059	(296)	(36)
Taxes	3158	193	—	—
Profit after Taxes	5371	866	(296)	(36)
Refund of Income-tax	—	7	19	26
Balance brought forward from Previous Year	4943	9022	9287	8449
Transferred from General Reserve	—	—	—	—
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013	—	—	—	—
Amount for Appropriation	10314*	9895*	9010*	8439*
Dividends	643	482	482	482
Tax on Dividends	109	80	78	78
Balance retained in business	9562	9333	8450	7879
Earnings per Equity Share ₹	8.35**	1.36**	(0.43)**	(0.02)**
Dividend paid per Equity Share ₹	1.00**	0.75**	0.75**	0.75**

On Long term borrowings.

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

† Without Revaluation Reserve.

** On equity Shares of ₹ 5/-.
The Board of Directors of the Company has declared interim dividend of ₹ 0.75 per equity share for the year ended March 31, 2018 Further the Board of Director has proposed a Final Dividend of Re. 0.25 per equity share of ₹ 5/- each for the year ended March 31, 2018 which is subject to the shareholders' approval and declaration at the ensuing Annual General Meeting. Both aggregate to Re. 1.00 for the year ended March 31, 2018 (Previous Year Re. 0.75 per equity share of ₹ 5/- each).

Figures for the previous year from 1-4-2016 to 31-3-2017 has been modified as required under Ind AS.

(₹ in lakhs)

As per IGAAP				As per Ind AS##	
1-4-2012 to 31-3-2013	1-4-2013 to 31-3-2014	1-4-2014 to 31-3-2015	1-4-2015 to 31-3-2016	1-4-2016 to 31-3-2017	1-4-2017 to 31-3-2018
2878	2790	2603	2089	2021	**2413**
983	574	164	94	7772	**15096**
9713	8502	8096	9459	(155)	**1647**
13574	11866	10863	11642	9638	**19156**
—	—	—	2500	1868	**10823**
3216	3216	3216	3216	3216	**3216**
10358	8650	7647	5926	4554	**5117**
13574	11866	10863	11642	9638	**19156**
0.00:1.00†	0.00:1.00†	0.00:1.00†	0.27:1.00†	0.24:1.00†	**1.30:1.00†**
1762	1432	1581	1063	1466	**4900**
195	176	180	188	183	**174**
2083	2305	1652	1802	2525	**2347**
—	—	—	94	419	**821**
(516)	(1049)	(251)	(1021)	(1661)	**1558**
95	95	149	119	83	**76**
(611)	(1144)	(400)	(1140)	(1744)	**1482**
—	—	—	—	—	**338**
(611)	(1144)	(400)	(1140)	(1744)	**1144**
97	—	—	—	14	**—**
7879	6801	5093	4090	3321	**1011**
—	—	—	—	—	**204**
—	—	22	—	—	**—**
7365*	5657*	4671*	2950*	1591	**2359**
482	482	482	482	482	**482**
82	82	98	98	98	**98**
6801	5093	4091	2370	1011	**1779**
(0.80)**	(1.78)**	(0.62)**	(1.77)**	(2.69)**	**1.78****
0.75**	0.75**	0.75**	0.75**	0.75**	**0.75****

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTY FIRST ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614, on Monday, the 20th August, 2018, at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

    a. Audited Balance Sheet as at 31st March, 2018, Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.

    b. Consolidated Audited Balance Sheet as at 31st March, 2018, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and Consolidated Cash Flow Statement for the financial year ended on that date together with the Report of the Auditors thereon.

2. To confirm Interim Equity Dividend declared for the Financial Year 2017-2018 and to approve Final Equity Dividend for the Financial Year 2017-2018.

3. To appoint a Director in place of Smt. Divya P. Mafatlal (DIN 00011525), who retires by rotation and being eligible offers herself for re-appointment.

4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

    "RESOLVED THAT, pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Arunkumar K. Shah & Co., Chartered Accountants (ICAI Firm Registration No. 126935W), be and are hereby appointed as the Auditors of the Company (in place of the Auditors M/s. SHR & Co., Chartered Accountants, who have expressed their unwillingness for re-appointment), to hold office from the conclusion of this 121st Annual General Meeting for a term of five consecutive years till conclusion of the 126th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) at a remuneration to be decided by the Board of Directors."

SPECIAL BUSINESS

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

    AS A SPECIAL RESOLUTION

    "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s) statutory modifications(s) or re-enactment(s) thereof, for the time being in force, approval of the Members of the Company be and is hereby granted for continuation of holding office of Non-Executive-Independent Director of the Company by Shri M. L. Apte (DIN 00003656) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of Office i.e. upto 13th August, 2019, on the existing terms and conditions as mentioned in the letter dated 14th August, 2014 and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 14th August, 2014."

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

    AS A SPECIAL RESOLUTION

    "RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s) statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the Members of the Company be and is hereby granted for continuation of holding office of Non-Executive-Independent Director of the Company by Shri K. J. Pardiwalla (DIN 00015670) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of Office i.e. upto 9th February, 2020, on the existing terms and conditions as mentioned in the letter dated 31st August, 2017 and whose appointment has been made by the Board of Directors with effect from 10th February, 2017 and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 31st August, 2017."

NOTES:

(a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING THE PROXY, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.

A member holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy who shall not act as proxy for any other Member. The holder of proxy shall prove his identity at the time of attending the meeting.

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

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

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

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

(b) The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 6th August, 2018, to Monday, the 20th August, 2018, (both days inclusive) for the purpose of Annual General Meeting & payment of final dividend for the Financial Year ended 31st March, 2018. Those Members whose names appear in the Register of Members of the Company as on Saturday, the 4th August, 2018, will be eligible for dividend.

(c) **National Electronic Clearing Service (NECS):**

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the National Electronic Clearing Service (NECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

Members holding shares in electronic form may intimate any change in their bank account details to their respective Depository Participant. Shareholders holding shares in physical form may communicate the change in their bank account details to the Company's Registrar & Share Transfer Agent, in which case the communication may be made in the Mandate Form separately enclosed in this Annual Report.

Shareholders holding shares in physical form who have not yet opted for the NECS Mandate Facility, are urged to avail of the same as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/ damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the Depository Participant/Company's Registrar & Share Transfer Agent) and are communicated before Saturday, the 4th August, 2018, to facilitate receipt of final dividend. Please note that if your new Core Bank Account Number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned. Kindly refer to the Mandate Form enclosed in this Annual Report for further details.

(d) **Voting through electronic means**

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

I. 1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 121st Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy.

2. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.

3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at AGM.

4. The remote e-voting period commences on Thursday, the 16th August, 2018 (9.00 am) and ends on Sunday, the 19th August, 2018 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, the 13th August, 2018, may cast their vote by remote e-voting.

The Remote e-voting module shall be disabled by Karvy at 5.00 p.m. on Sunday, the 19th August, 2018. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

5. The process and manner for remote e-voting are as under:

A. In case a Member receives an e-mail from Karvy [for members whose email IDs are registered with the Company/Depository Participant(s)]:

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

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

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

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

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

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

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

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

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

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

(xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at kaushikjhaverics1@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format 'Corporate Name_EVENT NO.'

B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy]:

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM

EVEN (E-voting Event Number)	USER ID	PASSWORD

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

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

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

IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off-date of Monday, the 13th August, 2018.

V. Members who have acquired shares after the dispatch of the Annual Report and/or before the cut-off date, i.e. 13th August, 2018, may obtain the User ID and Password for exercising their right to vote by electronic means, in the following manner:

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

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

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

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

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

VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off-date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.

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

VIII. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

IX. The Scrutinizer, after the conclusion of voting at the AGM, shall first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

X. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.standardindustries.co immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.

(e) The final Dividend as recommended by the Directors when declared at the Annual General Meeting will be paid by dividend warrants drawn on designated Branches of HDFC Bank Limited from Monday, the 10th September, 2018, to those shareholders who have not opted for NECS Mandates. For those shareholders who have submitted their NECS Mandates, the dividend will be credited directly to their respective Bank Accounts.

(f) The unclaimed dividend for the Accounting Periods ending 31st March, 2011 onwards are to be transferred to the IEPF on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Date for transfer to IEPF
April, 2010 To March, 2011	04.08.2011	04.09.2018
April, 2011 To March, 2012	14.08.2012	14.09.2019
April, 2012 To March, 2013	14.08.2013	15.09.2020
April, 2013 To March, 2014	14.08.2014	15.09.2021
April, 2014 To March, 2015	29.09.2015	29.10.2022
April, 2015 To March, 2016	27.06.2016	25.07.2023
April, 2016 To March, 2017	31.08.2017	02.10.2024

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

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

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

Accordingly, the Company would be transferring every year to IEPF Authority, those shares in respect of which Dividend has not been encashed or claimed by the Members for seven consecutive years. Members who have so far not encashed the Dividend Warrants for the Financial years ended March, 2011, onwards, are advised to submit their claims to the Company's Registrar and Share Transfer Agents, M/s. Karvy Computershare Private Limited, or the Company's Registered office at Plot No.4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai – 400 710.

Pursuant to Rule 6 of IEPF Rules 2016, as amended from time to time, Shareholders whose shares on which dividend has not been claimed from financial year 2009-10 & seven consecutive years thereafter, have been transferred to IEPF authority in the financial year 2017-18 as per Section 124(5) of the Companies Act, 2013.

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

(g) Members holding shares in physical form are advised to avail of the nomination facility by filling the prescribed Form No. SH-13 which is available with M/s. Karvy Computershare Private Limited, the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialised form are requested to contact their depository participant, for recording their nomination.

In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferor(s) and transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.

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

Sr. No.	Name & Address of the Stock Exchange	Nature of Security
1.	BSE Ltd., Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023.	Equity Shares
2.	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	-do -

The Company has paid Annual Listing fees to the above Stock Exchanges upto 31st March, 2019.

(i) As part of the Green Initiative in Corporate Governance, and as permitted by Section 101 and Section 136 of the Companies Act, 2013 and rules made thereunder (as amended from time to time), listed companies are allowed to send notice and financial statements through electronic mode.

(j) To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032.

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

(k) Appointment/Re-appointment of Directors:

Details to be furnished in respect of the Directors being proposed for appointment/re-appointment at the ensuing Annual General Meeting in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the following information is given hereunder:

Born on October 5, 1968, Smt. Divya P. Mafatlal is the wife of Shri. Pradeep R. Mafatlal from the illustrious House of Mafatlals. She has completed her Bachelor's degree in Commerce from the Sydenham College, Mumbai University and is also holding a Diploma Certificate in Child Care and Psychology from Sophia College.

She is a Director of Shanudeep Private Limited, Umiya Real Estate Private Limited, Sheiladeep Investments Pvt. Ltd, Vinadeep Investments Pvt. Ltd, Gagalbhai Investments Private Limited and Pradeep Investments Private Limited. She is the Trustee of The Pransukhlal Mafatlal Hindu Swimming Bath & Boat Club and a member of Poona Club Ltd.

Smt. Divya P. Mafatlal is the Promoter of the Company. She does not hold any shares in the Company. She has attended 4 Board Meetings during the Financial Year 2017-18.

By Order of the Board

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

Registered Office:

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

Dated: 29th May, 2018

ANNEXURE TO THE NOTICE

Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 :

In conformity with the provisions of Section 102 of the companies Act, 2013, the following Explanatory Statement sets out all material facts relating to items Nos. 5 & 6 contained in the accompanying Notice dated 29th May, 2018.

Item No. 5

To comply with the Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Special Resolution is being proposed to be passed by the Members for continuation of holding Office of Non-Executive Independent Director of the Company, by Shri M. L. Apte (DIN 00003656) who is above the age of 75 (Seventy Five) years as on 1st April, 2019 upto the expiry of his present term of office i.e. upto 13th August, 2019, on the existing terms and conditions as mentioned in the letter dated 14th August, 2014 and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting of the Company held on 14th August, 2014.

Shri M. L. Apte is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in March, 1985.

Shri M. L. Apte graduated in Arts from Elphinstone College, Mumbai. He has wide and varied knowledge and experience in business over the past many years. Apart from his business acumen he is also actively engaged in sports activities mainly in the field of cricket.

He is the Director of Standard Industries Limited, Bajaj Hindusthan Ltd., Kulkarni Power Tools Ltd., Bombay Burmah Trading Corporation Ltd., Raja Bahadur International Ltd., Grasim Industries Ltd. and Zodiac Clothing Co. Ltd. He is also a member of the following Committees of the Board viz., Audit Committee of Grasim Industries Ltd., Zodiac Clothing Co. Ltd., Bombay Burmah Trading Corporation Ltd., Kulkarni Power Tools Ltd., and Standard Industries Limited; Stakeholders Relationship Committee of Grasim Industries Limited., Bajaj Hindusthan Sugar Ltd., Zodiac Clothing Co. Ltd., and Bombay Burmah Trading Corporation Ltd.; Nomination & Remuneration Committee of Bajaj Hindusthan Sugar Ltd., Grasim Industries Ltd., Zodiac Clothing Co. Ltd., Bombay Burmah Trading Corporation Ltd., Kulkarni Power Tools Ltd., and Standard Industries Limited.

Shri. M. L. Apte holds 1,735 Equity Shares of the Company.

Item No. 6

To comply with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Special Resolution is being proposed to be passed by the members for continuation of holding Office of Non-Executive Independent Director of the Company by Shri K. J. Pardiwalla (DIN 00015670) who is above the age of 75 (Seventy Five) years as on 1st April, 2019, upto the expiry of his present term of Office i.e. upto 9th February, 2020, on the existing terms and conditions as mentioned in the letter dated 31st August, 2017 and whose appointment has been made by the Board of Directors with effect from 10th February, 2017 and also duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 31st August, 2017.

Shri K. J. Pardiwalla is a Non-Executive Independent Director of the Company.

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 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.

By Order of the Board

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

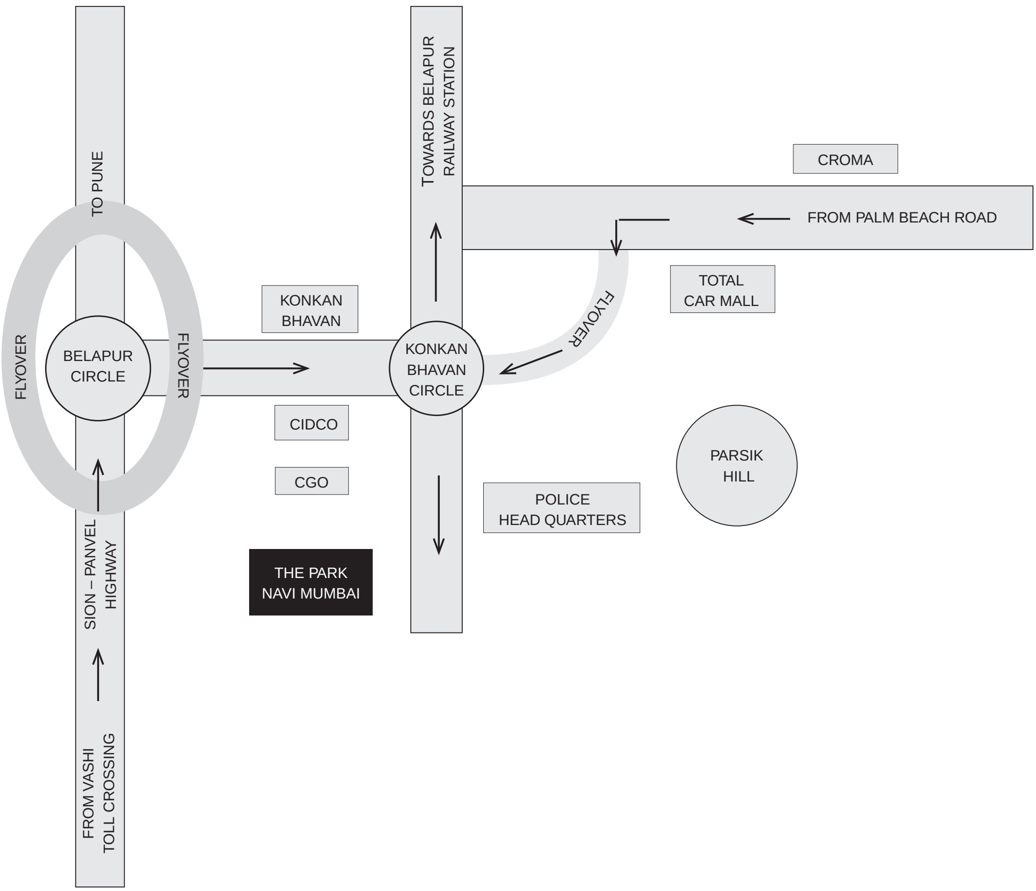
Registered Office:

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

Dated: 29th May, 2018

ROUTE MAP TO THE VENUE

Reaching The Park Navi Mumbai



DIRECTORS' REPORT

To

The Members,

Standard Industries Limited.

Your Directors hereby present the 121st Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2018.

FINANCIAL RESULTS (AS ADJUSTED UNDER IND AS)

			Current year 01.04.2017 to 31.03.2018 (₹ in lakhs)		*Previous year 01.04.2016 to 31.03.2017 (₹ in lakhs)*
A	**Gross Operating Profit before Depreciation and tax**		**1558.70**		*(1660.25)*
	Less: Depreciation		**76.43**		*83.46*
	Profit before Taxes		**1482.27**		*(1743.71)*
	Less: Current Tax		**338.21**		*(14.26)*
	Profit after Taxes		**1144.06**		*(1729.45)*
B	**PREVIOUS YEAR (AS ADJUSTED UNDER IND AS)**				
	Balance brought forward from previous year	**1010.78**		*3320.94*	
	Add: Transferred from General Reserve	**204.00**		*—*	
	Sub-total	**1214.78**		*3320.94*	
	Less: Dividend on Equity Shares for 2016/17	**482.47**		*482.47*	
	Corporate Tax on Dividend for 2016/17	**98.24**		*98.24*	
	Sub-total	**580.71**		*580.71*	
			634.07		*2740.23*
	Retained Earnings		**1778.13**		*1010.78*

The Company has drawn up its Accounts under IND AS. The figures for the previous year have been suitably adjusted, as appropriate to conform to IND AS requirements.

The Board of Directors have declared an Interim dividend of Re. 0.75 per equity share of ₹ 5/- each on 6,43,28,941 equity shares aggregating ₹ 4,82,46,705.75 for the year ended March 31st, 2018. Further, the Board of Directors proposed a final dividend of Re. 0.25 per equity share of ₹ 5/- each on 6,43,28,941 equity shares aggregating ₹ 1,60,82,235.25 for the year ended March 31st, 2018 which if approved by the Shareholders at the ensuing AGM to be held on August 20th, 2018 will be paid to those shareholders whose name appear on the Register of Members of the Company on the August 4th, 2018. Both aggregate Re. 1/- for the year ended March 31st, 2018 (Previous year Re. 0.75 per equity share of ₹ 5/- each).

	Current Year 01.04.2017 to 31.03.2018 ₹	*Previous Year 01.04.2016 to 31.03.2017 ₹*
Interim Dividend @ Re. 0.75 per Equity Share of ₹ 5/- each on 6,43,28,941 Equity Shares	**4,82,46,705.75**	*—*
Final Dividend @ Re. 0.25 per Equity Share of ₹ 5/- each on 6,43,28,941 Equity Shares [Previous period Re. 0.75 per Equity Share of ₹ 5/- each on 6,43,28,941 Equity Shares]	**1,60,82,235.25**	*4,82,46,705.75*

RESULTS OF OPERATIONS & THE STATE OF COMPANY AFFAIRS :

TRADING DIVISION

For the Financial Year under review, i.e. April, 2017 to March, 2018, the Company has achieved a Textile Trading turnover of ₹ 999.42 lakhs in comparison with ₹ 717.19 lakhs for the previous Financial Year.

During the Financial Year, in spite of unfavourable circumstances, such as, after effect of demonitisation, implementation of Goods & Services Tax (GST) on Textile Goods, etc., the Company has achieved 39% higher turnover compared to the previous year.

In the past, Textile fabric was not subject to any tax such as VAT/Sales Tax, etc. The Industry was burdened by GST @5% for the majority of textile fabrics. Inspite of this adverse situation, the Company has achieved better turnover.

In addition to our regular product range such as PV Suiting, Uniform Suiting and Shirting, 100% Cotton Poplin, Lawn, Dhoti, we have added combo packing in case of ready to stitch segment. All these products have added to our sales growth.

In its effort to liquidate non-operating assets, which are more than the business needs, the Company is realizing such assets at the market value.

REAL ESTATE ACTIVITIES

Real Estate activities of the Company comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions. The Company has entered into an Agreement to assign TDR dated 18th May, 2017, to transfer and assign Development Rights Certificate ("DRC") to be issued by MCGM for TDR on surrender of Reserved Land bearing C.S. No. 211 of Parel Sewree Division admeasuring about 5,413.92 sq.mtrs. (less encroached area of approximately 1000 sq.mtrs.) or such area as may be ascertained by MCGM on actual measurement at site, at or for the consideration of ₹ 41.50 Crores subject to the terms and conditions therein mentioned. This transfer, assignment and consideration will depend on grant of quantum of DRC and on the other terms and conditions specified in the aforesaid Agreement.

CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of your Company for the financial year 2017-18, are prepared as per Indian Accounting Standards ("IND AS") and in compliance with applicable provisions of the Companies Act, 2013, read with the Rules issued thereunder and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The consolidated financial statements have been prepared on the basis of audited financial statements of your Company and its subsidiaries, as approved by the respective Board of Directors.

NATURE OF BUSINESS OF THE COMPANY

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

SHARE CAPITAL

The Paid-up Equity Share Capital as on 31st March, 2018, was ₹ 32,16,44,705/- comprising 6,43,28,941 Shares of ₹ 5/- each.

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

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

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

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

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

PUBLIC DEPOSITS

There are no outstanding deposits remaining unpaid as on 31st March, 2018. 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 :

(a) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;

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

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis; and

(e) the Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

1. Standard Salt Works Ltd
2. Mafatlal Enterprises Limited

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

DONATIONS

During the Financial Year, the Company has contributed a sum of ₹ 70,17,000 to various Charitable and Educational Institutions.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Directors

Pursuant to Article 158 of the Articles of Association of the Company read with Section 152 of the Companies Act, 2013, Smt. Divya P. Mafatlal is due to retire by rotation at the ensuing Annual General Meeting and is eligible to offer herself for reappointment.

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

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

Therefore, it is proposed to pass Special Resolutions at the ensuing Annual General Meeting of the Company for continuation of remaining term of Shri M. L. Apte (DIN 00003656) and Shri K. J. Pardiwalla (DIN 00015670) i.e. upto 13th August, 2019 and 9th February, 2020, respectively.

Necessary Resolutions for re-appointment/continuation of Directorship, past the age of 75 years, of the aforesaid Directors have been included in the Notice of the ensuing Annual General Meeting and requisite details have been provided in the Explanatory Statement of the Notice. The Board recommends their re-appointment/continuation as Directors of the Company.

B. Declarations by Independent Directors and re-appointment:

Declarations have been received from all the Independent Directors, viz., Shri M. L. Apte, Shri Shobhan Diwanji & Shri K. J. Pardiwalla, affirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

None of the Directors of the Company are disqualified from being appointed as Directors as specified in Section 164 of the Companies Act, 2013.

C. Key Managerial Personnel

Further, there is no change in the Key Managerial Personnel of the Company.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

SIGNIFICANT AND MATERIAL ORDERS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

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

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

Key controls have been tested during the year and corrective and preventive actions are taken for any weakness. Internal Audit System is engaged in evaluation of internal control systems. Internal Audit findings and recommendations are reviewed by the Management and Audit Committee of the Board of Directors.

INDIAN ACCOUNTING STANDARDS (IND AS)

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

AUDIT OBSERVATIONS AND EXPLANATION OR COMMENTS BY THE BOARD

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

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

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

EXTRACT OF THE ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in Form MGT-9 in **Annexure A** of this Report.

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

Pursuant to the provisions of the Companies Act, 2013, the Board, based on recommendations of the Nomination and Remuneration Committee, has carried out an annual performance evaluation of its own performance and that of its statutory committees viz. Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration Committee and that of the individual Directors. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company and related matters and familiarization programmes attended by Independent Directors are put up on the website of the Company at the link http://www.standardindustries.co/pdf/FamiliarizationProgrammeforIndependentDirectors.pdf

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year 4 Board Meetings were duly convened and held, the details of which are given in the Corporate Governance Report. The gap between the meetings was within the period prescribed under Section 173 of the Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors of the Company comprises 2 Independent Non-Executive Directors in addition to the Executive Director (Wholetime Director):

Shri K. J. Pardiwalla	—	Chairman
Shri M. L. Apte	—	Member
Shri D. H. Parekh	—	Member

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

Vigil Mechanism/Whistle Blower Policy has been formulated with a view to provide a mechanism for Directors and Employees of the Company to approach the Audit Committee of the Board of Directors of the Company or any member of such Audit Committee. It aims to provide a platform for the Whistle Blower to raise concerns on serious matters regarding ethical values, probity and integrity or any violation of the Company's Code, including the operations of the Company. The said Code has been displayed on the Company's website www.standardindustries.co

There have been no cases of frauds reported to the Audit Committee/Board during the financial year under review.

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

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

There have been no complaints received during the financial year.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions of Section 135 of the Companies Act, 2013, relating to CSR are not applicable to the Company.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises Shri K. J. Pardiwalla, Chairman, Shri M. L. Apte, Shri Shobhan Diwanji and Smt. Divya P. Mafatlal Members. The Committee has laid down the Company's Policy on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other related matters.

Pursuant to Section 134(3)(e) and Section 178 of the Companies Act, 2013, the Company's Policy on Directors appointment & remuneration is attached as **Annexure B** to this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

PARTICULARS OF EMPLOYEES

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

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed M/s. Nishant Jawasa & Associates, to undertake the Secretarial Audit of the Company. Report of the Secretarial Auditor is annexed herewith as **Annexure E.** The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

RISK MANAGEMENT POLICY

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

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate Report on Corporate Governance and a certificate from the Auditors of the Company regarding compliance of the conditions of Corporate Governance are annexed to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

INSURANCE

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

AUDITORS

M/s. SHR & Co., Chartered Accountants, Mumbai, the existing Statutory Auditors of the Company have expressed their unwillingness to continue as the Statutory Auditors of the Company from the conclusion of the 121st Annual General Meeting.

Accordingly, on the recommendation of the Audit Committee, the Board at its Meeting held on 29th May, 2018 have proposed the appointment of M/s. Arunkumar K. Shah & Co., (Firm Registration No. 126935W) Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for a term of 5 years, i.e. from the conclusion of the 121st Annual General Meeting until the conclusion of the 126th Annual General Meeting.

The Company has also received a confirmation from M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, 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. As required under Regulation 33(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

For and on behalf of the Board
Chairman

Mumbai
Dated : 29th May, 2018.

ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	**CIN**	L17110MH1892PLC000089
ii.	**Registration Date**	25th January, 1892
iii.	**Name of the Company**	STANDARD INDUSTRIES LIMITED
iv.	**Category/Sub-Category of the Company**	Public Company Limited by Shares
v.	**Address of the Registered Office and contact details**	Plot no. 4, TTC Industrial Area, Thane Belapur Road, PO Millenium Business Park, Navi Mumbai – 400 710 Tel.: +91 22 6139 1210, 6139 1213 Fax: +91 22 2778 0175 E-Mail: standardgrievances@rediffmail.com
vi.	**Whether listed Company**	Yes
vii.	**Name, Address and Contact details of Registrar and Transfer Agent, if any.**	M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032. Tel. No. +91 40 6716 2222 Fax No. +91 40 2342 0814 Email: einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	Polyster cotton grey fabrics	46411	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
1.	Standard Salt Works Ltd. 912 Alishan Awaas, Diwali Baugh, Athwa Lines Nanpura, Surat 395 001. Gujarat.	U24110GJ1979PLC003315	Subsidiary	100%	Sec 2(87)
2.	Mafatlal Enterprises Limited 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai - 400 005. Maharashtra.	U24242MH1995PLC089649	Subsidiary	100%	Sec 2(87)

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held. at the beginning of the year (1.04.2017)				No. of Shares. held at the end of the year (31.03.2018)				% 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	12948487	0	12948487	20.13	12948487	0	12948487	20.13	0.00
(e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	**12948487**	**0**	**12948487**	**20.13**	**12948487**	**0**	**12948487**	**20.13**	**0.00**
(2) Foreign									
(a) Non Resident Individuals	13555	0	13555	0.02	13555	0	13555	0.02	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)	**13555**	**0**	**13555**	**0.02**	**13555**	**0**	**13555**	**0.02**	**0.00**
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**12962042**	**0**	**12962042**	**20.15**	**12962042**	**0**	**12962042**	**20.15**	**0.00**
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Fund	3892	64167	68059	0.11	3892	62567	66459	0.10	0.00
(b) Banks/Financial Institutions	25972	16292	42264	0.07	25972	16267	42239	0.07	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	3079434	560	3079994	4.78	3079434	560	3079994	4.78	0.00
(g) Foreign Institutional Investors	0	3000	3000	0.00	0	0	0	0	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)	**3109298**	**84019**	**3193317**	**4.96**	**3109298**	**79394**	**3188692**	**4.96**	**-0.01**
(2) Non Institutions									
(a) Bodies Corporate									
i) Indian	3682491	53926	3736417	5.81	4879643	35318	4914961	7.64	1.83
ii) Overseas	0	25000000	25000000	38.86	0	25000000	25000000	38.86	0.00
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	10638504	2007461	12645965	19.66	9861070	1614931	11476001	17.84	-1.82
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6369772	0	6369772	9.90	5975928	0	5975928	9.29	-0.61
(c) Others (specify)									
Non resident individuals	408050	11362	419412	0.65	400158	9721	409879	0.64	-0.01
Foreign Nationals	2016	0	2016	0.00	2091	0	2091	0.00	0.00
IEPF	0	0	0	0.00	399347	0	399347	0.62	0.62
Sub-Total (B)(2)	**21100833**	**27072749**	**48173582**	**74.89**	**21518237**	**26659970**	**48178207**	**74.89**	**0.01**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**24210131**	**27156768**	**51366899**	**79.85**	**24627535**	**26739364**	**51366899**	**79.85**	**0.00**

Category of Shareholders		No. of Shares held. at the beginning of the year (1.04.2017)				No. of Shares. held at the end of the year (31.03.2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	37172173	27156768	64328941	100.00	37589577	26739364	64328941	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	No. of Shares held at the beginning of the year (1.04.2017)			No. of Shares held at the end of the year (31.03.2018)			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1.	Stanrose Mafatlal Investments And Finance Limited	12404487	19.28	0.00	12404487	19.28	0.00	0.00
2.	Shanudeep Private Limited	500000	0.78	0.00	500000	0.78	0.00	0.00
3.	Shri Pradeep Rasesh Mafatlal	13555	0.02	0.00	13555	0.02	0.00	0.00
4.	Sheiladeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
5.	Vinadeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
6.	Gagalbhai Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
7.	Pradeep Investments Private Limited	11000	0.02	0.00	11000	0.02	0.00	0.00
	TOTAL	**12962042**	**20.15**	**0.00**	**12962042**	**20.15**	**0.00**	**0.00**

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

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2017)		Remarks	Shareholding at the end of the year (31.03.2018)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
NO CHANGE						

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2017)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2018)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Satin Limited	25000000	38.86	—	—	25000000	38.86
2.	Tushad K. Cooper	1436199	2.23	764640	Transfer	671559	1.04
3.	Life Insurance Corporation of India	1311631	2.04	—	—	1311631	2.04
4.	Internation Financial Services Ltd.	1127900	1.75	35617	Transfer	1163517	1.81
5.	The Oriental Insurance Company Limited	1113472	1.73	—	—	1113472	1.73
6.	The New India Assurance Company Limited	529316	0.82	—	—	529316	0.82
7.	Atrun Fiscal Private Limited	1000	0.15	421382	Transfer	422382	0.66
8.	G. Shankar	121490	0.19	185610	Transfer	307100	0.48
9.	Trishakti Power Holdings Pvt ltd	0.00	0.00	300000	Transfer	300000	0.47
10.	Nanubhai Premjibhai Bambharolia	247427	0.38	—	—	247427	0.38

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2017)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2018)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Shri P. R. Mafatlal	13555	0.02	—	—	13555	0.02
2.	Shri M. L. Apte	1735	0.00	—	—	1735	0.00
3.	Shri K. J. Pardiwalla	—	—	—	—	—	—
4.	Smt. Divya P. Mafatlal	—	—	—	—	—	—
5.	Shri D. H. Parekh	—	—	—	—	—	—
6.	Shri Shobhan Diwanji	—	—	—	—	—	—
7.	Smt. T. B. Panthaki	1175	0.00	2000	Purchase	3175	0.00
8.	Shri J. R. Shah	300	0.00	—	—	300	0.00

V. INDEBTEDNESS

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1867.91	—	—	1867.91
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	30.58	—	—	30.58
Total (i+ii+iii)	1898.49	—	—	1898.49
Change in Indebtedness during the financial year				
• Addition	10994.99	—	—	10994.99
• Reduction	1898.49	—	—	1898.49
Net Change	9096.50	—	—	9096.50
Indebtedness at the end of the financial year				
(i) Principal Amount	10823.01	—	—	10823.01
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	171.98	—	—	171.98
Total (i+ii+iii)	10994.99	—	—	10994.99

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Shri D. H. Parekh	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	28,00,000	28,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	7,98,156	7,98,156
	(c) Profits in lieu of salary under Section 17(3) of the Income tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission — as % of profit — others	—	—
5.	Others	—	—
	Total (A)	35,98,156	35,98,156
	Ceiling as per Act	The remuneration is as per Schedule V of the Companies Act, 2013.	

B. Remuneration to other Directors:

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Shri M. L. Apte	Shri Shobhan Diwanji	Shri K. J. Pardiwalla	
1.	Independent Directors				
	• Fee for attending board committee meetings	2.00	0.80	2.80	5.60
	• Commission	—	—	—	—
	• Others, please specify	—	—	—	—
	Total (1)	2.00	0.80	2.80	5.60
		Shri P. R. Mafatlal	Smt. D. P. Mafatlal		
2.	Other Non-Executive Directors				
	• Fee for attending board committee meetings	1.60	1.00		2.60
	• Commission	—	—		—
	• Others, please specify	—	—		—
	Total (2)	1.60	1.00		2.60
	Total (B)=(1+2)				8.20
	Total Managerial Remuneration				
	Overall ceiling as per the Act				

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

(₹ in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Smt T. B. Panthaki Vice President (Legal) & Company Secretary	Shri J. R. Shah Chief Financial Officer	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	10,71,637	8,22,250	18,93,887
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	32,400	—	32,400
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission — as % of profit — others	— —	— —	— —
5.	Others	—	—	—
	Total (A)	11,04,037	8,22,250	19,26,287
	Ceiling as per Act			

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any
A. Company					
Penalty Punishment Compounding			NONE		
B. Directors					
Penalty Punishment Compounding			NONE		
C. Other Officers in Default					
Penalty Punishment Compounding			NONE		

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 29th May, 2018.

ANNEXURE B TO THE DIRECTORS' REPORT

POLICY ON DIRECTORS APPOINTMENT & REMUNERATION

Nomination & Remuneration Policy

The Remuneration Committee of Standard Industries Limited ("the Company") was constituted on 9th December, 2002. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board on May 13, 2014 renamed the "Remuneration Committee" as "Nomination and Remuneration Committee".

OBJECTIVE

The Nomination and Remuneration Committee and this Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 under the Securities & Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulation, 2015.

The Key Objectives of the Committee would be:

a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

b) to evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

DEFINITIONS

(a) Key Managerial Personnel: Key Managerial Personnel means—

i. Chief Executive Officer or the Managing Director or the Manager;

ii. Company Secretary,

iii. Chief Financial Officer; and

iv. Such other officer as may be prescribed.

(b) Senior Management: Senior Management means personnel of the Company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

ROLE OF COMMITTEE

The role of the Committee inter alia will be the following:

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

b) to recommend to the Board the appointment and removal of Senior Management

c) to carry out evaluation of Director's performance and recommend to the Board appointment/removal based on his/her performance.

d) to recommend to the Board on (i) policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management and (ii) Executive Directors remuneration and incentive.

e) to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract;

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

g) to devise a policy on Board diversity;

h) to develop a succession plan for the Board and to regularly review the plan;

MEMBERSHIP

a) The Committee shall consist of a minimum 3 Non-Executive Directors, majority of them being independent.

b) Minimum two (2) members shall constitute a quorum for the Committee meeting.

c) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN

a) Chairman of the Committee shall be an Independent Director.

b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction & training programme in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Companies Act, 2013;
- Identifying and recommending Directors who are to be put forward for retirement by rotation.
- Determining the appropriate size, diversity and composition of the Board;
- Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board.
- Considering any other matters as may be requested by the Board.

REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate with regard to the remuneration of the members of the Board.
- to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- to delegate any of its powers to one or more of its members or the Secretary of the Committee
- to consider any other matters as may be requested by the Board;

MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

Approved & adopted by the Board of Directors at their meeting held on May 13, 2014.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 29th May, 2018.

ANNEXURE C TO THE DIRECTORS' REPORT

FORM NO. AOC – 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1.	**Details of contracts or arrangements or transactions not at arm's length basis: N. A.**		
2.	**Details of contracts or arrangements or transactions at arm's length basis:**		
	(a)	Name(s) of the related party and nature of relationship	Shanudeep Private Limited is the promoter of the Company. It holds 0.78% shares in the Company. The Chairman of the Company is also the shareholder and Chairman of Shanudeep Private Limited. His wife Smt. Divya P. Mafatlal, Director of the Company is also a Director of Shanudeep Private Limited. His mother, Smt. Pravina R. Mafatlal is also a Director and shareholder of Shanudeep Private Limited.
	(b)	Nature of contracts/arrangements/ transactions	(i) Use of office premises on Leave and Licence (ii) Availing facilities and amenities
	(c)	Duration of the contracts/arrangements/ transactions	(i) From 19th August, 2015 to 18th August, 2016 From 19th August, 2016 to 18th August, 2019 (ii) From 21st August, 2013 to 20th August, 2016 From 21st August, 2016 to 20th August, 2019
	(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 4500 sq. ft. at 1st Floor and 4500 sq. ft. at 3rd Floor of Vijyalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai 400026 on leave and licence basis at licence fees of ₹ 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses. (ii) Availing Facilities and Services at the aforesaid premises by paying ₹ 10,89,000/- p.m. as service charges excluding applicable taxes, levies and sharing of common expenses.
	(e)	Date(s) of approval by the Board, if any:	(i) 29th May, 2015 and 27th April, 2016 (ii) 21st May, 2013 and 27th April, 2016
	(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 29th May, 2018.

ANNEXURE D TO THE DIRECTORS' REPORT

DETAILS FOR BOARD REPORT

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

A. Ratio of remuneration of each Director to the Median remuneration of all the employees of your Company for the financial year 2017-18 is as follow:

Name of the Director	Total Remuneration (₹)	Ratio of remuneration of Director to the median remuneration
D. H. Parekh	35,98,156	4.60

Notes:
1. The Information provided above is on standalone basis.
2. The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.
3. Median remuneration of the Company for all its employees is 7,82,686/- for the financial year 2017-18.

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2017-18:

Name	**Designation**	**Remuneration (in ₹)**		**Increase %**
		2017-2018	*2016-2017*	
D. H. Parekh	Executive Director	**35,98,156**	*29,66,512*	21.29*
Tanaz B. Panthaki	VP (Legal) & Company Secretary	**11,04,037**	*11,33,138*	—
Jayantkumar R. Shah	Chief Financial Officer	**8,22,250**	*7,12,666*	15.38*

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

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

C. Percentage increase in the median remuneration of all employees in the financial year 2017-18:

Particulars	**2017-18 (₹)**	*2016-17 (₹)*	Increase %
Median remuneration of all employees per annum	**7,82,686**	*7,16,144*	8.5

D. Number of permanent employees on the rolls of the Company as on 31st March, 2018:

Particulars	**Number of employees**
Executive/Manager Cadre	10
Staff	2
Total	12

E. Comparison of average % increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

(Amount in ₹)

Particulars	**2017-2018**	*2016-17*	Increase %
Average salary of all employees	**6,98,578**	*7,28,876*	—
Key Managerial Personnel:			
Salary of Executive Director	**35,98,156**	*29,66,512*	21.29*
Salary of VP (Legal) & CS & CFO	**19,26,287**	*18,45,804*	4.36*

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

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

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 29th May, 2018.

ANNEXURE E TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2018

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

To,
The Members,
Standard Industries Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Standard Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

   e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

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

We further report that, there were no actions/events in pursuance of:

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

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

requiring compliance thereof by the Company during the financial year.

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

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

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

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

We further report that the Board of Directors of the Company is constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

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

For Nishant Jawasa & Associates
Company Secretaries

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

Place: Mumbai
Dated: 29th May, 2018

Annexure A

To,
The Members,
Standard Industries Limited

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

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

For Nishant Jawasa & Associates
Company Secretaries

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

Place: Mumbai
Dated: 29th May, 2018

CORPORATE GOVERNANCE

INTRODUCTION

Company's Philosophy on Corporate Governance

Your Company has been practicing principles of good Corporate Governance over the years and has been applying fair and ethical business and corporate practices and transparency in its dealings, laying emphasis on timely regulatory compliance.

The Company continuously endeavours to review, strengthen and upgrade its systems and processes so as to bring in transparency and efficiency in its business dealings.

I. BOARD OF DIRECTORS

A. Composition and category of Directors is as follows:

Name of Directors	Category Executive/ Non-Executive/ Independent	No. of Board Meetings attended during 2017-2018	Whether attended AGM held on 31st August, 2017	No. of other Directorships and Committee Memberships	
				Other Directorships (including Private Companies)	Other Committee Memberships**
Shri Pradeep R. Mafatlal Chairman	Promoter Non-Executive	4	No	10 *	1
Shri M. L. Apte	Non-Executive & Independent	4	No	6	8(1)
Shri K. J. Pardiwalla	Non-Executive & Independent	4	Yes	4	2(2)
Smt. Divya P. Mafatlal	Promoter Non-Executive	4	No	6	—
Shri D. H. Parekh	Executive Director	4	Yes	5	—
Shri Shobhan Diwanji	Non-Executive & Independent	3	No	1	1

* Including Foreign Companies.

** Figure in brackets indicate Committee Chairmanships.

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

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

B. Number of Board Meetings held and dates on which such Meetings were held.

Four Board Meetings were held during the Financial Year from 1st April, 2017 to 31st March, 2018. The dates of such Board Meetings are 16.05.2017, 29.08.2017, 08.12.2017 and 12.02.2018.

II. AUDIT COMMITTEE

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

Shri K. J. Pardiwalla	..	Chairman
Shri M. L. Apte	..	Member
Shri D. H. Parekh	..	Member

The Vice President (Legal) & Company Secretary acts as a Secretary to the Committee. Shri P. R. Mafatlal, Chairman, Shri Jayantkumar R. Shah, CFO, the Statutory Auditors and Internal Auditor attend the Meetings on invitation from the Chairman of the Committee.

The terms of reference of the Audit Committee are in accordance with the provisions of Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 inter alia includes the following:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

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

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

d) Reviewing and examining, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

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

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

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

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

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

   f. Disclosure of any related party transactions

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

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

f) Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

During the Financial Year ended 31st March, 2018 the Audit Committee met four times, viz. on 16.05.2017, 29.08.2017, 08.12.2017 and 12.02.2018. Attendance during the Financial Year is as under:

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

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

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

The Stakeholders' Relationship Committee deals with matters relating to shareholders/investors grievances viz. non-receipt of Annual Reports, non-receipt of declared Dividend and its redressal, etc.

During the Financial Year ended 31st March, 2018, the aforesaid Committee met four times, viz. on 16.05.2017, 29.08.2017, 08.12.2017 and 12.02.2018.

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

Name and designation of the Compliance Officer	:	Smt. T. B. Panthaki, Vice President (Legal) & Company Secretary.
Number of Shareholders' Complaints received during the financial year 1st April, 2017 to 31st March, 2018.	:	6
Number of complaints not resolved to the satisfaction of shareholders.	:	2
Number of pending share Transfers/complaints	:	2

Prohibition of Insider Trading

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015.

IV. NOMINATION & REMUNERATION COMMITTEE

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

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

The powers, role and terms of reference of the Nomination & Remuneration Committee covers the areas as contemplated under Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors. The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; devising a policy on Board diversity; and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down; and recommend to the Board their appointment and removal.

The aforesaid Committee met once during the Financial Year from 1st April, 2017 to 31st March, 2018, viz. on 16.05.2017.

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	1
Shri M. L. Apte,	1
Shri Shobhan Diwanji	—
Smt. Divya P. Mafatlal	1

Remuneration Policy

Payment of remuneration to the Executive Director is as per the terms of his appointment. The terms of his appointment were approved by the Nomination & Remuneration Committee, the Board and the shareholders in the year 2017. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity.

The Nomination and Remuneration Policy as approved by the Board of Directors is annexed as Annexure B to the Directors' Report.

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

(₹ in lakhs)

	Salary	Perquisites	Contributions*	Total
Shri D. H. Parekh	29.13	5.52	7.42	42.07

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

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, based on recommendations of the Nomination and Remuneration Committee, has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders' Relationship Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance at the meetings, professional conduct, participation and contribution, independence of judgment safeguarding the interest of the Company and its stakeholders including minority shareholder, etc. Performance evaluation of Executive Director was carried out on parameters such as contribution towards strategic planning, compliance and governance, rewards and recognition, leadership, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

V. INDEPENDENT DIRECTORS' COMMITTEE

The Independent Directors' Committee comprises the following Directors:

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

The Independent Directors met once during the financial year viz. on 12th February, 2018, inter-alia, to consider:

– the performance of Non-Independent Directors and the Board as a whole.

– the performance of the Chairman of the Company.

– assessing the quality, quantity and timeliness of flow of information.

The weblink where details of Familiarization programmes are imparted to Independent Directors is http://www.standardindustries.co/pdf/FamiliarizationProgrammeforIndependentDirectors.pdf

VI. INVESTMENT COMMITTEE

The Investment Committee comprises the following two Directors:

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

The Committee met four times during the Financial Year, viz. on 16.05.2017, 29.08.2017, 08.12.2017 and 12.02.2018.

The Investment Committee is vested with powers to invest an amount not exceeding ₹300 Crores from the excess funds available with the Company in Initial Public Offers (IPOs), purchase of shares from Secondary Markets, Mutual Funds/Fixed Deposits with various Banks, etc. The said Committee has been formed under the provisions of Section 179(3) of the Companies Act, 2013.

VII. RISK ASSESSMENT POLICY

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

VIII. CODE OF CONDUCT

The Board of Directors have adopted the Code of Conduct for the Directors as also for the Members of Senior Management. The said Code has been communicated to all the Directors and Members of the Senior Management and they have affirmed their compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Executive Director of the Company, forms part of this Report.

A copy of the Code has been put on the Company's website www.standardindustries.co

IX. DIRECTORS' REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED 31st MARCH, 2018.

Name of the Directors	Remuneration paid during April, 2017 to March, 2018			
	Sitting Fees ₹	Salary & Perks ₹	Total ₹	No. of shares held as on 31.03.2018
ShriPradeep R. Mafatlal, Chairman	160000	—	160000	13555
Shri M. L. Apte	200000	—	200000	1735
Shri K. J. Pardiwalla	280000	—	280000	—
Smt. Divya P. Mafatlal	100000	—	100000	—
Shri D. H. Parekh, Executive Director	—	4206962*	4206962*	—
Shri Shobhan Diwanji	80000	—	80000	—
TOTAL	820000	4206962	5026962	—

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

The Company does not pay any remuneration to its Non-Executive Directors, apart from Sitting Fees paid to them for the Board Meetings and Committee Meetings attended by them during the year.

No fixed component and performance linked incentives have been paid or is payable to Directors for the year under review.

The tenure of appointment of the Executive Director is for a period of 3 years ending 1st August, 2020. Either party is entitled to terminate the appointment by giving 3 months' Notice from either side or by giving him 3 months' salary in lieu of Notice.

X. SHAREHOLDERS' INFORMATION

(a) Location and time where the last 3 AGM/EGM were held:

Year	AGM	Location	Date and Time
2016-2017	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	31.08.2017 at 3.00 p.m.
2015-2016	AGM	----do----	27.06.2016 at 3.00 p.m.
2014-2015	AGM	----do----	29.09.2015 at 3.00 p.m.

(b) Whether any Special Resolutions were passed in the previous 3 Annual General Meetings:

Year	Special Resolutions
2016-2017	Approval of making loan, investments or giving guarantee uto ₹ 300 crores Reappointment of Shri D. H. Parekh as Executive Director.
2015-2016	Approval u/s 180 of the Companies Act, 2013 for borrowing upto ₹ 300 crores & for creating charges, mortgages and hypothecations in connection with the borrowings upto ₹ 300 crores.
2014-2015	Approval of material related party transactions with Shanudeep Private Limited

(c) Whether any Special Resolutions were put through postal ballot last year, details of voting pattern:

No Special Resolution was put through postal Ballot during the year under review. As of date, the Company does not have any proposal for postal ballot.

XI. DISCLOSURES

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

None of the transactions with any of the related parties were in conflict with the interest of the Company.

Transactions with the related parties are disclosed in Note No. 37 to the 'Notes on Accounts' annexed to the Financial Statements for the year under review.

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

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

None

(c) Whistle Blower Policy

The Company has formulated a Vigil Mechanism/Whistle Blower Policy with a view to provide a mechanism for Directors and employees to approach the Audit Committee or any member of Audit Committee. During the year under review no employee was denied access to the Audit Committee.

(d) The Company has complied with all the mandatory requirements as prescribed in Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following discretionary requirements have been adopted by the Company:

(a) Auditor's Report does not contain any qualifications.

(b) The Company has appointed separate persons to the posts of Chairman and Executive Director.

(c) The Internal Auditors report directly to the Audit Committee.

(e) The policy for determining 'Material' subsidiaries is available on weblink http://standardindustries.co/pdf/PolicyfordeterminingMaterialSubsidiaries.pdf

XII. MEANS OF COMMUNICATION

The Board of Directors of the Company approves and takes on record the Unaudited Quarterly Results and Audited Annual Results in the proforma prescribed by the Stock Exchanges and announces forthwith the results to all the Stock Exchanges where the shares of the Company are listed. The same are published within 48 hours in Free Press Journal (Mumbai edition) and Nav Shakti (Mumbai edition) and are also uploaded on the Company's website www.standardindustries.co

The Management Discussion and Analysis Report forms part of the Annual Report.

XIII. GENERAL SHAREHOLDERS' INFORMATION

1. **Company Registration Details**

The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA)is L17110MH1892PLC000089.

2. **Annual General Meeting**

Date & Time	:	20th August, 2018 at 3.00 p.m.
Venue	:	The Park Navi Mumbai, Plot No.1, Sector 10, CBD Belapur, Navi Mumbai - 400 614

3. **Financial Calendar (tentative)**

Financial Reporting for the Quarter ended 30th June, 2018.	:	Mid August, 2018.
Financial Reporting for the Quarter ended 30th September, 2018.	:	Mid November, 2018.
Financial Reporting for the Quarter ended 31st December, 2018.	:	Mid February, 2019.
Financial Reporting for the Year ending 31st March, 2019.	:	End May, 2019.
Annual General Meeting for the year ending 31st March, 2019.	:	August/September, 2019.

4. **Book Closure Date** : 6th August, 2018 to 20th August, 2018 (both days inclusive)

5. **Dividend Payment Date** : 10th September, 2018

6. **Listing of Equity Shares on the Stock Exchanges** :
   1. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai-400 023.
   2. National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.

The Company has paid Listing Fees to the above Stock Exchanges upto 31st March, 2019.

7. **Stock Code**

	Stock Exchange	Stock Code
(a)	1. BSE Limited, P. J. Towers, Dalal Street, Fort, Mumbai – 400 023.	530017
	2. National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	SIL
(b)	Demat ISIN Numbers in NSDL & CDSL for Equity Shares.	INE 173A01025

8. **Stock Market Data** : Please see Annexure "1"

9. **Stock performance** : Please see Annexure "2"

10. **Registrar & Share Transfer Agents (R & STA)** : Corporate Office:
M/s. Karvy Computershare Private Limited,
Karvy Selenium Tower B,
Plot 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.
Tel. No. +91 40 6716 2222
Fax No. +91 40 2342 0814
Email: einward.ris@karvy.com
Mumbai Front Office:
M/s. Karvy Computershare Private Limited
24-B, Raja Bahadur Mansion,
Ground Floor, Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai - 400 023.
Tel.No.+91 22 6623 5454
+91 22 6623 5412
+91 22 6623 5427

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

11. **Share Transfer System** : Shares sent for transfer in physical form are registered by the Registrar & Share Transfer Agents M/s. Karvy Computershare Private Limited and are transferred within 15 days from the date of receipt, if documents are in order in all respects. Shares under objections are returned within 15 days of the receipt.

12. **Requirement of PAN for transfer of shares, etc. in physical form** In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferor(s) & transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.

13. **Distribution of Shareholdings as on 31st March, 2018:**

No. of Equity Shares held	No. of Share-holders	No. of Shares held	% Share-holding
1 to 5000	28854	83,86,357	13.04
5001 to 10000	284	20,95,074	3.26
10001 to 20000	150	20,75,397	3.23
20001 to 30000	52	1266659	1.97
30001 to 40000	19	684423	1.06
40001 to 50000	16	731893	1.14
50001 to 100000	28	1992863	3.10
100001 & above	31	47096275	73.20
TOTAL	29434	64,328,941	100.00

14. **Categories of Shareholding as on 31st March, 2018.**

Categories	No. of Share-Holders	No. of Shares held	% Share-holding
Promoters/ Group Companies	7	1,29,62,042	20.15
Public/Pvt. Limited Companies	315	3570712	5.55
Insurance Companies	8	30,79,994	4.79
Public Financial Institutions/Banks	26	1210678	1.89
Mutual Funds/UTI	11	66459	0.10
Foreign Institutional holding	—	—	—
NRIs/OCBs	200	25411970	39.50
Resident Individuals	28859	17467170	27.15
IEPF	1	399347	0.62
Trust	7	160569	0.25
TOTAL	29434	6,43,28,941	100.00

15. **Dematerialisation of shares and liquidity:**

    58.43% of the total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2018. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 8th May, 2000, as per notification issued by the Securities and Exchange Board of India (SEBI). All shares held by Promoters/Promoter Group Companies have been dematerialised.

16. **Plant Location:**

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

17. **Address for Correspondence**

    i. **Investor correspondence of transfer/ dematerialisation of shares and any other query relating to shares of the Company:**
    For Shares held in Physical Form

    Corporate Office:

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

    Mumbai Front Office:

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

    For Shares held in Dematerialised Form
    To the Depository Participant

    ii. **Any query on Annual Report:**
    Standard Industries Limited,
    Secretarial Department,
    Plot No. 4, TTC Industrial Area,
    Thane Belapur Road,
    P. O. Millenium Business Park,
    Navi Mumbai-400 710.
    Tel. No. : +91 2261391210, 61391213
    Fax: No. : +91 22 2778 0175
    E-mail ID : standardgrievances@rediffmail.com

18. **Green Initiative**

    As part of the Green Initiative in Corporate Governance and as permitted by the Companies Act, 2013, listed companies are allowed to send Notice and Financial Statements through electronic mode. In view of the above and as part of the Company's Green Initiative, we propose to send documents like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by you.

    To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with M/s. Karvy Computershare Private Limited, at their Corporate Office, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032.

ANNEXURE – "1"

Month	Month's High Price		Month's Low Price		No. of Shares Traded		Value ₹ (in lakhs)	
	BSE	NSE	BSE	NSE	BSE	NSE	BSE	NSE
Apr-17	25.80	25.50	21.80	22.00	315553	311316	73.99	73.40
May-17	27.45	27.40	23.00	23.05	487384	660424	121.81	164.12
Jun-17	24.55	24.70	22.45	22.10	296785	253342	69.86	59.45
Jul-17	26.00	25.95	22.65	22.70	508583	482268	122.36	115.84
Aug-17	25.00	24.80	22.15	22.00	396774	361459	92.53	84.03
Sep-17	27.30	27.45	22.00	22.05	462683	941402	113.77	237.44
Oct-17	29.25	29.30	22.10	22.50	1091706	883149	288.72	241.31
Nov-17	28.85	28.65	24.00	24.10	412984	721244	109.14	197.65
Dec-17	27.50	27.50	24.00	23.85	322780	494909	83.65	126.69
Jan-18	27.75	28.50	22.15	22.00	482096	785080	123.56	199.75
Feb-18	23.40	23.60	20.70	20.50	151293	154243	33.66	33.99
Mar-18	23.10	23.10	20.65	20.25	74609	444173	16.42	95.39

ANNEXURE – "2"

SHARE PRICE PERFORMANCE IN COMPARISON TO BROAD BASED INDICES – BSE SENSEX AND NSE NIFTY

(a) SIL share price performance relative to BSE Sensex based on share price on 31st March, 2018.

Period	Share price	Sensex	Relative to Sensex
01.04.2017 to 31.03.2018	-5.91	+10.86	-16.77

(b) SIL share price performance relative to NSE Nifty based on share price on 31st March, 2018.

Period	Share price	Nifty	Relative to Nifty
01.04.2017 to 31.03.2018	-9.21	+9.69	-18.90

DECLARATION OF COMPLIANCE TO THE CODE OF CONDUCT BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

To

The Directors,
Standard Industries Limited.

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Executive Director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors.

I confirm that the Company has in respect of the financial year ended 31st March, 2018, received from the senior management team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

D. H. PAREKH
Executive Director

Mumbai
Dated: 29th May, 2018

Independent Auditors Certificate on Corporate Governance to the Members of Standard Industries Limited

1. This certificate is issued in accordance with the terms of our engagement with Standard Industries Limited.

2. We, S H R & CO, Chartered Accountants, the Statutory Auditors of Standard Industries Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2018, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2018.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Restriction on use

10. This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For SHR & Co.
Chartered Accountants
(Firm's Registration No. 120491W)

Deep N Shroff
Partner
(Membership No. 122592)
Mumbai
Dated: 29th May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

TEXTILE TRADING DIVISION & OUTLOOK

For the Financial Year under review viz., April, 2017 to March, 2018, the Company has achieved a Textile Trading turnover of ₹ 999.42 lakhs in comparison with ₹ 717.19 lakhs for the previous Financial Year.

During the Financial Year, in spite of unfavourable circumstances, such as, after effect of demonetization, implementation of GST on Textile Goods, etc., the Company has achieved a higher turnover of more than 39% compared to the previous year.

In the past, Textile fabric was not subject to any tax such as VAT/Sales Tax, etc. The Industry was burdened by GST of 5% for the majority of textile fabrics. Inspite of this adverse situation, the Company has achieved better turnover.

In addition to our regular product range such as PV Suiting, Uniform Suiting and Shirting, 100% Cotton Poplin, Lawn, Dhoti, we have added combo packing in case of ready to stich segment. All these products have added to our sales growth.

REAL ESTATE DIVISION & OUTLOOK

The Standard Mills Company Limited was incorporated in India in the year 1892 under the Indian Companies Act, 1882. In line with the diverse nature of its business, it had changed its name from The Standard Mills Company Limited to Standard Industries Limited, ('the Company') in October 1989. The Company also has a Real Estate Division which comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

The Company has entered into an Agreement to assign TDR dated 18th May, 2017, to transfer and assign Development Rights Certificate ("DRC") to be issued by MCGM for TDR on surrender of Reserved Land bearing C.S.No. 211 of Parel Sewree Division admeasuring about 5,413.92 sq. mtrs. (less encroached area of approximately 1000 sq. mtrs.) or such area as may be ascertained by MCGM on actual measurement at site, at or for the consideration of ₹ 41.50 Crores subject to the terms and conditions therein mentioned. This transfer, assignment and consideration will depend on grant of quantum of DRC and on the other terms and conditions specified in the aforesaid Agreement.

INDUSTRY OVERVIEW

The Textile Industry is facing tough times due to adverse market scenario in domestic markets. More than 70% of the textile industry is controlled by the decentralized sector. Implementation of GST, general inflationary trends, after effects of demonetization & introduction of E Way Bill have adversely affected the Industry.

Industry observers say that the property markets have reached stagnation points and that transactions have come to a practical standstill.

Strengths:

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

Our main strength is our Brand name and this has given us growth in our turnover. We have introduced uniform fabric range which is well accepted in the market. We have also introduced "Ready to Stich" Combo Packs which have given a positive thrust towards our growth. We believe there is a general tendency to shift from unbranded fabrics to branded ones and the Company is surely deriving benefits of the same. Our focus remains on value added products and new product development to cater to the niche segment of the market.

The Company has its presence in Navi Mumbai area since 5 decades which is fast developing. There is rapid urbanization and the Company enjoys historical low cost of land. Real estate division of Company comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

Weakness:

As textile trade is opening up, more imported fabric from China and other developing countries like, Bangladesh, Sri Lanka, etc., is a threat to the domestic market.

The Company is more into Blended Fabric Business (Poly viscose and Poly cotton) and as petroleum products is one of its ingredients, increase in petrol prices are likely to affect synthetic yarn prices which may result in higher costing. Our market is also adversely affected by higher rate of inflation which has resulted in increased costing and narrowing the profit margin. Although the effect of demonitisation is fading out, the overall business has been affected due to this. The implementation of GST and introduction of E Way Bill has further dampened the Industry.

The property market has taken a severe hit when demonetization was announced on 8th November, 2016. MIDC is the lessor of the leasehold land held by the Company in Navi Mumbai. MIDC has stringent policies with regard to development of land, huge transfer charges and premium for the same.

OPPORTUNITIES & CHALLENGES

Due to the introduction of GST and E Way Bill, lots of decentralized trade will not be able to sustain the competition and the Company expects to benefit in the long run. Further the Company hugely benefits from the Company's Brand name. By introducing more value added fabric and new product line, the Company's performance in textile trading will be enhanced.

The Company firmly believes that the demand for property, in a country like India should remain robust in the medium to long term. However liquidity problems due to demonetization have caused delays in execution of Property transactions.

1. SEGMENT-WISE PERFORMANCE

Segment-wise performance together with discussion on financial performance with reference to the operational performance has been dealt with in the Directors' Report which should be treated as forming part of the Management Discussion and Analysis.

2. INTERNAL CONTROL SYSTEMS & ADEQUACIES

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use on disposition and transactions are authorized, recorded and reported correctly.

Internal control systems are supplemented by Internal Audit Reviews, coupled with guidelines and procedures updated from time to time by the Management.

Internal control systems are established to ensure that the financial and other records are reliable for preparing financial statements.

Internal Audit System is engaged in evaluation of internal control systems. Internal audit findings and recommendations are reviewed by the Management and Audit Committee of the Board of Directors.

3. HUMAN RESOURCES

As on 31st March, 2018, the employees' strength (on permanent roll) of the Company was 12.

INDEPENDENT AUDITOR'S REPORT

TO

THE MEMBERS OF STANDARD INDUSTRIES LIMITED

Report on the Financial Statements

We have audited the accompanying standalone Ind AS financial statements of **Standard Industries Limited** ("the Company"), which comprise of the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards referred in under Section 133 of the Act. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Ind AS financial statements based on our audit.

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

We conducted our audit of the standalone Ind AS financial statements 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements, read together with notes to the accounts thereon, 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 of the state of affairs of the Company as at March 31, 2018 and its profit, total comprehensive income, the changes in the equity and its cash flows for the year ended on that date.

Emphasis of Matter

(a) Attention is invited to note No 42 with respect to profit of ₹ 3503.13 lakhs recognised during the current financial year for assignment of Transferable Developments rights entitlement, pending certain formalities for its ultimate assignment.

(b) We draw attention to Note 43 to the Financial Statement regarding Company's equity investment of ₹ 5,969.82 lakhs in Standard Salt Works Limited, a wholly owned subsidiary company. The Company considers no provision for any loss is currently necessary in the financial statements for the reason stated in the note.

Our opinion is not modified in respect of this matter.

Other Matter

The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in this standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by Deloitte Haskins & Sells LLP, on which they expressed an unmodified opinion dated May 16, 2017 and April 27, 2016 respectively which has been accepted by us. The adjustments to those financial statements for the differences in the accounting principles adopted by the Company on transition to Ind AS have been audited by us.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
   (a) we sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   (d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015.
   (e) on the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"**; and
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements as referred to in Note 38 to the standalone Ind AS financial statements.
      (ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592

Mumbai,

Dated: May 29, 2018

ANNEXURE A TO THE AUDITORS' REPORT

The annexure referred to in Paragraph 1 Of Our Report on Other Legal and Regulatory Requirements section of our report of Even Date On the Standalone Financial Statements For The Year Ended March 31, 2018 Of Standard Industries Limited, we report that:

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

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

(b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

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

(ii) In respect of Inventories:

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

(iii) In respect of Granting of Loan:

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

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

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

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

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

(vii) In respect of Statutory dues:

(a) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as mentioned above as at March 31, 2018 for a period of more than six months from the date they became payable.

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

Name of Statute	Nature of the Dues	Financial Year	Forum where matter is pending	Amount (₹ in Lakhs)
Income Tax Act, 1961	Income Tax	2008-2009 to 2009-2010	Income Tax Appellate Tribunal	166.17
Central Excise Act, 1944	Excise Duty	1996 – 1997 to 1998 - 1999	Commissioner of Central Excise	106.93
		1995 – 1996 to 1997 - 1998	High Court of Bombay	129.37
		1981 - 1982 to 1983 – 1984, 1983 – 1984 to 1987 – 1988, 1994 – 1995 & 1996 – 1997 to 1999 - 2000	Central Excise and Service Tax Appellate Tribunal	165.21
		1996 – 1997 to 1997 - 1998	Assistant/ Deputy Commissioner of Central Excise	118.81

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

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

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

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

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

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

(xiv) According to the information and explanations 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.

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

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

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592

Mumbai,
Dated: May 29, 2018

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

1. We have audited the internal financial controls over financial reporting of **Standard Industries Limited** (the "Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind As financial statements for the year ended on that date.

2. **Management's Responsibility for Internal Financial Controls**

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

3. **Auditors' Responsibility**

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

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

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

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

4. **Meaning of Internal Financial Controls over Financial Reporting**

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

5. **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

6. **Opinion**

   In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592

Mumbai,
Dated: May 29, 2018

BALANCE SHEET

AS AT MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Assets				
1. Non-current assets				
a. Property, plant and equipment	6	**1,334.17**	*923.53*	*968.71*
b. Capital work in progress		**—**	—	—
c. Investment property	7	**1,075.17**	*1,095.83*	*1,116.49*
d. Other intangible assets	8	**4.04**	*1.80*	*3.47*
e. Investment in subsidiaries	9	**5,974.82**	*5,974.82*	*572.08*
f. Financial assets				
i. Other investments	10	**54.06**	*58.91*	*41.21*
ii. Loans	12	**197.74**	*197.74*	*5,031.58*
iii. Other financial assets	13	**128.70**	*128.70*	*128.70*
g. Non-current tax assets (net)	14	**—**	*255.57*	*334.71*
h. Other non-current assets	15	**2,032.62**	*1,866.23*	*1,584.51*
Total non-current assets		**10,801.32**	*10,503.13*	*9,781.46*
2. Current assets				
a. Inventories	16	**25.68**	*56.84*	*65.14*
b. Property under development		**4,439.73**	*3,300.57*	*3,300.57*
c. Financial Assets				
i. Other investments	10	**9,067.10**	*1,738.42*	*1,520.77*
ii. Trade receivables	11	**3,071.46**	*116.53*	*142.80*
iii. Cash and cash equivalents	17	**836.02**	*474.71*	*441.72*
iv. Bank balances other than (iii) above	17	**46.38**	*43.63*	*39.84*
v. Other financial assets	13	**119.35**	*17.28*	*33.32*
d. Other current assets	15	**44.39**	*60.44*	*42.08*
Total current assets		**17,650.11**	*5,808.42*	*5,586.24*
Total assets		**28,451.43**	*16,311.55*	*15,367.70*
Equity and liabilities				
Equity				
a. Equity share capital	18	**3,216.45**	*3,216.45*	*3,216.45*
b. Other equity	19	**5,117.03**	*4,553.68*	*6,863.84*
Total Equity		**8,333.48**	*7,770.13*	*10,080.29*
Liabilities				
1. Non-current liabilities				
a. Financial liabilities				
i. Borrowings	20	**10,823.01**	—	*2,474.11*
b. Provisions	21	**583.66**	*583.66*	*583.66*
Total non-current liabilities		**11,406.67**	*583.66*	*3,057.77*
2. Current liabilities				
a. Financial liabilities				
i. Trade payables	22	**229.40**	*127.93*	*135.48*
ii. Other financial liabilities	23	**974.83**	*2,043.68*	*176.43*
b. Provisions	21	**111.72**	*33.10*	*32.90*
c. Other current liabilities	24	**7,395.33**	*5,753.05*	*1,884.83*
Total current liabilities		**8,711.28**	*7,957.76*	*2,229.64*
Total liabilities		**20,117.95**	*8,541.42*	*5,287.41*
Total Equity and Liabilities		**28,451.43**	*16,311.55*	*15,367.70*

See accompanying notes to the financial statements

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
I	Revenue from operations	25	**1,017.42**	735.19
II	Other Income	26	**3,882.47**	*731.02*
III	**Total Income (I + II)**		**4,899.89**	*1,466.21*
IV	**Expenses**			
	Purchases of stock-in-trade		**953.20**	*677.91*
	Changes in inventories of stock-in-trade		**31.16**	*8.30*
	Employee benefits expense	27	**174.36**	*182.56*
	Finance costs	28	**820.80**	*418.80*
	Depreciation and amortisation expense	29	**76.43**	*83.46*
	Other expenses	30	**1,361.67**	*1,838.89*
	Total expenses (IV)		**3,417.62**	*3,209.92*
V	**Profit before tax (III - IV)**		**1,482.27**	*(1,743.71)*
VI	Tax expenses			
	Current tax		**338.21**	*(14.26)*
	Deferred tax		**—**	—
			338.21	*(14.26)*
VII	**Profit for the year (V - VI)**		**1,144.06**	*(1,729.45)*
VIII	Other comprehensive income		**—**	—
IX	**Total comprehensive income for the year (VII + VIII)**		**1,144.06**	*(1,729.45)*
	Earnings per equity share	32		
	(1) Basic (in ₹)		**1.78**	*(2.69)*
	(2) Diluted (in ₹)		**1.78**	*(2.69)*

See accompanying notes to the financial statements

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Cash flows from operating activities		
Profit for the year	**1,144.06**	*(1,729.45)*
Adjustments for:		
Income tax expense recognised in profit or loss	**338.21**	*(14.26)*
Depreciation	**76.43**	*83.46*
Loss/(profit) on sale of property, plant and equipments (net)	**(1.69)**	*0.08*
Net gain/(loss) arising on financial assets designated as at FVTPL	**(251.57)**	*(111.96)*
Gain on surrender of land	**13.56**	—
Sundry credit balances written back	**(4.79)**	*(8.94)*
Dividends from equity investments	**(30.09)**	*(1.55)*
Dividend on current investments	**(64.57)**	*(60.11)*
Interest income on fixed deposits with banks	**(24.36)**	*(21.70)*
Interest income on financial assets carried at amortised cost	**—**	*(507.15)*
Interest costs on financial liabilities measured at amortised cost	**820.80**	*418.80*
	2,015.99	*(1,952.78)*
Movements in working capital:		
(Increase)/decrease in trade and other receivables	**(3,170.84)**	*235.15*
(Increase)/decrease in inventories	**31.16**	*8.30*
Increase/(decrease) in trade and other payables	**1,360.66**	*3,831.90*
Cash generated from operations	**236.97**	*2,122.57*
Income taxes paid	**(24.09)**	*147.42*
Net cash generated by operating activities	**212.88**	*2,269.99*
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	**(782.06)**	*(571.16)*
Purchase of intangibles	**(2.88)**	—
Sale of property, plant and equipments	**50.15**	*0.10*
Payment to acquire financial assets	**(13,561.87)**	*(3,408.37)*
Call money paid on partly paid-up equity shares	**—**	*(32.74)*
Proceeds from sale of financial assets	**6,489.61**	*3,285.00*
Loans and advances given to subsidiary	**—**	*(0.01)*
Dividend on investments	**94.66**	*61.66*
Balance in earmarked accounts	**(2.75)**	*(3.79)*
Interest income on fixed deposits with banks	**22.03**	*26.96*
Interest income on loan to related parties	**—**	*7.27*
Net cash (used in)/generated by investing activities	**(7,693.11)**	*(635.08)*

STATEMENT OF CASH FLOW (Contd.)

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Cash flows from financing activities		
Proceeds from borrowing	**10,928.81**	—
Repayment from borrowing	**(1,875.00)**	*(625.00)*
Processing fees paid	**(125.00)**	—
Dividend and dividend tax paid	**(577.95)**	*(576.92)*
Interest paid on borrowings	**(509.32)**	*(400.00)*
Net cash used in financing activities	**7,841.54**	*(1,601.92)*
Net increase in cash and cash equivalents	**361.31**	*32.99*
Cash and cash equivalents at the beginning of the year	**474.71**	*441.72*
Cash and cash equivalents at the end of the year	**836.02**	*474.71*

See accompanying notes to the financial statements

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

(₹ in Lakhs)

	No. of shares	Amount
Balance at April 1, 2016	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2017	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2018	**6,43,28,941**	**3,216.45**

b. Other equity

(₹ in Lakhs)

Particulars	Reserves & surplus				
	General reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Total
Balance at April 1, 2016	*1,004.00*	*2,526.90*	*12.00*	*3,320.94*	*6,863.84*
Dividend on equity shares	—	—	—	*(482.47)*	*(482.47)*
Corporate tax on dividend paid	—	—	—	*(98.24)*	*(98.24)*
Profit for the year	—	—	—	*(1,729.45)*	*(1,729.45)*
Balance at March 31, 2017	*1,004.00*	*2,526.90*	*12.00*	*1,010.78*	*4,553.68*
Transfer to retained earnings	*(204.00)*	—	—	—	*(204.00)*
Transfer from general reserve	—	—	—	*204.00*	*204.00*
Dividend on equity shares	—	—	—	*(482.47)*	*(482.47)*
Corporate tax on dividend paid	—	—	—	*(98.24)*	*(98.24)*
Profit for the year	—	—	—	*1,144.06*	*1,144.06*
Balance at March 31, 2018	**800.00**	**2,526.90**	**12.00**	**1,778.13**	**5,117.03**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

The Standard Mills Company Limited was incorporated in India in the year 1892 under the Indian Companies Act, 1882. In line with the diverse nature of its business, it had changed its name from Standard Mills Company Limited to Standard Industries Limited, (the 'Company') in October 1989. The Company is engaged in the business of trading in Textiles and Chemicals. Real Estate Division comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

2. Significant accounting policies:

2.1 Statement of Compliance

The financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the first Ind AS Standalone Financial Statements of the Company. The date of transition to Ind AS is April 1, 2016. Refer note 5 below for the details of first-time adoption exemptions availed by the Company.

2.2 Basis of preparation and presentation

2.2.1 Historical cost convention

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

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

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

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

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

2.2.2 Current non-current classification

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

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

Assets:

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Liabilities:

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

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

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

The Company's Board of Directors approves the financial statements for issue on May 29, 2018. The aforesaid financial statement have been prepared in Indian Rupee (INR) and denominated in Lakhs.

2.3 Investment in subsidiaries

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

Deemed cost on transition to Ind AS

The Company has elected to continue with the carrying value of all of its investments in subsidiaries recognised as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

2.4 Revenue Recognition

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

Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and the titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Royalties:

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

Interest and dividend income:

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.5 Leasing

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

The Company as lessor:

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

The Company as lessee:

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

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

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

2.6 Foreign currencies

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

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

2.7 Borrowing costs

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

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

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

2.8 Employee benefits

2.8.1 Retirement benefit costs and termination benefits

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

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

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

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

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

2.8.2 Short-term and other long-term employee benefits

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

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

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

2.9 Income Tax

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

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

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

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

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

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

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal Income tax during the specified period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.10 Property, plant and equipment

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

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

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

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

Estimated useful lives of the assets are as follows:

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

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

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.11 Investment Property

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

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of its investment property recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.12 Intangible Assets

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets .... Years

Software ....6 years

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.13 Impairment of tangible and intangible assets other than goodwill

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

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

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

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

2.14 Inventories

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

2.15 Property under development

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

2.16 Provisions

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

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.17 Cash and Cash Equivalents

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

2.18 Financial instruments

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

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

2.19 Financial assets

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

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

Classification of financial assets

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

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

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

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

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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

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

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

Impairment of financial assets

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses; based on the simplified approach after taking into account based on historical data duly adjusted for forward looking estimate.

Derecognition of financial assets

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

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

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

2.20 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking.

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

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

Other financial liabilities:

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

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

Derecognition of financial liabilities

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

2.21 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, which are considered as Chief Operating Decision Maker (CODM).

2.22 Earnings Per Share

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

3. Application of new Revised Ind AS

3.1 Ind AS 115 - Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying, the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Company will adopt the standard on April 1, 2018. The Company is under the process of evaluating the impact of Ind AS 115.

3.2 Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

4. Critical estimates and judgements

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

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

A. Key sources of estimation uncertainty

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

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

ii. Impairment of investments in subsidiaries.

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

iii. Provisions and liabilities

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

iv. Contingencies

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

v. Fair value measurements

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

5. First-time adoption – mandatory exceptions, optional exemptions

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below. Since, the financial statements are the first financial statements, the first time adoption – mandatory exceptions and optional exemptions have been explained in detail.

a. Derecognition of financial assets and financial liabilities:

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

b. Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

d. Deemed cost for investments in subsidiaries

The Company has elected to continue with the carrying value of all of its investments in subsidiaries recognised as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

e. Deemed cost for property, plant and equipment, investment property and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

f. Determining whether an arrangement contains a lease

The Company has applied Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

g. Estimates

An entity's estimates in accordance with IND ASs at the date of transition to Ind ASs shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

6. Property, plant and equipment

Description of assets	Freehold land	Building	Plant and equiment	Furniture and fixtures	Office equipment	Vehicles	Total
Deemed cost							
As at April 1, 2016	*720.27*	*51.58*	*52.47*	*54.47*	*10.29*	*79.63*	*968.71*
Additions	—	—	*10.43*	*4.37*	*1.33*	—	*16.13*
Disposals/reclassifications	—	—	—	—	—	*(0.18)*	*(0.18)*
As at March 31, 2017	**720.27**	**51.58**	**62.90**	**58.84**	**11.62**	**79.45**	**984.66**
Additions	—	—	*10.70*	*0.37*	*8.75*	*494.41*	*514.23*
Disposals/reclassifications	*(13.82)*	*(28.04)*	*(4.24)*	—	—	*(11.80)*	*(57.90)*
As at March 31, 2018	**706.45**	**23.54**	**69.36**	**59.21**	**20.37**	**562.06**	**1,440.99**
Depreciation							
As at April 1, 2016	—	—	—	—	—	—	—
Depreciation expense for the year	—	*2.73*	*10.18*	*10.42*	*4.06*	*33.74*	*61.13*
Eliminated on disposal of assets/ reclassifications	—	—	—	—	—	—	—
As at March 31, 2017	**—**	**2.73**	**10.18**	**10.42**	**4.06**	**33.74**	**61.13**
Depreciation expense for the period	—	*2.73*	*12.22*	*8.05*	*1.44*	*30.69*	*55.13*
Eliminated on disposal of assets/ reclassifications	—	*(4.03)*	*(0.48)*	—	—	*(4.93)*	*(9.44)*
As at March 31, 2018	**—**	**1.43**	**21.92**	**18.47**	**5.50**	**59.50**	**106.82**
As at March 31, 2018	**706.45**	**22.11**	**47.44**	**40.74**	**14.87**	**502.56**	**1,334.17**
As at March 31, 2017	*720.27*	*48.85*	*52.72*	*48.42*	*7.56*	*45.71*	*923.53*
As at April 1, 2016	*720.27*	*51.58*	*52.47*	*54.47*	*10.29*	*79.63*	*968.71*

6.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

6.2 Assets pledged as security

Buildings with a carrying amount of ₹ 6.87 Lakhs (as at March 31, 2017: ₹ 7.09 Lakhs and as at April 1, 2016: ₹ 7.30 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

7. Investment property

	Investment property	Total
Deemed cost		
As at April 1, 2016	1,116.49	1,116.49
Additions	—	—
Disposals/reclassifications	—	—
As at March 31, 2017	1,116.49	1,116.49
Additions	—	—
Disposals/reclassifications	—	—
As at March 31, 2018	**1,116.49**	**1,116.49**
Accumulated depreciation and impairment		
As at April 1, 2016	—	—
Depreciation expense for the year	20.66	20.66
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2017	20.66	20.66
Depreciation expense for the year	20.66	20.66
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2018	**41.32**	**41.32**
As at March 31, 2018	1,075.17	1,075.17
As at March 31, 2017	1,095.83	1,095.83
As at April 1, 2016	1,116.49	1,116.49

7.1 Fair value of the Company's investment properties

The fair value of the Company's investment properties as at March 31, 2018, March 31, 2017, and April 1, 2016 have been arrived at on the basis of a valuation carried out as on the respective dates by K.C. Gandhi & Co., independent valuers not related to the Company. K.C. Gandhi & Co. are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

The fair value of the Company's investment properties situated at Surat as at March 31, 2018, March 31, 2017, and April 1, 2016 have been arrived at on the basis of a valuation carried out as on the respective dates by Sai Consultants, independent valuers not related to the Company. Sai Consultants. are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2018, March 31, 2017, and April 1, 2016, are as follows:

	Fair value as at		
	March 31, 2018	*March 31, 2017*	*April 1, 2016*
Level 2			
Residential units located in India - Thane	**849.30**	*804.60*	*759.90*
Residential units located in India - Chembur	**770.00**	*695.00*	*640.00*
Residential units located in India - Prabhadevi	**16,818.18**	*16,818.18*	*15,245.45*
Residential units located in India - Bhulabhai Desai Road	**808.00**	*773.00*	*737.00*
Residential units located in India - Tardeo	**118.00**	*111.00*	*104.00*
Residential units located in India - Sewree	**524.00**	*502.00*	*479.00*
Residential units located in India - Surat	**138.23**	*138.23*	*138.23*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

7.2 Assets pledged as security

Buildings with a carrying amount of ₹ 68.71 Lakhs (as at March 31, 2017: ₹ 70.85 Lakhs and as at April 1, 2016: ₹ 72.99 Lakhs) included in the investment property have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

7.3 Expenses related to investment property recognised on profit or loss

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Rental income from investment property	**1.20**	*1.00*
Expenses arising from investment property that generated rental income	**2.70**	*2.71*
Expenses arising from investment property that did not generate rental income	**78.14**	*63.43*
Total	**82.04**	*67.14*

8. Other intangible assets

	Software	Total
Deemed cost		
As at April 1, 2016	**3.47**	**3.47**
Additions	—	—
Disposals/reclassifications	—	—
As at March 31, 2017	**3.47**	**3.47**
Additions	2.88	2.88
Disposals/reclassifications	—	—
As at March 31, 2018	**6.35**	**6.35**
Accumulated amortisation and impairment		
As at April 1, 2016		
Amortisation expenses	1.67	1.67
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2017	*1.67*	*1.67*
Amortisation expenses	0.64	0.64
Eliminated on disposal of assets/reclassifications	—	—
Balance at the end of the year	*2.31*	*2.31*
As at March 31, 2018	**4.04**	**4.04**
As at March 31, 2017	**1.80**	**1.80**
As at April 1, 2016	**3.47**	**3.47**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

9. Investments in subsidiary

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Qty.	Amount	Qty.	Amount	Qty.	Amount
Unquoted Investments (all fully paid)						
Investments in equity instruments						
(a) Standard Salt Works Limited						
Equity Shares of the face value of ₹ 100/- each fully paid-up	**584,000**	**5,463.52**	584,000	5,463.52	223	0.89
Equity Shares of the face value of ₹ 100/- each ₹ 30 per share paid up	**—**	**—**	—	—	46,777	59.89
(b) Mafatlal Enterprises Limited						
Equity Shares of the face value of ₹ 10/- each fully paid-up	**50,007**	**5.00**	50,007	5.00	50,007	5.00
(c) Deemed Investment in subsidiary (refer note 9.1)		**506.30**		506.30		506.30
Total investments		**5,974.82**		5,974.82		572.08
Aggregate carrying value of unquoted investments		**5,974.82**		5,974.82		572.08
Aggregate amount of impairment in value of investments in subsidiaries		**—**		—		—

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

10. Other investments

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Qty.	Amount	Qty.	Amount	Qty.	Amount
Non-Current						
Quoted investments (all fully paid)						
(A) Investments in equity instruments measured at FVTPL						
Nocil Limited	**13,320**	**25.55**	13,320	11.24	13,320	4.88
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**28.51**	19,009	32.24	19,009	25.12
Total aggregate quoted investments (A)		**54.06**		43.48		30.00
Unquoted Investments (all fully paid)						
(B) Investments in equity instruments measured at FVTPL						
Syngenta India Limited	**—**	**—**	2,000	15.43	2,000	11.21
Total aggregate unquoted investments (B)		**—**		15.43		11.21
Total non-current investments (A) + (B)		**54.06**		58.91		41.21
Current						
Quoted investments (all fully paid)						
(A) Investments in equity instruments measured at FVTPL						
HDFC Bank	**25,000**	**471.53**	5,000	71.13	—	—
HDFC Limited	**11,000**	**200.82**	5,000	75.11	—	—
Finolex Industries Ltd	**20,461**	**134.99**	5,000	28.95	—	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Qty.	Amount	Qty.	Amount	Qty.	Amount
Bajaj Finserv Ltd.	12,000	620.59	5,000	204.92	—	—
Axis Bank	—	—	2,000	9.82	—	—
Larsen & Toubro Ltd.	3,000	39.33	1,000	15.75	—	—
Maruti Suzuki India Ltd.	6,000	531.67	1,325	79.71	—	—
Sun Pharmaceutical Industries Ltd.	—	—	2,000	13.76	—	—
ICICI Bank Ltd.	25,000	69.59	10,000	27.69	—	—
Infosys Ltd.	5,000	56.59	11,500	117.56	—	—
ITC Ltd.	—	—	10,000	28.03	—	—
Tata Consultancy Services Ltd.	—	—	2,000	48.64	—	—
Mahindra & Mahindra Limited	14,000	103.45	—	—	—	—
Reliance Industries Limited	115,000	1,015.11	—	—	—	—
Bajaj Auto Ltd	6,500	178.41	—	—	—	—
Bajaj Finance Ltd	15,000	265.13	—	—	—	—
TI Financial Holdings Ltd	20,000	129.98	—	—	—	—
HDFC Standard Life Insurance Co. Ltd.	5,000	22.72	—	—	—	—
Hindustan Zinc Ltd.	15,000	45.08	—	—	—	—
Vedanta Limited	35,000	97.25	—	—	—	—
JBF Industries Ltd	35,000	29.49	—	—	—	—
		4,011.73		721.07		—
Unquoted investments (all fully paid)						
(B) Investments in mutual funds measured at FVTPL						
HDFC Cash Management Fund (Daily Dividend)	13,717,095	1,391.30	42,336	4.29	40,437	4.06
Templeton India Cash Management Fund (Daily Dividend)	51,743	5.18	49,789	4.99	346,549	34.69
Aditya Birla Sun Life Cash Manager Fund (Daily Dividend)	336,664	338.10	42,254	42.52	7,892	7.93
HDFC Liquid Fund (Growth)	868	29.60	2,112	67.59	11,920	355.75
ICICI Prudential Liquid Fund (Growth)	6,757	17.32	6,757	16.23	158,944	355.80
Kotak Floater Short Term Mutual Fund (Growth)	443	12.61	1,938	49.06	30,718	762.54
Kotak Floater-Short Term -Daily Dividend	12,945	130.95	42,276	427.67	—	—
Kotak Low Duration Fund Standard-Weekly Dividend	39,760	404.49	39,872	405.00	—	—
IIFL Blended Fund Series-A	6,401,001	604.30	—	—	—	—
IIFL Special Opportunities Funded Fund Series-5	5,180,289	510.70	—	—	—	—
WHITE OAK India Equity Fund	9,910,432	1,010.15	—	—	—	—
IDFC Equity Opportunity - Series 5 Regular Plan Growth	6,000,000	600.67	—	—	—	—
		5,055.37		1,017.35		1,520.77
Total current investments (A) + (B)		9,067.10		1,738.42		1,520.77
Aggregate book value of quoted investments		4,065.79		764.55		30.00
Aggregate market value of quoted investments		4,065.79		764.55		30.00
Aggregate carrying value of unquoted investments		5,055.37		1,032.78		1,531.98
Aggregate amount of impairment in value of investments		—		—		—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets carried at fair value through profit or loss (FVTPL)			
Investment in quoted equity shares	4,065.79	764.55	30.00
Investment in unquoted equity shares	—	15.43	11.21
Investment in mutual funds	5,055.37	1,017.35	1,520.77
	9,121.16	1,797.33	1,561.98

11. Trade Receivables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Outstanding for a period exceeding six months			
Unsecured, considered good	16.82	91.35	106.31
Unsecured, considered doubtful	426.34	364.05	364.05
Allowance for doubtful debts (expected credit loss allowances)	(426.34)	(364.05)	(364.05)
	16.82	91.35	106.31
Outstanding for a period less than six months			
Unsecured, considered good	3,054.64	25.18	36.49
	3,071.46	116.53	142.80

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

11.2 Age of receivables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within the credit period	3,054.64	17.02	31.51
1-30 days past due	—	0.91	2.11
31-60 days past due	—	—	0.43
61-90 days past due	—	7.24	2.44
More than 90 days past due	443.16	455.40	106.31

11.3 Movement in the expected credit loss allowance

	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	364.05	364.05
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	62.29	—
Balance at end of the year	426.34	364.05

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

12. Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Loans to subsidiary			
unsecured, considered good	—	—	4,833.84
Loans to others			
unsecured, considered good	197.74	197.74	197.74
Total	197.74	197.74	5,031.58

Note: Further information about of these loans is set out in note 37 - related party. These financial assets are carried at amortised cost.

13. Other financial assets

Non-current			
Security deposits	23.47	23.47	23.47
Fixed deposits with banks under lien	105.23	105.23	105.23
Total	128.70	128.70	128.70
Current			
Advances to subsidiary companies	0.28	0.28	0.27
Interest accrued but not due on bank deposits	5.60	3.27	8.53
Interest accrued and due on loan to subsidiary	—	—	7.27
Intercorporate deposits	100.00	—	—
Others	13.47	13.73	17.25
Total	119.35	17.28	33.32

14. Non current tax asset (net)

Advance Tax (net of provisions)	—	255.57	334.71
Total	—	255.57	334.71

15. Other assets

Non-current			
Capital advance	542.61	520.00	—
Advances other than capital advances			
- Amounts deposited against disputed rent	1,153.26	1,153.26	1,153.26
- Advance to creditors	13.62	9.83	105.88
- Balance with Government authorities	323.13	183.14	325.37
Total	2,032.62	1,866.23	1,584.51

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Current			
Advances other than capital advances			
- Advance to creditors	**35.20**	*43.67*	*22.47*
Prepaid expenses	**8.58**	*16.77*	*15.89*
Others	**0.61**	*—*	*3.72*
Total	**44.39**	*60.44*	*42.08*

16. Inventories

Inventories (lower of cost and net realisable value)			
- Stock-in-trade	**25.68**	*56.84*	*65.14*
Total	**25.68**	*56.84*	*65.14*

The cost of inventories recognised as an expense during the year was ₹ 984.36 Lakhs (for the year ended March 31, 2017: ₹ 686.21 Lakhs).

The cost of inventories recognised as an expense includes ₹ 25.68 Lakhs (during 2016-2017: ₹ Nil) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 3.14.

17. Cash and bank balance

A. Cash and cash equivalents			
Balances with banks			
- In current account	**785.51**	*325.55*	*223.47*
- In deposits account	**46.38**	*141.13*	*213.47*
Cash on hand	**4.13**	*8.03*	*4.78*
Total	**836.02**	*474.71*	*441.72*
B. Bank balance other than cash and cash equivalent			
Unpaid dividend	**46.38**	*43.63*	*39.84*
Total	**46.38**	*43.63*	*39.84*

18. Equity share capital

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

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

	As at April 1, 2016	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*12,404,487*	*19.28%*
Satin Limited	*25,000,000*	*38.86%*

	As at March 31, 2017	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*12,404,487*	*19.28%*
Satin Limited	*25,000,000*	*38.86%*

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

19. Other equity

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Reserves and surplus			
General reserve	**800.00**	*1,004.00*	*1,004.00*
Securities premium reserve	**2,526.90**	*2,526.90*	*2,526.90*
Capital redemption reserve	**12.00**	*12.00*	*12.00*
Retained earnings	**1,778.13**	*1,010.78*	*3,320.94*
Total	**5,117.03**	*4,553.68*	*6,863.84*

19.1 General Reserve

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Balance at the beginning of year	**1,004.00**	*1,004.00*
Transfer to retained earnings	**(204.00)**	—
Balance at end of year	**800.00**	*1,004.00*

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

19.2 Securities premium reserve

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Balance at the beginning of year	**2,526.90**	*2,526.90*
Addition on account of issue of shares	**—**	*—*
Balance at end of year	**2,526.90**	*2,526.90*

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

19.3 Capital Redemption reserve

Balance at the beginning of year	**12.00**	*12.00*
Movement during the year	**—**	*—*
Balance at end of year	**12.00**	*12.00*

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

19.4 Retained earnings

Balance at the beginning of year	**1,010.78**	*3,320.94*
Profit attributable to owners of the Company	**1,144.06**	*(1,729.45)*
Dividend on equity shares	**(482.47)**	*(482.47)*
Corporate tax on dividend paid	**(98.24)**	*(98.24)*
Transfer from general reserve	**204.00**	*—*
Balance at end of year	**1,778.13**	*1,010.78*

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

On September, 2017, a dividend of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) was paid to holders of fully paid equity shares. In July 2016, the dividend paid was ₹ 0.75 per share (total dividend ₹482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs).

In respect of the year ended March 31, 2018, The Board of Directors of the Company has declared an Interim Dividend of ₹ 0.75 per equity share of ₹ 5/- each for the year ended March 31, 2018.

Further the Board of Director has proposed a Final Dividend of ₹ 0.25 per equity share of ₹ 5/- each for the year ended March 31, 2018 which is subject to the shareholders' approval and declaration at the ensuing Annual General Meeting. Both aggregate to ₹ 1.00 for the year ended March 31, 2018 (Previous Year ₹ 0.75 per equity share of ₹ 5/- each)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

20. Non-current borrowings

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Secured - at amortised cost			
Term loans from financial institutions			
- Kotak Mahindra Investment Limited	—	—	*2,474.11*
- IIFL Wealth Finance Limited	**5,868.30**	—	—
- HDFC Limited	**4,954.71**	—	—
Total	**10,823.01**	—	*2,474.11*

20.1 Summary of borrowing arrangements

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

As at March 31, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited	**5,868.30**	Bullet repayment at the end of 24 months	12% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over real estate property Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 9,067.08 Lakhs			
HDFC Limited	**4,954.71**	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 11% p.a.
Security - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Sevali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC			

As at March 31, 2017

Particulars	Amount outstanding	Terms of repayment	Rate of interest
Kotak Mahindra Investment Limited (Loan has been disbursed on December 23, 2015)	**1,867.91**	Repaid in 4 quarterly installments starting from 13th month of disbursement date.	16% p.a. and shall be payable on monthly basis
Security First and exclusive charge over building (Stanrose apartments) and plot of land admeasuring approx. 1937.31 sq. m. situated at Prabhadevi, Mumbai.			

The outstanding balance represents current maturities of long term borrowings, refer note 23 other financial liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

As at April 1, 2016

Particulars	Amount outstanding	Terms of repayment	Rate of interest
Kotak Mahindra Investment Limited (Loan has been disbursed on December 23, 2015)	**2,474.11**	Repaid in 4 quarterly installments starting from 13th month of disbursement date.	16% p.a. and shall be payable on monthly basis
Security First and exclusive charge over building (Stanrose apartments) and plot of land admeasuring approx. 1937.31 sq. m. situated at Prabhadevi, Mumbai.			

20.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2018, March 31, 2017 and April 1, 2016.

20.3 Reconciliation of liabilities arising from financing activities

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

Particulars	Term loans from financial institutions
As at 1st April, 2016	*2,474.11*
Financing cash flows	*(625.00)*
Non-cash changes	
Interest accruals on account of amortisation	*18.80*
As at 31st March, 2017	**1,867.91**
Financing cash flows	*9,053.82*
Non-cash changes	
Interest accruals on account of amortisation	*(98.72)*
As at 31st March, 2018	**10,823.01**

21. Provisions

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Non-current			
Other provisions			
- for disputed rent (refer note 21.1)	**583.66**	*583.66*	*583.66*
	583.66	*583.66*	*583.66*
Current			
Employee benefits			
- for compensated absences	**32.55**	*33.10*	*32.90*
Provision for Tax (net)	**79.17**	—	—
Total	**111.72**	*33.10*	*32.90*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21.1 Provision for disputed rent

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Balance at the beginning of year	**583.66**	*583.66*
Additional provision recognised	**—**	—
Balance at end of year	**583.66**	*583.66*

The provision for disputed rent relates to claim of rent by the owner of the premises which were used by the Company in earlier years. Refer note 38(g) on contingent liabilities and commitments.

22. Trade payables

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Trade payables	**229.40**	*127.93*	*135.48*
Total	**229.40**	*127.93*	*135.48*

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

23. Other financial liabilities

Current			
Current maturities of long-term debt	**—**	*1,867.91*	—
Interest accrued but not due on borrowings	**143.80**	*30.58*	—
Interest accrued and due on borrowings	**171.98**	—	—
Unpaid dividends	**46.38**	*43.62*	*39.83*
Deposits received	**612.67**	—	—
Payable on account of property, plant and equipments	**—**	*101.57*	*136.60*
Total	**974.83**	*2,043.68*	*176.43*

24. Other current liabilities

Statutory Liabilities	**852.68**	*199.90*	*192.18*
Advance against property under development	**6,500.00**	*5,500.00*	*1,650.00*
Advance from customers	**—**	*9.49*	*15.02*
Others	**42.65**	*43.66*	*27.63*
Total	**7,395.33**	*5,753.05*	*1,884.83*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

25. Revenue from operations

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Sale of products		
- Cloth	**996.62**	*709.49*
- Made-ups	**2.80**	*7.70*
Other operating revenues		
- Royalty received	**18.00**	*18.00*
	1,017.42	*735.19*

26. Other Income

(a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Bank deposits (at amortised cost)	**24.36**	*21.70*
- Other financial assets carried at amortised cost	**—**	*508.32*
- On income-tax refund	**—**	*17.32*
	24.36	*547.34*
(b) Dividend income		
Dividends from equity investments	**30.09**	*1.55*
Dividend on current investments	**64.57**	*60.11*
	94.66	*61.66*
(c) Other non-operating income (net of expenses directly attributable to such income)		
Profit arising from assignment of TDR Entitlement (Note 42)	**3,503.13**	*—*
Sundry credit balances written back	**4.79**	*8.94*
Miscellaneous income	**2.27**	*1.12*
	3,510.19	*10.06*
(d) Other gains and losses		
Gain on disposal of property, plant and equipment	**1.69**	*—*
Net gain/(loss) arising on financial assets designated as at FVTPL	**251.57**	*111.96*
	253.26	*111.96*
(a + b + c + d)	**3,882.47**	*731.02*

27. Employee benefits expenses

Salaries and Wages	**128.40**	*139.61*
Contribution to provident and other funds	**16.52**	*17.47*
Staff Welfare Expenses	**29.44**	*25.48*
	174.36	*182.56*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

28. Finance Costs

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Interest costs on financial liabilities measured at amortised cost		
- Interest on loans from banks and financial institutions	**820.80**	*418.80*
Total	**820.80**	*418.80*

29. Depreciation and amortisation expense

Depreciation of property, plant and equipment	**52.40**	*61.13*
Depreciation of investment property	**23.39**	*20.66*
Amortisation of intangible assets	**0.64**	*1.67*
Total depreciation and amortisation expenses	**76.43**	*83.46*

30. Other expenses

Charges for corporate office service and facilities	**135.58**	*150.28*
Compensation expenses relating to property project under development	**—**	*651.32*
Consulting fees	**59.57**	*140.58*
Directors' fees	**8.53**	*13.33*
Donations	**70.17**	*7.54*
Electricity	**34.86**	*36.94*
Insurance	**4.47**	*4.00*
Leave and license fees	**99.90**	*108.69*
Legal and professional fees	**82.73**	*78.91*
Loss on disposal of property, plant and equipment	**—**	*0.08*
Packing material consumed	**0.32**	*1.87*
Payment to auditors (refer note 30.1)	**7.47**	*59.37*
Provision for doubtful debts/advances	**62.28**	*88.08*
Rates and taxes	**61.52**	*2.55*
Rent	**15.91**	*16.09*
Repairs to buildings, machinery and others	**69.80**	*41.92*
Security charges	**73.08**	*74.26*
Stationery, printing, advertisement, postage and telegrams etc.	**47.61**	*55.72*
Temporary manpower	**67.29**	*62.27*
Travelling and conveyance expenses	**49.86**	*19.74*
Vehicle expenses	**64.51**	*73.81*
Miscellaneous expenses	**346.21**	*151.54*
Total	**1,361.67**	*1,838.89*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

30.1 Payments to auditors

		For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
a)	For audit	**6.00**	*11.75*
b)	For tax audit	**—**	*2.50*
c)	Certification work	**1.15**	*1.15*
d)	For taxation matters	**—**	*28.58*
e)	For company law matters	**—**	*7.35*
f)	For service tax	**0.27**	*7.72*
g)	For reimbursement of expenses	**0.05**	*0.32*
Total		**7.47**	*59.37*

31 Segment information

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

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

- Real estate
- Trading

31.2 Segment revenues and results

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

Particulars	**Segment revenue**	
	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Good and services provided		
- Real estate	**—**	*—*
- Trading	**1,017.42**	*735.19*
Total for operations	**1,017.42**	*735.19*
	Segment profit	
Good and services provided		
- Real estate	**2,638.40**	*(1,222.87)*
- Trading	**(28.45)**	*26.37*
Total for operations	**2,609.95**	*(1,196.50)*
Unallocated corporate expenses	**(1,503.89)**	*(1,278.23)*
Unallocated corporate income	**376.21**	*731.02*
Profit/(loss) before tax	**1,482.27**	*(1,743.71)*
Tax expenses	**338.21**	*(14.26)*
Profit/(loss) after tax	**1,144.06**	*(1,729.45)*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2016-2017: Nil).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the profit before tax earned by each segment without allocation of unallocated expenses and income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

31.3 Segment assets and liabilities

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Segment assets			
- Real estate	**11,069.63**	7,838.69	7,487.06
- Trading	**158.58**	193.04	235.95
Total segment assets	**11,228.21**	8,031.73	7,723.01
Unallocated corporate assets	**17,223.22**	8,279.82	7,644.69
Total assets	**28,451.43**	16,311.55	15,367.70
Segment liabilities			
- Real estate	**6,893.49**	7,842.38	4,599.18
- Trading	**96.41**	3.12	30.15
Total segment liabilities	**6,989.90**	7,845.50	4,629.33
Unallocated corporate liabilities	**13,128.05**	695.92	658.08
Total liabilities	**20,117.95**	8,541.42	5,287.41

31.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
- Real estate	**76.41**	83.44
- Trading	**0.02**	0.02
Total	**76.43**	83.46

Particulars	Additions to non-current assets	
	For the year ended 31 March, 2018	For the year ended 31 March, 2017
- Real estate	**539.17**	536.13
- Trading	**144.32**	—
Total	**683.49**	536.13

31.5 Information about geographical areas

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

31.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 668.05 Lakhs (year ended 31 March, 2017: ₹ 326.05 Lakhs) which arose from sales to its five (two) major customers which accounts for 66.83 percent (year ended 31 March, 2017: 44.22 percent) of the total revenue from trading operation. The entire revenue of real estate operation is from a single customer. No other single trading customer contributed 10% or more to the Company's revenue for year ended 31 March, 2018 and year ended 31 March, 2017.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

32. Earnings per share

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Basic earnings per share	**1.78**	*(2.69)*
Diluted earnings per share	**1.78**	*(2.69)*

32.1 Basic earnings per share

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

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Profit/(loss) for the year attributable to owners of the Company	**1,144.06**	*(1,729.45)*
Less: Preference dividend and tax thereon	**—**	—
Earnings used in the calculation of basic earnings per share	**1,144.06**	*(1,729.45)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

32.2 Diluted Earnings Per Share

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

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Profit/(loss) for the year used in the calculation of basic earnings per share	**1,144.06**	*(1,729.45)*
Add: adjustments on account of dilutive potential equity shares	**—**	—
Earnings used in the calculation of diluted earnings per share	**1,144.06**	*(1,729.45)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

32.3 Reconciliation of weighted average number of equity shares

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

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Weighted average number of equity shares used in the calculation of Basic EPS	**64,328,941**	*64,328,941*
Add: adjustments on account of dilutive potential equity shares	**—**	—
Weighted average number of equity shares used in the calculation of Diluted EPS	**64,328,941**	*64,328,941*

33. Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident fund and other funds aggregating during the period ended 31 March, 2018 is ₹ 16.52 Lakhs (and during the year ended 31 March 2017: 17.47 Lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

ii) Defined Benefit Plans:

Gratuity

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

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

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

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

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

(1) Salary Risk:

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

(2) Interest rate Risk:

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

(3) Investment Risk:

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

(4) Asset Liability Matching Risk:

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

(5) Mortality Risk:

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

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

Particulars	Valuation as at		
	31-Mar-18	*31-Mar-17*	*1-Apr-16*
(i) Financial assumptions			
Discount rate (p.a.)	**7.18%**	*6.67%*	*7.77%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*	*2.00%*
(ii) Demographic assumptions			
Mortality rate	**Indian assured lives mortality (2006-08)**	*Indian assured lives mortality (2006-08)*	*Indian assured lives mortality (2006-08)*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Current service cost	**1.05**	*0.94*
Past service cost and (gains)/losses from settlements	**—**	—
Net interest expense	**(0.67)**	*(1.09)*
Components of defined benefit costs recognised in profit or loss	**0.38**	*(0.15)*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**(0.16)**	*4.93*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	—
Actuarial (gains)/loss arising form experience adjustments	**0.41**	*(4.27)*
Return on plan assets (excluding amount included in net interest expense)	**2.30**	*3.51*
Adjustment to recognise the effect of asset ceiling	**—**	—
Components of defined benefit costs recognised in other comprehensive income	**2.55**	*4.17*
Total	**2.93**	*4.02*

Notes:

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

ii) The remeasurement of the net defined benefits liability is included in other comprehensive income

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

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Present value of benefit obligation at the end of the year	**(134.82)**	*(130.68)*	*(127.03)*
Fair value of plan assets at the end of the year	**141.86**	*140.66*	*141.04*
Unfunded status Surplus/(Deficit)*	**7.04**	*9.98*	*14.01*

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

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

Particulars	**For the year ended 31 March, 2018**	*For the year ended 31 March, 2017*
Opening of defined benefit obligation	**130.67**	*127.03*
Current service cost	**1.05**	*0.94*
Past service cost	**—**	—
Interest on defined benefit obligation	**8.72**	*9.87*
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	**(0.16)**	*4.93*
Actuarial loss/(gain) arising from change in demographic assumptions	**—**	—
Actuarial loss/(gain) arising on account of experience changes	**0.41**	*(4.27)*
Benefits paid	**(5.89)**	*(7.83)*
Liabilities extinguished on settlement	**—**	—
Closing of defined benefit obligation	**134.80**	*130.67*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

Particulars	For the year ended 31 March, 2018	*For the year ended 31 March, 2017*
Opening fair value of plan assets	**140.66**	*141.04*
Employer contribution	**—**	—
Interest on plan assets	**9.38**	*10.96*
Administration expenses	**—**	—
Remeasurement due to:		
Return on Plan Assets , Excluding Interest Income	**(2.30)**	*(3.51)*
Benefits paid	**(5.89)**	*(7.83)*
Assets distributed on settlement	**—**	—
Closing of defined benefit obligation	**141.85**	*140.66*

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Government securities	**73.92**	—	—
Corporate bonds	**10.67**	—	—
Trust Managed/Insurer Managed Funds	—	*140.66*	*141.04*
Others	**57.27**	—	—
Total	**141.86**	*140.66*	*141.04*

Sensitivity Analysis

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

Principal assumption	Impact on defined benefit obligation	
	Increase in assumption	*Decrease in assumption*
a) Discount rate		
As at 31st March, 2018	**(0.30)**	*0.31*
As at 31st March, 2017	**(0.67)**	*0.72*
As at 1st April, 2016	**(0.73)**	*0.78*
b) Salary Escalation Rate		
As at 31st March, 2018	**0.32**	*(0.31)*
As at 31st March, 2017	**0.74**	*(0.69)*
As at 1st April, 2016	**0.80**	*(0.76)*
c) Employee Turnover Rate		
As at 31st March, 2018	**0.02**	*(0.03)*
As at 31st March, 2017	**0.09**	*(0.10)*
As at 1st April, 2016	**0.12**	*(0.13)*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Notes:

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

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

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

The Company expects to contribute ₹ Nil (as at 31st March, 2017: ₹Nil and as at 1st April, 2016: ₹Nil) to the gratuity trust during the next financial year.

Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments: From the Fund

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

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
1st following year	**121.01**	*103.92*	*2.21*
2nd following year	**7.36**	*9.99*	*2.27*
3rd following year	**0.25**	*11.90*	*2.34*
4th following year	**3.85**	*0.27*	*2.41*
5th following year	**4.64**	*3.53*	*2.49*
Sum of years 6 to 10	**0.02**	*4.61*	*177.32*

The weighted average duration of the defined benefit obligation as at March 2018: 1 year (March 2017:1 year and April 2016: 2 years)

34. Leases

Operating Lease

i) The Company has entered into operating lease arrangements for commercial premises at various locations. Amount of lease rentals (excluding service tax and GST) in respect of cancellable operating leases recognised in the statement of profit and loss is ₹ 97.20 Lakhs (for the year ended March 31, 2017: 97.20 Lakhs)

35 Financial instruments

35.1 Capital management

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Gearing ratio

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Debt	**10,823.01**	*1,867.91*	*2,474.11*
Cash and bank balances	**836.02**	*474.71*	*441.72*
Net debt	**9,986.99**	*1,393.20*	*2,032.39*
Total equity	**8,333.48**	*7,770.13*	*10,080.29*
Net debt to equity ratio	**1.20**	*0.18*	*0.20*

35.2 Categories of financial instruments:

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investment in equity instruments	**4,065.79**	*779.98*	*41.21*
Investment in mutual funds	**5,055.37**	*1,017.35*	*1,520.77*
Measured at amortised cost			
Trade receivables	**3,071.46**	*116.53*	*142.80*
Loans	**197.74**	*197.74*	*5,031.58*
Cash and bank balances	**836.02**	*474.71*	*441.72*
Other financial assets	**248.05**	*145.98*	*162.02*
Financial liabilities			
Measured at amortised cost			
Borrowings	**10,823.01**	*1,867.91*	*2,474.11*
Trade payables	**229.40**	*127.93*	*135.48*
Other financial liabilities	**974.83**	*175.77*	*176.43*

35.3 Financial risk management objectives

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

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Company uses its own trading records to rate its major customers. The Company's exposure to financial loss from defaults are continuously monitored.

Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

B. Liquidity risk

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

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	*1-5 years*	**Total**
March 31, 2018			
Borrowings	—	*10,928.81*	**10,928.81**
Trade payables	229.40	—	**229.40**
Other financial liabilities	974.83	—	**974.83**
March 31, 2017			
Borrowings	1,867.91	—	**1,867.91**
Trade Payables	127.93	—	**127.93**
Other financial liabilities	2,043.68	—	**2,043.68**
April 1, 2016			
Borrowings	—	—	**—**
Trade Payables	135.48	—	**135.48**
Other financial liabilities	176.43	—	**176.43**

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

Financing facilities

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
Secured loan facilities from IIFL Wealth Finance Limited			
- amount used	**5,928.81**	—	—
- amount unused	**4,071.19**	—	—
	10,000.00	—	—

C. Market risk

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

i) Currency risk

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

ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has borrowed funds with both fixed and floating interest rate.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Fixed rate borrowings:			
Term loan from financial institutions			
- Kotak Mahindra Investment Limited	—	1,868	2,474
- IIFL Wealth Finance Limited	5,929	—	—
	5,929	1,868	2,474
Floating rate borrowing			
Term loan from financial institutions			
- HDFC Limited	5,000	—	—
	5,000	—	—
Total Borrowings	10,929	1,868	2,474

Interest rate sensitivity

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1% increase in interest rate – decrease in profit	(25.47)	—	—
1% decrease in interest rate – increase in profit	25.47	—	—

36. Fair Value Measurement

36.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis

	Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2018	Fair value as at March 31, 2017	Fair value as at April 1, 2016	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
A)	**Financial assets**							
a)	Investments in							
i)	Equity shares (Quoted)	4,065.79	764.55	30.00	Level 1	Quoted bid prices in an active market	NA	NA
ii)	Equity shares (Unquoted)	—	15.43	11.21	Level 3	Comparable Companies' Multiple (CCM) method	Discount for marketability, determined using financial metrics of companies operating in same industries with similar business and size.	A significant increase in the discount for marketability used in isolation would result in a significant decrease in the fair value
iii)	Mutual fund	5,055.37	1,017.35	1,520.77	Level 1	NAV in an active market	NA	NA
Total financial assets		9,121.15	1,797.33	1,561.98				

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

36.2 Inter Level transfers

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

36.3 Reconciliation of Level 3 fair value

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Unlisted equity instruments measured at FVTPL		
Opening balance	**15.44**	*11.21*
Total gains or losses recognised in profit or loss	**—**	*4.23*
Purchases	**—**	—
Disposals/settlements	**(15.44)**	—
Closing balance	**—**	*15.44*

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

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

37. Related parties transactions

37.1 Names of the related parties and related party relationships

Particulars	Relationship as at March 31, 2018	March 31, 2017	April 1, 2016
Standard Salt Works Limited	**Subsidiary**	*Subsidiary*	*Subsidiary*
Mafatlal Enterprises Limited	**Subsidiary**	*Subsidiary*	*Subsidiary*
Shanudeep Private Limited	**KMP of the Company has Significant influence over this entity**	*KMP of the Company has Significant influence over this entity*	*KMP of the Company has Significant influence over this entity*
Key Management Personnel			
Pradeep R. Mafatlal	**Chairman**	*Chairman*	*Chairman*
Divya P. Mafatlal	**Director**	*Director*	*Director*
Russi Jal Taraporevala (upto 7th Jan, 2017)	-	*Director*	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*	*Executive Director*
F. M. Pardiwalla (upto 16th Nov, 2016)	-	*Director*	*Director*
M. L. Apte	**Director**	*Director*	*Director*
K. J. Pardiwalla	**Director**	*Director*	*Director*
Shobhan Diwanji	**Director**	*Director*	*Director*
Tanaz B. Panthaki	**Vice president (legal) & Company Secretary**	*Vice president (legal) & Company Secretary*	*Vice president (legal) & Company Secretary*
Jayantkumar R. Shah	**Chief Financial Officer**	*Chief Financial Officer*	*Chief Financial Officer*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

37.2 Details of related party transactions

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
Shanudeep Private Limited		
Transactions during the year		
Leave and License fees	**99.90**	*108.69*
Corporate Office and Service facilities	**135.58**	*150.28*
Payment of common expenses	**23.49**	*15.28*
Standard Salt Works Limited		
Transactions during the year		
Conversion of loan (including interest) into Equity Shares	**—**	*5,370.00*
Investment made	**—**	*32.74*
Mafatlal Enterprises Limited		
Transactions during the year		
Advances Given	**—**	*0.01*

37.3 Details of related party closing balances

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Mafatlal Enterprises Limited			
Advances receivable	**0.28**	*0.28*	*0.27*
Standard Salt Works Limited			
Unsecured loan	**—**	—	*4,062.26*
Interest accrued and not due	**—**	—	*983.91*

37.4 Compensation of key managerial personnel

Particulars	For the year ended 31 March, 2018	For the year ended 31 March, 2017
The remuneration of Directors and other members of Key Managerial Personnel during the year was as follows:		
Short-term employee benefits	**55.24**	*48.12*
Post-employment benefits	**—**	—
Other long-term benefits	**—**	—
Termination benefits	**—**	—
Total	**55.24**	*48.12*
Sitting fee paid to directors	**8.20**	*11.60*

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

38. Contingent liabilities and commitments

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Contingent liabilities (to the extent not provided for)			
a) Claims against the Company not acknowledged as debts			
- ESIC claims in respect of contractor's workers (i)	**18.01**	*19.22*	*19.22*
- Claims in respect of labour matters (i)	**0.50**	*8.58*	*120.21*
b) Uncalled liability on shares partly paid held as investments in subsidiary company.	**—**	—	*32.74*
c) Represents demands raised by Excise authorities in the matter of disputes relating to classification of ICL fabrics, captive consumption of yarn and various other matters for which appeals are pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	**520.31**	*545.46*	*545.46*
d) Guarantees given by Bank on behalf of Company to Government authority	**105.23**	*105.23*	*105.23*
e) The Government of Maharashtra vide Notification No.ELD-2000/CR-1022(ii) NRG-1 dated April 1, 2000 and No.ELD-2001/CR-1069/ NRG-1 dated April 4, 2001 had sought to charge electricity duty on the power generated by Captive Power Plant (CPP). The Companies having CPP had petitioned the Hon'ble High Court at Mumbai against the said Notification contesting the aforesaid levy of duty. The Hon'ble High Court vide Order dated February 23, 2010 quashed and set aside the aforesaid Notification. Accordingly, the Company during the year 2009/2010, has written back the provision for the said duty provided in earlier years aggregating to ₹ 1375.74 lakhs. The Government of Maharashtra has filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court of India against the aforesaid Order of the Hon'ble High Court at Mumbai. The Company is confident of success in this SLP when heard.	**1,375.74**	*1,375.74*	*1,375.74*
f) Disputed demands of Income Tax (ii)	**166.17**	*164.88*	*39.95*
g) The Company had disputed the claim for rent, mesne profit and related interest claimed by the owner of the premises which were used by the Company in earlier years. On the application of the Company, the Hon'ble High Court of Judicature at Bombay granted a stay against the unfavourable Order of the Small Causes Court and directed the Company to deposit an amount of ₹ 1,153.26 Lakhs pending resolution of the related Writ Petition filed by the Company, which the Company has deposited. Out of the above the Company has already provided/paid for amounts aggregating ₹ 635.39 Lakhs and the balance amount of ₹ 517.87 Lakhs has not been provided as the Company is hopeful of succeeding in its Petition.	**1,364.17**	*1,364.17*	*1,364.17*

Notes:

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

(ii) These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Company is confident that all these cases can be successfully contested.

(iii) There are no capital commitments

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39. Deferred tax asset/(liability)

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax asset/(liability) created on:			
Property, plant and equipments and intangible	**(1,193.49)**	*(176.32)*	*(173.25)*
Provisions	**18.26**	*199.11*	*19.15*
Trade receivables	**124.15**	*112.49*	*112.49*
Other assets	**57.65**	—	*33.95*
Investments	**(43.12)**	*(17.84)*	*(11.53)*
Loans	**—**	*(65.61)*	*(90.84)*
Borrowings	**(28.75)**	*5.81*	*8.00*
Other financial liabilities	**—**	*(2.19)*	—
Carry forward business loss and depreciation	**2,354.62**	*2,311.14*	*1,780.82*
Deferred tax assets/(liability)	**1,289.32**	*2,366.59*	*1,678.79*

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

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**—**	—	—
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**—**	—	—
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**—**	—	—
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	**—**	—	—
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**—**	—	—
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	**—**	—	—

The Company has not received any intimation from the suppliers regarding their status under Micro,Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act.

41. The Company has entered into a Memorandum of Understanding dated September 1, 2016 with Feat Properties Private Limited (FPPL) to transfer and assign all its leasehold rights in 62.25 acres of Company's leasehold property situated at Plot No.4, Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, Taluka/Dist - Thane ("Property") for a consideration of ₹ 3,550,000,000 (Rupees Three hundred and fifty five crores only) receivable in installments. This transfer, assignment and consideration is subject to various conditions precedent getting satisfied (including approval of MIDC) and other terms and conditions specified in the aforesaid Memorandum of Understanding. Accordingly, FPPL has paid advance of ₹ 6,500 lakhs till March 31, 2018.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

42. During the year, in terms of the agreement/understanding entered with a buyer, the Company has assigned all its rights and interest concerning entitlement of Transferable Development Right (TDR) with respect to its land situated at Sewree, which the Company is entitled to in terms of Notification dated 16.11.2016 under the Development Control Regulations of Greater Mumbai 1991. Considering acknowledgement on the part of the buyer and views of expert , the management has concluded that, pending only certain formalities for entitlement and assignment, there is no uncertainty in respect of its entitlement of TDR and passing of significant risks and rewards in respect the same and its consequential assignment in favour of the buyer. Accordingly the Company has recognised assignment of TDR entitlement in the financial statements of the current year and profit arising therefrom, amounting to ₹ 3503.13 lakhs, has been disclosed under schedule 26 as "other income".

43. During the previous year, the unsecured loan of ₹ 5370.00 Lakhs (including accrued interest of ₹ 1,249.18 lakhs and business advance of ₹ 159.45 Lakhs) given to Standard Salt Works Limited (SSWL) has been converted into equity shares. Consequently, the total investment in SSWL as at March 31, 2017 aggregates ₹ 5,969.82 lakhs. The net worth of SSWL as at March 31, 2017 post aforesaid conversion has become positive. Further, in view of the long-term strategic nature of the investment in leasehold rights to salt pans and the growth prospects of the subsidiary which is engaged in the manufacture of salt from the significant leased salt pans that it is holding, no provision for diminution in the value of the investment is considered necessary at this stage.

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

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Subsidiary Companies:			
(i) Mafatlal Enterprises Limited	**0.28**	*0.28*	*0.27*
Maximum amount outstanding	**0.28**	*0.28*	*0.27*
(ii) Standard Salt Works Limited	**—**	—	*4,062.26*
Maximum amount outstanding	**—**	—	*4,062.26*

45. First-time adoption of Ind AS

First time Ind AS adoption reconciliations

(i) Reconciliation of total equity as at 31st March 2017 and 1st April 2016:

Particulars	Notes	*As at March 31, 2017*	*As at April 1, 2016*
Equity as reported under previous GAAP		*7,161.68*	*9,142.40*
Ind AS adjustments:			
Fair valuation of investments	a	*95.06*	*37.32*
Loan given to subsidiary measured at amortised cost	b	*506.30*	*293.97*
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	c	*7.09*	*25.89*
Dividends not recognised as liability until declared under Ind AS	d	—	*580.71*
Total adjustments		*608.45*	*937.89*
Total equity as per Ind AS		*7,770.13*	*10,080.29*

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes	*For the year ended March 31, 2017*
Loss as per previous GAAP		*(1,980.72)*
Ind AS Adjustments:		
Fair valuation of investments	a	*57.74*
Loan given to subsidiary measured at amortised cost	b	*212.33*
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	c	*(18.80)*
Profit or loss under Ind AS		*(1,729.45)*
Other comprehensive income (net of tax)		—
Total comprehensive income as per Ind AS		*(1,729.45)*

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

(iii) Effect of Ind AS adoption on the statement of cash flows

Particulars	Cash flows as per previous GAAP	*Ind AS Adjustments*	*Cash flows as per Ind AS*
Year ended 31 March, 2017			
Net cash flows from operating activities	2,270.00	*(0.01)*	*2,269.99*
Net cash flows from investing activities	(635.08)	—	*(635.08)*
Net cash flows from financing activities	(1,601.92)	—	*(1,601.92)*
Net increase (decrease) in cash and cash equivalents	33.00	*(0.01)*	*32.99*
Cash and cash equivalents at beginning of period	441.72	—	*441.72*
Cash and cash equivalents at end of period	**474.72**	*(0.01)*	**474.71**

Notes to reconciliation

a) Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary and current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are recognised in profit or loss. The net effect of these changes is an increase in total equity as at March 31, 2017 of ₹ 95.06 Lakhs (₹ 37.32 Lakhs as at April 1, 2016), increase in total profit for the year ended March 31, 2017 of ₹ 57.74 Lakhs.

b) Under Previous GAAP, the Company accounted for loan given to subsidiary at transaction value. Under Ind AS, the Company has recognised this loan initially at fair value and subsequently at amortised cost using effective interest rate (EIR).

This has resulted to an impact on equity as on 31st March, 2017 of ₹506.30 Lakhs and on 1st April, 2016 of ₹ 293.97 Lakhs.

c) Under Previous GAAP, the Company accounted for long term borrowings at transaction value. Under Ind AS, the Company has recognised these long term borrowings initial at fair value less transaction cost and subsequently measured at amortised cost using effective interest rate (EIR). This has resulted to an impact on equity as on 31st March, 2017 of ₹7.09 Lakhs and on 1st April, 2016 of ₹ 25.89 Lakhs.

d) Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved by shareholders were recognised in the financial statements as a liability. Under Ind AS, such dividends are recognised when declared by the members in a general meeting.

The net effect of this change is an increase in total equity as at March 31, 2017 of ₹ Nil (₹ 580.70 Lakhs as at April 1, 2016). As proposed dividend of F.Y 2015-16 has been paid in F.Y 2016-17 and proposed dividend of F.Y 2016-17 has been pushed to current year and therefore the net impact as at March 31, 2017 is Nil.

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

D. H. PAREKH
Executive Director

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rule, 2014)

Statement containing salient features of financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

(₹ in lakhs)

Sr. No.	Particular	Standard Salt Works Limited	Mafatlal Enterprises Limited
a.	Share capital	584.00	5.00
b.	Reserves & surplus	(374.90)	(4.10)
c.	Total Assets	249.05	1.33
d.	Total Liabilities	39.95	0.43
e.	Details of Investments (except investment in subsidiaries)	0.54	—
f.	Turnover	351.12	—
g.	(Loss)/Profit before taxation	(19.80)	(0.47)
h.	Provision for taxation	—	—
i.	(Loss)/Profit after taxation	(19.80)	(0.47)
j.	Proposed Dividend	—	—
k.	% of shareholding	100%	100%
l.	Names of subsidiaries which are yet to commence operation	NIL	NIL

Part "B": Associates and Joint Ventures

Statement pursuant to section 129(3) of Companies Act, 2013 related to Associate Companies and Joint Ventures

Not applicable

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF STANDARD INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Standard Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act,. The respective Board of Directors of the Company and its subsidiary companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Board of Directors of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit.

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

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

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We report that the consolidated Ind AS financial statements have been prepared by the Company's management in accordance with the requirement of Indian Accounting Standard 110, Consolidated Financial Statements, as notified under Section 133 of the Act.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate Ind AS financial statements of the subsidiaries companies referred to in the 'Other Matter ' below, the aforesaid consolidated Ind AS financial statements, read together with notes to the accounts thereon, 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 of the consolidated state of affairs of the Group as at March 31, 2018; and their consolidated Profit, Consolidated total comprehensive income, consolidated change in equity and consolidated cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to note No 42 with respect to profit of ₹ 3503.13 lakhs recognised during the current financial year for assignment of Transferable Developments rights entitlement, pending certain formalities for its ultimate assignment.

Our opinion is not modified in respect of this matter.

Other Matters

(a) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 250.40 Lakhs as at March 31, 2018, total revenues of ₹ 351.14 lakhs and net cash outflows amounting to ₹ 1.20 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These consolidated Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sections 143(3) of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

(b) The financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in this consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the year ended March 31, 2017 and March 31, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by Deloitte Haskins & Sells LLP, on which they expressed an unmodified opinion dated May 16, 2017 and April 27, 2016 respectively which has been accepted by us. The adjustments to those financial statements for the differences in the accounting principles adopted by the Company on transition to Ind AS have been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated Ind AS financial statement.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors of the Company and report of the statutory auditors of its subsidiary companies incorporated in India,, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India.

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The consolidated Ind AS financial statements disclose the impact of pending litigations on consolidated financial position of the group, as referred to in Note 38 to the financial statements.

      ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592

Mumbai,
dated May 29, 2018

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 1(f) under "Report on Legal and Regulatory Requirement" section of our report of even date on the Consolidated Ind AS Financial Statement of Standard Industries Limited

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

1. In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Standard Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

2. Management's Responsibility for Internal Financial Controls

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

3. Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls over Financial Reporting

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

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

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

6. Opinion

In our opinion to the best of our information and accordingly to the explanation given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Company and its subsidiary companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

7. Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to its two subsidiary companies, which are companies incorporated in India, are based solely on the corresponding report of the auditor of such companies incorporated in India.

For S H R & CO.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
Partner
Membership No. 122592

Mumbai,
Dated: May 29, 2018

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Notes No.	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Assets				
1 Non-current assets				
a. Property, plant and equipment	**6**	**1,470.75**	*977.35*	*1,029.35*
b. Capital work in progress		**—**	*76.25*	*45.30*
c. Investment property	**7**	**1,075.17**	*1,095.83*	*1,116.49*
d. Goodwill	**8**	**50.77**	*50.77*	*50.77*
e. Other intangible assets	**9**	**4.04**	*1.80*	*3.47*
f. Financial assets				
i. Other investments	**10**	**54.06**	*58.91*	*41.21*
ii. Loans	**12**	**197.74**	*197.74*	*197.74*
iii. Other financial assets	**13**	**136.35**	*136.35*	*136.35*
g. Non-current tax assets (net)	**14**	**5.07**	*260.52*	*340.00*
h. Other non-current assets	**15**	**2,037.62**	*1,871.23*	*1,589.51*
Total non-current assets		**5,031.57**	*4,726.75*	*4,550.19*
2 Current assets				
a. Inventories	**16**	**74.88**	*172.32*	*150.79*
b. Property under development		**4,439.73**	*3,300.57*	*3,300.57*
c. Financial Assets				
i. Other investments	**10**	**9,067.64**	*1,738.96*	*1,521.31*
ii. Trade receivables	**11**	**3,109.23**	*147.86*	*161.27*
iii. Cash and cash equivalents	**17**	**842.75**	*482.64*	*486.47*
iv. Bank balances other than (iii) above	**17**	**46.38**	*43.63*	*39.84*
v. Loans	**12**	**0.70**	*0.45*	*5.57*
vi. Other financial assets	**13**	**119.62**	*17.55*	*33.60*
d. Other current assets	**15**	**44.98**	*61.03*	*45.48*
Total current assets		**17,745.91**	*5,965.01*	*5,744.90*
Total assets		**22,777.48**	*10,691.76*	*10,295.09*
Equity and liabilities				
Equity				
a. Equity share capital	**18**	**3,216.45**	*3,216.45*	*3,216.45*
b. Other equity	**19**	**(597.02)**	*(1,140.09)*	*1,706.09*
Total equity		**2,619.43**	*2,076.36*	*4,922.54*
Liabilities				
1 Non-current liabilities				
a. Financial liabilities				
i. Borrowings	**20**	**10,823.01**	*-*	*2,474.11*
b. Provisions	**21**	**583.66**	*583.66*	*583.66*
Total non-current liabilities		**11,406.67**	*583.66*	*3,057.77*
2 Current liabilities				
a. Financial liabilities				
i. Trade payables	**22**	**239.69**	*170.03*	*158.21*
ii. Other financial liabilities	**23**	**984.68**	*2,055.12*	*188.62*
b. Provisions	**21**	**128.11**	*48.22*	*46.96*
c. Other current liabilities	**24**	**7,398.90**	*5,758.37*	*1,920.99*
Total current liabilities		**8,751.38**	*8,031.74*	*2,314.78*
Total liabilities		**20,158.05**	*8,615.40*	*5,372.55*
Total Equity and Liabilities		**22,777.48**	*10,691.76*	*10,295.09*

See accompanying notes to the consolidated financial statements

In terms of our report attached

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

For S H R & Co.
Chartered Accountants
FRN: 120491W

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

DEEP N SHROFF
PARTNER
Membership No. 122592

JAYANTKUMAR R SHAH
Chief Financial Officer

D. H. PAREKH
Executive Director

Mumbai, Dated: May 29, 2018

Mumbai, Dated: May 29, 2018

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Notes No.	For the year ended March 31, 2018	*For the year ended March 31, 2017*
I	Revenue from operations	25	1,368.13	*975.49*
II	Other Income	26	3,882.88	*223.97*
III	**Total income (I + II)**		5,251.01	*1,199.46*
IV	**Expenses**			
	Purchases of stock-in-trade		964.69	*677.91*
	Changes in inventories of stock-in-trade		97.44	*(21.52)*
	Employee benefits expense	27	201.78	*209.05*
	Finance costs	28	820.80	*418.80*
	Depreciation and amortisation expense	29	87.98	*90.28*
	Other expenses	30	1,615.76	*2,103.93*
	Total expenses (IV)		3,788.45	*3,478.45*
V	**Profit before tax (III - IV)**		1,462.56	*(2,278.99)*
VI	**Tax expenses**			
	Current tax		338.21	*(14.26)*
	Deferred tax		—	*—*
			338.21	*(14.26)*
VII	**Profit for the period (V - VI)**		1,124.35	*(2,264.73)*
VIII	**Other comprehensive income**			
	A (i) Items that will not be reclassified to profit or loss			
	b) Remeasurements of the defined benefit plans		(0.55)	*(0.74)*
IX	**Total comprehensive income for the period (VII + VIII)**		1,123.80	*(2,265.47)*
	Earnings per equity share:	32		
	(1) Basic (in ₹)		1.75	*(3.52)*
	(2) Diluted (in ₹)		1.75	*(3.52)*

See accompanying notes to the consolidated financial statements

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Cash flows from operating activities		
Profit for the year	**1,123.80**	*(2,265.49)*
Adjustments for:		
Income tax expense recognised in profit or loss	**338.21**	*(14.26)*
Depreciation	**87.98**	*90.27*
Loss/(profit) on sale of property, plant and equipments (net)	**(1.26)**	*0.08*
Net gain/(loss) arising on financial assets designated as at FVTPL	**(251.57)**	*(111.96)*
Gain on surrender of land	**13.56**	—
Sundry credit balances written back	**(4.79)**	*(8.94)*
Dividends from equity investments	**(30.09)**	*(1.55)*
Dividend on current investments	**(64.57)**	*(60.11)*
Interest income on fixed deposits with banks	**(24.36)**	*(21.70)*
Interest income on financial assets carried at amortised cost	**—**	*(507.15)*
Interest costs on financial liabilities measured at amortised cost	**820.82**	*925.83*
	2,007.73	*(1,974.98)*
Movements in working capital:		
(Increase)/decrease in trade and other receivables	**(3,177.59)**	*230.33*
(Increase)/decrease in inventories	**97.44**	*(21.52)*
Increase/(Decrease) in trade and other payables	**1,326.78**	*3,821.53*
Cash generated from operations	**254.36**	*2,055.36*
Income taxes paid	**(24.19)**	*176.77*
Net cash generated by operating activities	**230.17**	*2,232.13*
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	**(803.95)**	*(602.87)*
Purchase of intangibles	**(2.88)**	—
Sale of property, plant and equipments	**53.55**	*0.10*
Payment to acquire financial assets	**(13,561.87)**	*(3,408.37)*
Call money paid on partly paid-up equity shares	**—**	—
Proceeds from sale of financial assets	**6,489.61**	*3,285.00*
Loans and advances given to subsidiary	**—**	—
Dividend on investments	**94.66**	*61.66*
Balance in earmarked accounts	**(2.75)**	*(3.79)*
Interest income on fixed deposits with banks	**22.03**	*26.96*
Interest income on loan to related parties	**—**	*7.27*
Net cash (used in)/generated by investing activities	**(7,711.60)**	*(634.04)*

CONSOLIDATED STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Cash flows from financing activities		
Proceeds from borrowing	**10,928.81**	—
Repayment from borrowing	**(1,875.00)**	*(625.00)*
Proceeds from issue of equity instruments of the Company	**—**	—
Processing fees paid	**(125.00)**	—
Dividend and dividend tax paid	**(577.95)**	*(576.92)*
Interest paid on borrowings	**(509.32)**	*(400.00)*
Net cash used in financing activities	**7,841.54**	*(1,601.92)*
Net increase in cash and cash equivalents	**360.11**	*(3.83)*
Cash and cash equivalents at the beginning of the year	**482.64**	*486.47*
Cash and cash equivalents at the end of the year	**842.75**	*482.64*

See accompanying notes to the consolidated financial statements

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2018

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2016	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2017	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2018	**6,43,28,941**	**3,216.45**

b. Other equity

Particulars	Reserves & surplus					Other comprehensive income	Total
	General reserve	Securities premium reserve	Capital redemption reserve	Capital reserve - cash subsidy	Retained earnings	Remeasurement of defined benefits plan	
Balance at April 1, 2016	*1,004.00*	*2,526.90*	*12.00*	*4.14*	*(1,840.95)*	—	*1,706.09*
Dividend on equity shares	—	—	—	—	*(482.47)*	—	*(482.47)*
Corporate tax on dividend paid	—	—	—	—	*(98.24)*	—	*(98.24)*
Profit for the year	—	—	—	—	*(2,264.73)*	—	*(2,264.73)*
Other comprehensive income for the year	—	—	—	—	—	*(0.74)*	*(0.74)*
Balance at March 31, 2017	**1,004.00**	**2,526.90**	**12.00**	**4.14**	**(4,686.39)**	**(0.74)**	**(1,140.09)**
Transfer to retained earnings	*(204.00)*	—	—	—	—	—	*(204.00)*
Transfer from general reserve	—	—	—	—	*204.00*		*204.00*
Dividend on equity shares	—	—	—	—	*(482.48)*	—	*(482.48)*
Corporate tax on dividend paid	—	—	—	—	*(98.25)*	—	*(98.25)*
Profit for the year	—	—	—	—	*1,124.35*	—	*1,124.35*
Other comprehensive income for the year	—	—	—	—	—	*(0.55)*	*(0.55)*
Balance at March 31, 2018	**800.00**	**2,526.90**	**12.00**	**4.14**	**(3,938.77)**	**(1.29)**	**(597.02)**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The Standard Mills Company Limited was incorporated in India in the year 1892 under the Indian Companies Act, 1882. In line with the diverse nature of its business, it had changed its name from Standard Mills Company Limited to Standard Industries Limited, (the 'Company') in October 1989. The Company is engaged in the business of trading in Textiles and Chemicals. Real Estate Division of the Company comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

2. Significant accounting policies :

2.1 Statement of Compliance

The consolidated financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

For all periods up to and including the year ended March 31, 2017, the Group prepared its consolidated financial statements in accordance with the requirements of the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP"). These are the Group's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Refer note 5 below for the details of first-time adoption exemptions availed by the Group.

2.2. Basis of preparation and presentation

2.2.1 Historical cost convention

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

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

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

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

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

2.2.2 Current non-current classification

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Assets:

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

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

Liabilities:

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

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

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

The Board of Directors approves the consolidated financial statements for issue on May 29, 2018. The aforesaid consolidated financial statement have been prepared in Indian Rupee (INR) and denominated in Lakhs.

2.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries (together the 'Group').

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Goodwill arising on consolidation is not amortised and it is tested for impairment on annual basis.

Following subsidiary companies have been considered in the preparation of the consolidated financial statements:

Sr. No.	Name of Subsidiaries	Country of Incorporation	Principal Place of Business	Effective percentage of shareholding		
				As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1	Standard Salt Works Limited	India	India	100%	100%	100%
2	Mafatlal Enterprises Limited	India	India	100%	100%	100%

2.4. Revenue Recognition

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

Sale of goods:

Revenue from the sale of goods is recognised when the goods are delivered and the titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group, and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services:

Revenue from services is recognised (net of service tax/goods and services tax, as applicable) by reference to the stage of completion of the contract.

Royalties:

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

Interest and dividend income:

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.5. Leasing

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

The Group as lessor:

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

The Group as lessee:

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

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

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

2.6. Foreign currencies

The functional currency of each individual group entity is determined on the basis of the primary economic environment in which each entity of the group operates. The functional currency of the each of the group entity is Indian National Rupee (INR).

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

2.7. Borrowing costs

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

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

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

2.8. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets,

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.9. Employee benefits

2.9.1 Retirement benefit costs and termination benefits

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

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

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

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

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

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

2.9.2 Short-term and other long-term employee benefits

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

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

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

2.10. Income Tax

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

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

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

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

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as asset only when and to the extent there is reasonable certainty that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a reasonable certainty to the effect that the Company will pay normal Income tax during the specified period.

2.11. Property, plant and equipment

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

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

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

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

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

Estimated useful lives of the assets are as follows:

Class of assets	**Years**
Buildings	30 - 60 years
Plant and machinery	6 - 15 years
Furniture and fixtures	10 years
Office equipment	5 - 15 years
Vehicles	8 - 10 years
Washery plant	10 years
Salt works - reservoirs, salt pans	10 years

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

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.12. Investment Property

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

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of its investment property recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.13. Intangible Assets

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

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows:

Class of assets	Years
Software	6 years

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

Deemed cost on transition to Ind AS

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

2.14. Impairment of tangible and intangible assets other than goodwill

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

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

2.15. Inventories

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

2.16. Property under development

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

2.17. Provisions

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

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

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

2.18. Cash and Cash Equivalents

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

2.19. Financial instruments

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

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

2.20. Financial assets

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

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

Classification of financial assets

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

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

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

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

All other financial assets are subsequently measured at fair value.

Effective interest method

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

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

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

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

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

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

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

Impairment of financial assets

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

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses; based on the simplified approach after taking into account based on historical data duly adjusted for forward looking estimate.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

Derecognition of financial assets

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

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

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

2.21. Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial liabilities at FVTPL:

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

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term;
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking.

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

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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

Other financial liabilities:

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

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

Derecognition of financial liabilities

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

2.22. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, which are considered as Chief Operating Decision Maker (CODM).

2.23. Earnings Per Share

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

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

3. Application of new Revised Ind AS

3.1 Ind AS 115 – Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors.
- Retrospectively with cumulative effect of initially applying, the standard recognized at the date of initial application (Cumulative catch - up approach).

The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018. The Group will adopt the standard on April 1, 2018. The Group is under the process of evaluating the impact of Ind AS 115.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

3.2 Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Group has evaluated the effect of this on the consolidated financial statements and the impact is not material.

4. Critical estimates and judgements

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

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

A. Key sources of estimation uncertainty

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

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

ii. Provisions and liabilities

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

iii. Contingencies

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

iv. Fair value measurements

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

5. First-time adoption – mandatory exceptions, optional exemptions

The Group has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by,

- recognising all assets and liabilities whose recognition is required by Ind AS,
- not recognising items of assets or liabilities which are not permitted by Ind AS,
- by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and
- applying Ind AS in measurement of recognised assets and liabilities.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

However, this principle is subject to the certain exception and certain optional exemptions availed by the Group as detailed below. Since, the consolidated financial statements are the first financial statements, the first time adoption – mandatory exceptions and optional exemptions have been explained in detail.

a. Derecognition of financial assets and financial liabilities:

The Group has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

b. Designation of previously recognised financial instruments

The Group has designated financial liabilities and financial assets at fair value through profit or loss on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

c. Impairment of financial assets

The Group has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Group has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

d. Deemed cost for property, plant and equipment, investment property and intangible assets

The Group has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

e. Determining whether an arrangement contains a lease

The Group has applied Appendix C of Ind AS 17 *Determining whether an Arrangement contains a Lease* to determine whether an arrangement existing at the transition date contains a lease on the basis of facts and circumstances existing at that date.

f. Estimates

An entity's estimates in accordance with IND ASs at the date of transition to Ind ASs shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

6. Property, plant and equipment and capital work-in-progress

Description of assets	Freehold land	Building	Plant and equiment	Furniture and fixtures	Office equipment	Vehicles	Salt Works - Reservoirs, Salt Pans	Washery Plant	Total
Deemed cost									
As at April 1, 2016	*721.67*	*61.60*	*79.33*	*54.59*	*10.44*	*87.46*	*14.26*	—	*1,029.35*
Additions	—	—	*10.43*	*4.37*	*1.33*	—	—	—	*16.13*
Disposals/ reclassifications	—	—	—	—	—	*(0.18)*	—	—	*(0.18)*
As at March 31, 2017	**721.67**	**61.60**	**89.76**	**58.96**	**11.77**	**87.28**	**14.26**	**—**	**1,045.30**
Additions	—	—	*14.35*	*0.37*	*8.82*	*512.10*	—	*76.73*	*612.37*
Disposals/ reclassifications	*(13.82)*	*(28.04)*	*(4.24)*	—	—	*(17.57)*	—	—	*(63.67)*
As at March 31, 2018	**707.85**	**33.56**	**99.87**	**59.33**	**20.59**	**581.81**	**14.26**	**76.73**	**1,594.00**
Depreciation									
As at April 1, 2016	—	—	—	—	—	—	—	—	—
Depreciation expense for the year	—	*3.09*	*13.31*	*10.45*	*4.11*	*35.63*	*1.36*	—	*67.95*
Eliminated on disposal of assets/ reclassifications	—	—	—	—	—	—	—	—	—
As at March 31, 2017	**—**	**3.09**	**13.31**	**10.45**	**4.11**	**35.63**	**1.36**	**—**	**67.95**
Depreciation expense for the period	—	*3.09*	*15.30*	*8.08*	*1.50*	*32.77*	*1.36*	*4.59*	*66.69*
Eliminated on disposal of assets/ reclassifications	—	*(4.03)*	*(0.48)*	—	—	*(6.88)*	—	—	*(11.39)*
As at March 31, 2018	**—**	**2.15**	**28.13**	**18.53**	**5.61**	**61.52**	**2.72**	**4.59**	**123.25**
As at March 31, 2018	**707.85**	**31.41**	**71.74**	**40.80**	**14.98**	**520.29**	**11.54**	**72.14**	**1,470.75**
As at March 31, 2017	*721.67*	*58.51*	*76.45*	*48.51*	*7.66*	*51.65*	*12.90*	—	*977.35*
As at April 1, 2016	*721.67*	*61.60*	*79.33*	*54.59*	*10.44*	*87.46*	*14.26*	—	*1,029.35*

6.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

6.2 Assets pledged as security

Buildings with a carrying amount of ₹ 6.87 Lakhs (as at March 31, 2017: ₹ 7.09 Lakhs and as at April 1, 2016: ₹ 7.30 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

7. Investment property

	Investment property	Total
Deemed cost		
As at April 1, 2016	1,116.49	1,116.49
Additions	—	—
Disposals/ reclassifications	—	—
As at March 31, 2017	1,116.49	1,116.49
Additions	—	—
Disposals/ reclassifications	—	—
As at March 31, 2018	**1,116.49**	**1,116.49**
Accumulated depreciation and impairment		
As at April 1, 2016	—	—
Depreciation expense for the year	20.66	20.66
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2017	20.66	20.66
Depreciation expense for the year	20.66	20.66
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2018	41.32	41.32
As at March 31, 2018	1,075.17	1,075.17
As at March 31, 2017	1,095.83	1,095.83
As at April 1, 2016	1,116.49	1,116.49

7.1 Fair value of the Company's investment properties

The fair value of the Company's investment properties as at March 31, 2018, March 31, 2017, and April 1, 2016 have been arrived at on the basis of a valuation carried out as on the respective dates by K.C. Gandhi & Co., independent valuers not related to the Company. K.C. Gandhi & Co. are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

The fair value of the Company's investment properties situated at Surat as at March 31, 2018, March 31, 2017, and April 1, 2016 have been arrived at on the basis of a valuation carried out as on the respective dates by Sai Consultants, independent valuers not related to the Company. Sai Consultants are registered with the authority which governs the valuers in India, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The fair value was derived using the market comparable approach based on recent market prices with few adjustments being made to the market observable data.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2018, March 31, 2017, and April 1, 2016, are as follows:

	Fair value as at		
	March 31, 2018	*March 31, 2017*	*April 1, 2016*
Level 2			
Residential units located in India - Thane	**849.30**	*804.60*	*759.90*
Residential units located in India - Chembur	**770.00**	*695.00*	*640.00*
Residential units located in India - Prabhadevi	**16,818.18**	*16,818.18*	*15,245.45*
Residential units located in India - Bhulabhai Desai Road	**808.00**	*773.00*	*737.00*
Residential units located in India - Tardeo	**118.00**	*111.00*	*104.00*
Residential units located in India - Sewree	**524.00**	*502.00*	*479.00*
Residential units located in India - Surat	**138.23**	*138.23*	*138.23*

7.2 Assets pledged as security

Buildings with a carrying amount of ₹ 68.71 Lakhs (as at March 31, 2017: ₹ 70.85 Lakhs and as at April 1, 2016: ₹ 72.99 Lakhs) included in the investment property have been pledged to secure borrowings of the Company (see note 20). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

7.3 Expenses related to investment property recognised on profit or loss

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Rental income from investment property	**1.20**	*1.00*
Expenses arising from investment property that generated rental income	**2.70**	*2.71*
Expenses arising from investment property that did not generate rental income	**78.14**	*63.43*
Total	**82.04**	*67.14*

8. Goodwill

	Goodwill	**Total**
Cost		
As at April 1, 2016	50.77	50.77
Additional recognised on consolidation	—	—
As at March 31, 2017	50.77	*50.77*
Additional recognised on consolidation	—	—
As at March 31, 2018	**50.77**	**50.77**
Accumulated impairment losses		
As at April 1, 2016		
Amortisation expenses	—	—
As at March 31, 2017	—	—
Amortisation expenses	—	—
Balance at the end of the year	—	—
As at March 31, 2018	**50.77**	**50.77**
As at March 31, 2017	50.77	50.77
As at April 1, 2016	50.77	50.77

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

9. Other intangible assets

	Software	Total
Deemed cost		
As at April 1, 2016	3.47	3.47
Additions	—	—
Disposals/ reclassifications	—	—
As at March 31, 2017	**3.47**	**3.47**
Additions	2.88	2.88
Disposals/ reclassifications	—	—
As at March 31, 2018	**6.35**	**6.35**
Accumulated amortisation and impairment		
As at April 1, 2016	—	—
Amortisation expenses	1.67	1.67
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2017	**1.67**	**1.67**
Amortisation expenses	0.64	0.64
Eliminated on disposal of assets/ reclassifications	—	—
Balance at the end of the year	**2.31**	**2.31**
As at March 31, 2018	**4.04**	**4.04**
As at March 31, 2017	**1.80**	**1.80**
As at April 1, 2016	**3.47**	**3.47**

10. Other investments

	As at March 31, 2018		*As at March 31, 2017*		*As at April 1, 2016*	
	Qty.	**Amount**	*Qty.*	*Amount*	*Qty.*	*Amount*
Non-Current						
Quoted investments (all fully paid)						
(A) Investments in equity instruments measured at FVTPL						
Nocil Limited	**13,320**	**25.55**	*13,320*	*11.24*	*13,320*	*4.88*
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**28.51**	*19,009*	*32.24*	*19,009*	*25.12*
Total aggregate quoted investments (A)		**54.06**		*43.48*		*30.00*
Unquoted Investments (all fully paid)						
(B) Investments in equity instruments measured at FVTPL						
Syngenta India Limited	**—**	**—**	*2,000*	*15.43*	*2,000*	*11.21*
Total aggregate unquoted investments (B)		**—**		*15.43*		*11.21*
Total non-current investments (A) + (B)		**54.06**		*58.91*		*41.21*
Current						
Quoted investments (all fully paid)						
(A) Investments in equity instruments measured at FVTPL						
HDFC Bank	**25,000**	**471.53**	*5,000*	*71.13*	—	—
HDFC Limited	**11,000**	**200.82**	*5,000*	*75.11*	—	—
Finolex Industries Ltd	**20,461**	**134.99**	*5,000*	*28.95*	—	—
Bajaj Finserv Ltd.	**12,000**	**620.59**	*5,000*	*204.92*	—	—
Axis Bank	**—**	**—**	*2,000*	*9.82*	—	—
Larsen & Toubro Ltd.	**3,000**	**39.33**	*1,000*	*15.75*	—	—
Maruti Suzuki India Ltd.	**6,000**	**531.67**	*1,325*	*79.71*	—	—

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

		As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
		Qty.	Amount	Qty.	Amount	Qty.	Amount
	Sun Pharmaceutical Industries Ltd.	—	—	2,000	13.76	—	—
	ICICI Bank Ltd.	25,000	69.59	10,000	27.69	—	—
	Infosys Ltd.	5,000	56.59	11,500	117.56	—	—
	ITC Ltd.	—	—	10,000	28.03	—	—
	Tata Consultancy Services Ltd.	—	—	2,000	48.64	—	—
	Mahindra & Mahindra Limited	14,000	103.45	—	—	—	—
	Reliance Industries Limited	115,000	1,015.11	—	—	—	—
	Bajaj Auto Ltd	6,500	178.41	—	—	—	—
	Bajaj Finance Ltd	15,000	265.13	—	—	—	—
	TI Financial Holdings Ltd	20,000	129.98	—	—	—	—
	HDFC Standard Life Insurance Co. Ltd.	5,000	22.72	—	—	—	—
	Hindustan Zinc Ltd.	15,000	45.08	—	—	—	—
	Vedanta Limited	35,000	97.25	—	—	—	—
	JBF Industries Ltd	35,000	29.49	—	—	—	—
			4,011.73		721.07		—
	Unquoted investments (all fully paid)						
(B)	**Investments in mutual funds measured at FVTPL**						
	HDFC Cash Management Fund (Dividend)	1,37,17,095	1,391.30	42,336	4.29	40,437	4.06
	Templeton India Cash Management Fund (Dividend)	51,743	5.18	49,789	4.99	346,549	34.69
	Birla Sun Life Cash Manager Fund (Dividend)	3,36,664	338.10	42,254	42.52	7,892	7.93
	HDFC Liquid Fund (Growth)	868	29.60	2,112	67.59	11,920	355.75
	ICICI Prudential Liquid Fund (Growth)	6,757	17.32	6,757	16.23	1,58,944	355.80
	Kotak Floater Short Term Mutual Fund (Growth)	443	12.61	1,938	49.06	30,718	762.54
	Kotak Floater-Short Term -Daily Dividend	12,945	130.95	42,276	427.67	—	—
	Kotak Low Duration Fund Standard-Weekly Dividend	39,760	404.49	39,872	405.00	—	—
	IIFL Blended Fund Series-A	64,01,001	604.30	—	—	—	—
	IIFL Special Opportunities Funded Fund Series-A	51,80,289	510.70	—	—	—	—
	WHITE OAK India Equity Fund	99,10,432	1,010.15	—	—	—	—
	IDFC Equity Opportunity - Series 5 Regular	60,00,000	600.67	—	—	—	—
			5,055.37		1,017.35		1,520.77
(C)	**Investments carried at amortised cost**						
	Investments in Government securities		0.54		0.54		0.54
			0.54		0.54		0.54
	Total current investments (A) + (B) + (C)		9,067.64		1,738.96		1,521.31
Aggregate book value of quoted investments			4,065.79		764.55		30.00
Aggregate market value of quoted investments			4,065.79		764.55		30.00
Aggregate carrying value of unquoted investments			5,055.91		1,033.32		1,532.52
Aggregate amount of impairment in value of investments			—		—		—

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial assets carried at fair value through profit or loss (FVTPL)			
Investment in quoted equity shares	**4,065.79**	764.55	30.00
Investment in unquoted equity shares	**—**	15.43	11.21
Investment in mutual funds	**5,055.37**	1,017.35	1,520.77
	9,121.16	1,797.33	1,561.98
Financial assets carried at amortised cost			
Investments in Government securities	**0.54**	0.54	0.54
	0.54	0.54	0.54

11. Trade Receivables

Current			
Outstanding for a period exceeding six months			
Unsecured, considered good	**17.14**	91.35	106.31
Unsecured, considered doubtful	**426.34**	364.05	364.05
Allowance for doubtful debts (expected credit loss allowances)	**(426.34)**	(364.05)	(364.05)
	17.14	91.35	106.31
Outstanding for a period less than six months			
Unsecured, considered good	**3,092.09**	56.51	54.96
	3,109.23	147.86	161.27

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

11.2 Age of receivables

Within the credit period	**3,054.70**	17.02	31.93
1-30 days past due	**0.26**	0.91	2.56
31-60 days past due	**5.48**	—	3.17
61-90 days past due	**0.91**	7.24	15.74
More than 90 days past due	**443.16**	455.40	106.31

11.3. Movement in the expected credit loss allowance

	As at March 31, 2018	As at March 31, 2017
Balance at beginning of the year	**364.05**	364.05
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**62.29**	—
Balance at end of the year	**426.34**	364.05

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All amounts are ₹ in Lakhs unless otherwise stated

12. Loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Loans to others			
Unsecured, considered good	**197.74**	*197.74*	*197.74*
Total	**197.74**	*197.74*	*197.74*
Current			
Loans to employees			
Unsecured considered good	**0.70**	*0.45*	*5.57*
	0.70	*0.45*	*5.57*

13. Other financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Security deposits	**31.12**	*31.12*	*31.12*
Fixed deposits with banks under lien	**105.23**	*105.23*	*105.23*
Total	**136.35**	*136.35*	*136.35*
Current			
Security deposits	**0.55**	*0.55*	*0.55*
Interest accrued but not due on bank deposits	**5.60**	*3.27*	*8.53*
Interest accrued and due on loan	**—**	—	*7.27*
Intercorporate deposits	**100.00**	—	—
Other	**13.47**	*13.73*	*17.25*
Total	**119.62**	*17.55*	*33.60*

14. Non current tax asset (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Tax (net of provisions)	**5.07**	*260.52*	*340.00*
Total	**5.07**	*260.52*	*340.00*

15. Other assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-Current			
Capital Advance	**542.61**	*520.00*	—
Advances other than capital advances			
- Amounts deposited against disputed rent	**1,153.26**	*1,153.26*	*1,153.26*
- Advance to creditors	**13.62**	*9.83*	*105.88*
- Security deposits	**5.00**	*5.00*	*5.00*
- Balance with Government authorities	**323.13**	*183.14*	*325.37*
Total	**2,037.62**	*1,871.23*	*1,589.51*
Current			
Advances other than capital advances			
- Advance to creditors	**35.30**	*43.67*	*25.47*
Prepaid expenses	**8.77**	*17.06*	*16.29*
Others	**0.91**	*0.30*	*3.72*
Total	**44.98**	*61.03*	*45.48*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

16. Inventories

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Inventories (lower of cost and net realisable value)			
- Finished Goods	**9.90**	*90.77*	*50.92*
- Stock-in-trade	**64.98**	*81.55*	*99.87*
Total	**74.88**	*172.32*	*150.79*

The cost of inventories recognised as an expense during the year was ₹ 984.36 Lakhs (for the year ended March 31, 2017: ₹ 686.21 Lakhs).

The cost of inventories recognised as an expense includes ₹ 25.68 Lakhs (during 2016-2017: ₹ Nil) in respect of write-downs of inventory to net realisable value.

The mode of valuation of inventories has been stated in note 3.14.

17. Cash and bank balance

A. Cash and cash equivalents			
Balances with banks			
- In current account	**792.13**	*333.08*	*268.16*
- In deposits account	**46.38**	*141.13*	*213.47*
Cash on hand	**4.24**	*8.43*	*4.84*
Total	**842.75**	*482.64*	*486.47*
B. Bank balance other than cash and cash equivalent			
Unpaid dividend	**46.38**	*43.63*	*39.84*
Total	**46.38**	*43.63*	*39.84*

18. Equity share capital

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

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

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

	As at April 1, 2016	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*1,24,04,487*	*19.28%*
Satin Limited	*2,50,00,000*	*38.86%*

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All amounts are ₹ in Lakhs unless otherwise stated

	As at April 1, 2017	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	*1,24,04,487*	*19.28%*
Satin Limited	*2,50,00,000*	*38.86%*

	As at April 1, 2018	
	Number of shares held	**% holding of equity shares**
Fully paid equity shares		
Stanrose Mafatlal Investment & Finance limited	**1,24,04,487**	**19.28%**
Satin Limited	**2,50,00,000**	**38.86%**

19. Other equity

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Reserves and surplus			
General reserve	**800.00**	*1,004.00*	*1,004.00*
Securities premium reserve	**2,526.90**	*2,526.90*	*2,526.90*
Capital redemption reserve	**12.00**	*12.00*	*12.00*
Capital reserve - cash subsidy	**4.14**	*4.14*	*4.14*
Other comprehensive income	**(1.29)**	*(0.74)*	—
Retained earnings	**(3,938.77)**	*(4,686.39)*	*(1,840.95)*
Total	**(597.02)**	*(1,140.09)*	*1,706.09*

19.1 General Reserve

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Balance at the beginning of year	**1,004.00**	*1,004.00*
Transfer to retained earnings	**(204.00)**	—
Balance at end of year	**800.00**	*1,004.00*

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

19.2 Securities premium reserve

Balance at the beginning of year	**2,526.90**	*2,526.90*
Addition on account of issue of shares	**—**	—
Balance at end of year	**2,526.90**	*2,526.90*

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

19.3 Capital Redemption reserve

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Balance at the beginning of year	**12.00**	*12.00*
Movement during the year	**—**	*—*
Balance at end of year	**12.00**	*12.00*

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

19.4 Capital reserve - cash subsidy

Balance at the beginning of year	**4.14**	*4.14*
Additions during the year	**—**	*—*
Balance at end of year	**4.14**	*4.14*

Capital Reserve of ₹ 4.14 Lakhs was created for cash subsidy received against property, plant and equipments installed at Surat site in the financial year 1981-82.

19.5 Other comprehensive income

Balance at the beginning of year	**(0.74)**	*—*
Remeasurement of defined benefits plan	**(0.55)**	*(0.74)*
Balance at end of year	**(1.29)**	*(0.74)*

19.6 Retained earnings

Balance at the beginning of year	**(4,686.39)**	*(1,840.95)*
Profit attributable to owners of the Company	**1,124.35**	*(2,264.73)*
Dividend on equity shares	**(482.48)**	*(482.47)*
Corporate tax on dividend paid	**(98.25)**	*(98.24)*
Transfer from general reserves	**204.00**	*—*
Balance at end of year	**(3,938.77)**	*(4,686.39)*

The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

On September, 2017, a dividend of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) was paid to holders of fully paid equity shares. In July 2016, the dividend paid was ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs).

In respect of the year ended March 31, 2018, The Board of Directors of the Company has declared an Interim Dividend of ₹ 0.75 per equity share of ₹ 5/- each for the year ended March 31, 2018.

Further the Board of Director has proposed a Final Dividend of ₹ 0.25 per equity share of ₹ 5/- each for the year ended March 31, 2018 which is subject to the shareholders' approval and declaration at the ensuing Annual General Meeting. Both aggregate to ₹ 1.00 for the year ended March 31, 2018 (Previous ₹ 0.75 per equity share of ₹ 5/- each).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

20. Non-current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured - at amortised cost			
Term loans from financial institutions			
- Kotak Mahindra Investment Limited	—	—	2,474.11
- IIFL Wealth Finance Limited	5,868.30	—	—
- HDFC Limited	4,954.71	—	—
Total	10,823.01	—	2,474.11

20.1 Summary of borrowing arrangements

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

As at March 31, 2018

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited	5,868.30	Bullet repayment at the end of 24 months	12% p.a. and shall be payable on quarterly basis
Security Pre-disbursement: First and exclusive charge over real estate property Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 9,067.08 Lakhs			
HDFC Limited	4,954.71	Bullet repayment at the end of 60 months	Rate of interest applicable will be HDFC CPLR minus 650 bps. Interest rate as on date is 11% p.a.
Security - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Sevali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC			

As at March 31, 2017

Particulars	Amount outstanding	Terms of repayment	Rate of interest
Kotak Mahindra Investment Limited	1,867.91	Repaid in 4 quarterly installments starting from 13th month of disbursement date.	16% p.a. and shall be payable on monthly basis
(Loan has been disbursed on December 23, 2015) **Security** First and exclusive charge over building (Stanrose apartment) and plot of land admeasuring approx. 1937.31 sq. m. situated at Prabhadevi, Mumbai.			

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

The outstanding balance represents current maturities of long term borrowings, refer note 23 other financial liabilities.

As at April 1, 2016

Particulars	Amount outstanding	Terms of repayment	Rate of interest
Kotak Mahindra Investment Limited	**2,474.11**	Repaid in 4 quarterly installments starting from 13th month of disbursement date.	16% p.a. and shall be payable on monthly basis
(Loan has been disbursed on December 23, 2015)			
Security First and exclusive charge over building (Stanrose apartment) and plot of land admeasuring approx. 1937.31 sq. m. situated at Prabhadevi, Mumbai.			

20.2 Reconciliation of liabilities arising from financing activities

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

Particulars	*Term loans from financial institutions*
As at 1st April, 2016	*2,474.11*
Financing cash flows	*(625.00)*
Non-cash changes	
Interest accruals on account of amortisation	*18.80*
As at 31st March, 2017	*1,867.91*
Financing cash flows	*9,053.82*
Non-cash changes	
Interest accruals on account of amortisation	*(98.72)*
As at 31st March, 2018	*10,823.01*

21. Provisions

	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Non-current			
Other Provisions			
- for disputed rent (refer note 21.1)	**583.66**	*583.66*	*583.66*
	583.66	*583.66*	*583.66*
Current			
Employee benefits			
- for compensated absences	**32.55**	*33.10*	*32.90*
- for gratuity	**16.39**	*15.12*	*14.06*
Provision for Tax (NET)	**79.17**	—	—
Total	**128.11**	*48.22*	*46.96*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21.1 Provision for disputed rent

	For the year ended March 31, 2018	For the year ended March 31, 2017
Balance at the beginning of year	583.66	583.66
Additional provision recognised	—	—
Balance at end of year	583.66	583.66

The provision for disputed rent relates to claim of rent by the owner of the premises which were used by the Group in earlier years. Refer note 38(f) on contingent liabilities and commitments.

22. Trade payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables	239.69	170.03	158.21
Total	239.69	170.03	158.21

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

23. Other financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current			
Current maturities of long-term debt	—	1,867.91	—
Interest accrued but not due on borrowings	143.80	30.58	—
Interest accrued and due on borrowings	171.98	—	—
Unpaid dividends	46.38	43.62	39.83
Deposits received	612.67	—	—
Payable on account of property, plant and equipments	9.85	113.01	148.79
Total	984.68	2,055.12	188.62

24. Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory Liabilities	853.22	200.38	226.96
Advance against property under development	6,500.00	5,500.00	1,650.00
Advance from customers	1.50	12.88	15.02
Bonus payable	1.53	1.45	1.38
Others	42.65	43.66	27.63
Total	7,398.90	5,758.37	1,920.99

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

25. Revenue from operations

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Sale of products		
- Cloth	**996.62**	*709.49*
- Made-ups	**2.80**	*7.70*
Industrial salt	**343.18**	*235.65*
- Gypsum salt	**6.44**	*3.82*
Other operating revenues		
- Income from weighbridge/ quality bonus	**1.09**	*0.83*
- Royalty received	**18.00**	*18.00*
	1,368.13	*975.49*

26. Other Income

(a) Interest Income		
Interest income earned on financial assets that are not designated as at fair value through profit or loss:		
- Bank deposits (at amortised cost)	**24.36**	*21.70*
- Other financial assets carried at amortised cost	**—**	*1.26*
- On income-tax refund	**—**	*17.33*
	24.36	*40.29*
(b) Dividend income		
Dividends from equity investments	**30.09**	*1.55*
Dividend on current investments	**64.57**	*60.11*
	94.66	*61.66*
(c) Other non-operating income (net of expenses directly attributable to such income)		
Profit arising from assignment of TDR Entitlement (Note 42)	**3,503.13**	*—*
Sundry credit balances written back	**5.30**	*8.94*
Miscellaneous income	**2.60**	*1.12*
	3,511.03	*10.06*
(d) Other gains and losses		
Gain on disposal of property, plant and equipment	**1.26**	*—*
Net gain/(loss) arising on financial assets designated as at FVTPL	**251.57**	*111.96*
	252.83	*111.96*
(a + b + c + d)	**3,882.88**	*223.97*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

27. Employee benefits expenses

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Salaries and Wages	**150.57**	*160.82*
Gratuity	**2.16**	*1.68*
Contribution to provident and other funds	**18.57**	*19.58*
Staff Welfare Expenses	**30.48**	*26.97*
	201.78	*209.05*

28. Finance Costs

Interest costs on financial liabilities measured at amortised cost		
- Interest on loans from banks and financial institutions	**820.80**	*418.80*
Total	**820.80**	*418.80*

29. Depreciation and amortisation expense

Depreciation of property, plant and equipment	**63.95**	*67.95*
Depreciation of investment property	**23.39**	*20.66*
Amortisation of intangible assets	**0.64**	*1.67*
Total depreciation and amortisation expenses	**87.98**	*90.28*

30. Other expenses

Charges for corporate office service and facilities	**135.58**	*150.28*
Compensation expenses relating to property project under development	**—**	*651.32*
Consulting fees	**59.57**	*140.58*
Contract labour expenses	**10.80**	*7.22*
Directors' fees	**8.56**	*13.38*
Donations	**70.17**	*7.54*
Electricity	**34.86**	*36.94*
Insurance	**4.94**	*4.12*
Labour charges	**42.87**	*53.62*
Leave and license fees	**99.90**	*108.69*
Legal and professional fees	**83.29**	*81.56*
Loss on disposal of property, plant and equipment	**—**	*0.08*
Packing material consumed	**0.32**	*1.87*
Payment to auditors (refer note 30.1)	**8.32**	*60.65*
Power and fuel	**44.68**	*46.27*
Provision for doubtful debts/advances	**62.28**	*88.08*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Rates and taxes	**81.13**	*25.26*
Registration & filing fees	**0.05**	*0.09*
Rent	**20.58**	*20.76*
Repairs to buildings, machinery and others	**85.85**	*61.41*
Security charges	**73.08**	*74.26*
Salt - internal shifting expenses	**59.45**	*55.60*
Stationery, printing, advertisement, postage and telegrams etc.	**48.65**	*56.68*
Stores and tools consumed	**0.14**	*0.07*
Temporary manpower	**67.29**	*62.27*
Transport and freight charges	**46.75**	*45.72*
Travelling and conveyance expenses	**51.05**	*21.16*
Vehicle expenses	**67.19**	*75.62*
Miscellaneous expenses	**348.41**	*152.83*
Total	**1,615.76**	*2,103.93*

30.1 Payments to auditors

a) For audit	*6.65*	*12.55*
b) For tax audit	—	*2.50*
c) Certification work	**1.15**	*1.15*
d) For taxation matters	**0.20**	*28.78*
e) For company law matters	—	*7.35*
f) For service tax	**0.27**	*7.72*
g) For other services	—	*0.25*
h) For reimbursement of expenses	**0.05**	*0.35*
Total	**8.32**	*60.65*

31 Segment information

31.1 Products and services from which reportable segments derive their revenues

Information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided, and in respect of the ‘real estate’, ‘trading’, ‘manufacturing’ and ‘others’ operations. The directors of the Company have chosen to organise the Company around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Company.

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

- Real estate
- Trading
- Manufacturing
- Others

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

31.2 Segment revenues and results

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

Particulars	Segment revenue	
	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Good and services provided		
- Real estate	**—**	*—*
- Trading	**1,017.42**	*735.19*
- Manufacturing	**349.63**	*240.30*
- Others	**—**	*—*
Total for operations	**1,367.05**	*975.49*
	Segment profit	
Good and services provided		
- Real estate	**2,638.40**	*(1,222.87)*
- Trading	**(28.45)**	*26.37*
- Manufacturing	**(19.79)**	*(1,042.60)*
- Others	**(0.46)**	*(0.50)*
Total for operations	**2,589.70**	*(2,239.60)*
Unallocated corporate expenses	**(1,503.92)**	*(1,278.22)*
Unallocated corporate income	**376.23**	*1,238.09*
Profit/(loss) before tax	**1,462.01**	*(2,279.73)*
Tax expenses	**338.21**	*(14.26)*
Profit/(loss) after tax	**1,123.80**	*(2,265.47)*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2016-2017: nil).

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3. Segment profit represents the profit before tax earned by each segment without allocation of unallocated expenses and income. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

31.3 Segment assets and liabilities

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Segment assets			
- Real estate	**11,069.63**	*7,838.69*	*7,487.06*
- Trading	**158.58**	*193.04*	*235.95*
- Manufacturing	**249.06**	*302.74*	*280.50*
- Others	**1.33**	*1.81*	*2.30*
Total segment assets	**11,478.60**	*8,336.28*	*8,005.81*
Unallocated corporate assets	**11,298.88**	*2,355.48*	*2,289.28*
Total assets	**22,777.48**	*10,691.76*	*10,295.09*
Segment liabilities			
- Real estate	**6,893.49**	*7,842.38*	*4,599.18*
- Trading	**96.41**	*3.12*	*30.15*
- Manufacturing	**39.95**	*73.83*	*84.97*
- Others	**0.15**	*0.15*	*0.15*
Total segment liabilities	**7,030.00**	*7,919.48*	*4,714.45*
Unallocated corporate liabilities	**13,128.05**	*695.92*	*658.10*
Total liabilities	**20,158.05**	*8,615.40*	*5,372.55*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

31.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended March 31, 2018	*For the year ended March 31, 2017*
- Real estate	**76.41**	*83.44*
- Trading	**0.02**	*0.02*
- Manufacturing	**11.55**	*6.82*
- Others	**—**	*—*
Total	**87.98**	*90.28*

Particulars	Additions to non-current assets	
	For the year ended March 31, 2018	*For the year ended March 31, 2017*
- Real estate	**539.17**	*536.13*
- Trading	**144.32**	*—*
- Manufacturing	**98.14**	*30.95*
- Others	**—**	*—*
Total	**781.63**	*567.08*

31.5 Information about geographical areas

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

31.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 668.05 Lakhs (year ended 31 March, 2017: ₹ 326.05 Lakhs) which arose from sales to its five (two) major customers which accounts for 66.83 percent (year ended 31 March, 2017: 44.22 percent) of the total revenue from trading operation. The entire revenue of real estate operation is from a single customer. Revenue from manufacturing operation includes of ₹ 264.71 Lakhs (year ended 31 March, 2017: ₹ 167.10 Lakhs) which arose from sales to its three (two) major customers which accounts for 76 percent (year ended 31 March, 2017: 70 percent) of the total manufacturing revenue. No other single trading customer contributed 10% or more to the Company's revenue for year ended 31 March, 2018 and year ended 31 March, 2017.

32. Earnings per share

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Basic earnings per share	**1.75**	*(3.52)*
Diluted earnings per share	**1.75**	*(3.52)*

32.1 Basic earnings per share

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

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/(loss) for the year attributable to owners of the Company	**1,123.80**	*(2,265.47)*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share	**1,123.80**	*(2,265.47)*
Weighted average number of equity shares	**6,43,28,941**	*6,43,28,941*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

32.2 Diluted Earnings Per Share

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

Particulars	**For the year ended March 31, 2018**	*For the year ended March 31, 2017*
Profit / (loss) for the year used in the calculation of basic earnings per share...	**1,123.80**	*(2,265.47)*
Add: adjustments on account of dilutive potential equity shares.........	**—**	—
Earnings used in the calculation of diluted earnings per share	**1,123.80**	*(2,265.47)*
Weighted average number of equity shares	**6,43,28,941**	*6,43,28,941*

32.3 Reconciliation of weighted average number of equity shares

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

Particulars	**For the year ended March 31, 2018**	*For the year ended March 31, 2017*
Weighted average number of equity shares used in the calculation of Basic EPS..	**6,43,28,941**	*6,43,28,941*
Add: adjustments on account of dilutive potential equity shares.........	**—**	—
Weighted average number of equity shares used in the calculation of Diluted EPS..	**6,43,28,941**	*6,43,28,941*

33. Employee benefits

i) Defined Contribution Plan

The Group's contribution to Provident fund and other funds aggregating during the period ended 31 March, 2018 is ₹ 18.57 Lakhs (and during the year ended 31 March 2017: 19.58 Lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

ii) Defined Benefit Plans:

Gratuity

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contribution to be made to a separately administered fund. The fund is managed by a trust which is governed by the board of trustees. The board of trustees are responsible for the administration of the plan assets and for the definition of the investment strategy. During the year, the Company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from ₹ 10 lakhs to ₹ 20 lakhs, for those employees who are getting benefit as per Payment of Gratuity Act, 1972. Change in liability (if any) due to this scheme change is recognised as past service cost.

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

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

(1) Salary risk:

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

(2) Interest rate risk:

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

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All amounts are ₹ in Lakhs unless otherwise stated

(3) Investment Risk:

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

(4) Asset Liability Matching Risk:

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

(5) Mortality risk:

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

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

Particulars		**Valuation as at**	
	March 31, 2018	*March 31, 2017*	*April 1, 2016*
(i) Financial assumptions			
Discount rate (p.a.)	**7.18%**	*6.67%*	*7.77%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*	*2.00%*
(ii) Demographic assumptions			
Mortality rate	**Indian assured lives mortality (2006-08)**	*Indian assured lives mortality (2006-08)*	*Indian assured lives mortality (2006-08)*

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

Particulars	**For the year ended March 31, 2018**	*For the year ended March 31, 2017*
Current service cost	**1.66**	*1.46*
Past service cost and (gains)/losses from settlements	**—**	*—*
Net interest expense	**0.24**	*(0.29)*
Components of defined benefit costs recognised in profit or loss	**1.90**	*1.17*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**(0.36)**	*5.23*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	*—*
Actuarial (gains)/loss arising form experience adjustments	**1.16**	*(3.83)*
Return on plan assets (excluding amount included in net interest expense)	**2.30**	*3.51*
Adjustment to recognise the effect of asset ceiling	**—**	*—*
Components of defined benefit costs recognised in other comprehensive income	**3.10**	*4.91*
Total	**5.00**	*6.08*

Notes:

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

ii) The remeasurement of the net define benefits liability is included in other comprehensive income.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Present value of benefit obligation at the end of the year	**(148.90)**	*(142.71)*	*(137.00)*
Fair value of plan assets at the end of the year	**141.86**	*140.66*	*141.04*
Unfunded status (Surplus/ (Deficit)	**(7.04)**	*(2.05)*	*4.04*

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

Particulars	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Opening of defined benefit obligation	**142.70**	*137.00*
Current service cost	**1.66**	*1.46*
Past service cost	**—**	*—*
Interest on defined benefit obligation	**9.62**	*10.67*
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	**(0.36)**	*5.23*
Actuarial loss/(gain) arising from change in demographic assumptions	**—**	*—*
Actuarial loss/(gain) arising on account of experience changes	**1.16**	*(3.83)*
Benefits paid	**(5.89)**	*(7.83)*
Liabilities extinguished on settlement	**—**	*—*
Closing of defined benefit obligation	**148.89**	*142.70*

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

Particulars	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Opening fair value of plan assets	**140.66**	*141.04*
Employer contribution	**—**	*—*
Interest on plan assets	**9.39**	*10.96*
Administration expenses	**—**	*—*
Remeasurement due to:		
Return on Plan Assets , Excluding Interest Income	**(2.30)**	*(3.51)*
Benefits paid	**(5.89)**	*(7.83)*
Assets distributed on settlement	**—**	*—*
Closing of defined benefit obligation	**141.86**	*140.66*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
Government Securities	**73.92**	—	—
Corporate Bonds	**10.67**	—	—
Trust Managed/Insurers Managed Funds	**—**	*140.66*	*141.04*
Others	**57.27**	—	—
Total	**141.86**	*140.66*	*141.04*

Sensitivity Analysis

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

Principal assumption	**Impact on defined benefit obligation**	
	Increase in assumption	*Decrease in assumption*
a) Discount rate		
As at 31st March, 2018	**(0.92)**	*0.98*
As at 31st March, 2017	**(1.28)**	*1.38*
As at 1st April, 2016	**(1.28)**	*1.38*
b) Salary Escalation Rate		
As at 31st March, 2018	**1.01**	*(0.96)*
As at 31st March, 2017	**1.41**	*(1.32)*
As at 1st April, 2016	**1.42**	*(1.34)*
c) Employee Turnover Rate		
As at 31st March, 2018	**0.14**	*(0.15)*
As at 31st March, 2017	**0.20**	*(0.21)*
As at 1st April, 2016	**0.24**	*(0.26)*

Notes:

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

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

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

The Company expects to contribute ₹ Nil (as at 31st March, 2017: ₹ Nil and as at 1st April, 2016: ₹ Nil) to the gratuity trusts during the next financial year.

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Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments: From the Fund

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

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
1st following year	**121.01**	*103.92*	*2.21*
2nd following year	**7.36**	*9.99*	*2.27*
3rd following year	**0.25**	*11.90*	*2.34*
4th following year	**3.85**	*0.27*	*2.41*
5th following year	**4.64**	*3.53*	*2.49*
Sum of years 6 to 10	**0.02**	*4.61*	*177.32*

Maturity profile of defined benefit obligation:

Maturity Analysis of the Benefit Payments: From the Employer

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

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
1st following year	**0.45**	*0.38*	*0.33*
2nd following year	**0.47**	*0.40*	*0.34*
3rd following year	**2.54**	*0.41*	*0.36*
4th following year	**0.45**	*2.29*	*0.37*
5th following year	**9.43**	*0.39*	*2.11*
Sum of years 6 to 10	**4.59**	*12.39*	*8.44*

The weighted average duration of the defined benefit obligation as at March 2018: 1 years (March 2017:1 years and April 2016: 2 years)

34. Leases

Operating Lease

i) The Group has entered into operating lease arrangements for commercial premises at various locations. Amount of lease rentals (excluding service tax and GST) in respect of cancellable operating leases recognised in the statement of profit and loss is ₹ 97.20 Lakhs (for the year ended March 31, 2017: 97.20 Lakhs)

ii) The Group has applied for Lease renewal and has duly paid the lease renewal fees every year for operating lease arrangement for land at Dandi and Lavachha (Surat). As per notification issued by the Land Revenue Department of Government of Gujarat vide Notification no. 1597/1372A1 dated 9th October, 2017, the Company is entitle to renew the leases for the period of 30 years from the last renewal date.

35 Financial instruments

35.1 Capital management

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

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Gearing ratio

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Debt	**10,823.01**	*1,867.91*	*2,474.11*
Cash and bank balances	**842.75**	*482.64*	*486.47*
Net debt	**9,980.26**	*1,385.27*	*1,987.64*
Total equity	**2,619.43**	*2,076.36*	*4,922.54*
Net debt to equity ratio	**3.81**	*0.67*	*0.40*

35.2 Categories of financial instruments:

Financial assets			
Measured at fair value through profit or loss (FVTPL)			
Investment in equity instruments	**4,065.79**	*779.98*	*41.21*
Investment in mutual funds	**5,055.37**	*1,017.35*	*1,520.77*
Measured at amortised cost			
Investment in Government securities	**0.54**	*0.54*	*0.54*
Trade receivables	**3,109.23**	*147.86*	*161.27*
Loans	**197.74**	*197.74*	*197.74*
Cash and bank balances	**842.75**	*482.64*	*486.47*
Other financial assets	**255.97**	*153.90*	*169.95*
Financial liabilities			
Measured at amortised cost			
Borrowings	**10,823.01**	*1,867.91*	*2,474.11*
Trade payables	**239.69**	*170.03*	*158.21*
Other financial liabilities	**984.68**	*187.21*	*188.62*

35.3 Financial risk management objectives

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

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group uses its own trading records to rate its major customers. The Group's exposure to financial loss from defaults are continuously monitored.

Trade receivables consist of a large number of customers, spread across various geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

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B. Liquidity risk

Liquidity risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due. The Group continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	*1-5 years*	**Total**
March 31, 2018			
Borrowings	—	*10,823.01*	**10,823.01**
Trade payables	239.69	—	**239.69**
Other financial liabilities	984.68	—	**984.68**
March 31, 2017			
Borrowings	1,867.91	—	**1,867.91**
Trade Payables	170.03	—	**170.03**
Other financial liabilities	187.21	—	**187.21**
April 1, 2016			
Borrowings	—	*2,474.11*	**2,474.11**
Trade Payables	158.21	—	**158.21**
Other financial liabilities	188.62	—	**188.62**

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

Financing facilities

Particulars	**As at March 31, 2018**	*As at March 31, 2017*	*As at April 1, 2016*
Secured loan facilities from IIFL Wealth Finance Limited			
- amount used	**5,928.81**	—	—
- amount unused	**4,071.19**	—	—
	10,000.00	—	—

C. Market risk

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

i) Currency risk

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

ii) Interest rate risk

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

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All amounts are ₹ in Lakhs unless otherwise stated

The Group has borrowed funds with both fixed and floating interest rate

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Fixed rate borrowings:			
Term loan from financial institutions			
- Kotak Mahindra Investment Limited	—	*1,868*	*2,474*
- IIFL Wealth Finance Limited	**5,929**	—	—
	5,929	*1,868*	*2,474*
Floating rate borrowing:			
Term loan from financial institutions			
- HDFC Limited	**5,000**	—	—
	5,000	—	—
Total Borrowings	**10,929**	*1,868*	*2,474*

Interest rate sensitivity

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
1% increase in interest rate – decrease in profit	**(25.47)**	—	—
1% decrease in interest rate – increase in profit	**25.47**	—	—

36. Fair Value Measurement

36.1 Fair value of the Group's financial assets that are measured at fair value on a recurring basis

	Financial assets/ financial liabilities measured at Fair value	Fair value as at			Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
		March 31, 2018	March 31, 2017	April 1, 2016				
A)	Financial assets							
a)	Investments in							
i)	Equity shares (Quoted)	**4,065.79**	764.55	751.07	Level 1	Quoted bid prices in an active market	NA	NA
ii)	Equity shares (Unquoted)	—	15.43	11.21	Level 3	Comparable Companies' Multiple (CCM) method	Discount for marketability, determined using financial metrics of companies operating in same industries with similar business and size.	A significant increase in the discount for marketability used in isolation would result in a significant decrease in the fair value
iii)	Mutual fund	**5,055.37**	1,017.35	1,520.77	Level 1	NAV in an active market	NA	NA
	Total financial assets	**9,121.16**	1,797.33	2,283.05				

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All amounts are ₹ in Lakhs unless otherwise stated

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

36.2 Inter Level transfers

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

36.3 Reconciliation of Level 3 fair value

Particulars	**For the year ended March 31, 2018**	*For the year ended March 31, 2017*
Unlisted equity instruments measured at FVTPL		
Opening balance	**15.44**	*11.21*
Total gains or losses recognised in profit or loss	**—**	*4.23*
Purchases	**—**	*—*
Disposals/settlements	**(15.44)**	*—*
Closing balance	**—**	*15.44*

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

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

37. Related parties transactions

37.1 Names of the related parties and related party relationships

Particulars	**Relationship as at**		
	March 31, 2018	*March 31, 2017*	*April 1, 2016*
Shanudeep Private Limited	**KMP of the Company has Significant influence over this entity**	*KMP of the Company has Significant influence over this entity*	*KMP of the Company has Significant influence over this entity*
Key Management Personnel			
Pradeep R. Mafatlal	**Chairman**	*Chairman*	*Chairman*
Divya P. Mafatlal	**Director**	*Director*	*Director*
Russi Jal Taraporevala (upto 7th Jan, 2017)	**—**	*Director*	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*	*Executive Director*
F.M. Pardiwalla (upto 16th Nov, 2016)	**—**	*Director*	*Director*
M L. Apte	**Director**	*Director*	*Director*
K J. Pardiwalla	**Director**	*Director*	*Director*
Shobhan Diwanji	**Director**	*Director*	*Director*
D. M. Nadkarni	**Director**	*Director*	*Director*
R. N. Patel	**Director**	*Director*	*Director*
Surendra B. Shah	**Director**	*Director*	*Director*
Mahesh K. Shah	**Director**	*Director*	*Director*
Tanaz B. Panthaki	**Vice president (legal) & Company Secretary**	*Vice president (legal) & Company Secretory*	*Vice president (legal) & Company Secretary*
Pradeepkumar Tiwari (w.e.f. 9th August, 2017)	**Company Secretary**	*—*	*—*
Jayantkumar R. Shah	**Chief financial officer**	*Chief financial officer*	*Chief financial officer*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

37.2 Details of related party transactions

Particulars	For the year ended March 31, 2018	*For the year ended March 31, 2017*
Shanudeep Private Limited		
Transactions during the year		
Leave and License fees	**99.90**	*108.69*
Corporate Office and Service facilities	**135.58**	*150.28*
Payment of common expenses	**23.49**	*15.28*

37.3 Compensation of key managerial personnel

The remuneration of Directors and other members of Key Managerial Personnel during the year was as follows:

Short-term employee benefits	**55.24**	*48.12*
Post-employment benefits	**—**	—
Other long-term benefits	**—**	—
Termination benefits	**—**	—
Total	**55.24**	*48.12*
Sitting fee paid to directors	**8.23**	*11.65*

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

38. Contingent liabilities and commitments

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Contingent liabilities (to the extent not provided for)			
a) Claims against the Group not acknowledged as debts			
- ESIC claims in respect of contractor's workers (refer note (i) below)	**18.01**	*19.22*	*19.22*
- Claims in respect of labour matters (refer note (i) below)	**0.50**	*8.58*	*120.21*
- Local and education cess (refer note (ii) below)	**252.26**	*252.26*	*252.26*
b) Represents demands raised by Excise authorities in the matter of disputes relating to classification of ICL fabrics, captive consumption of yarn and various other matters for which appeals are pending before various appellate authorities. The Company is confident that the cases will be successfully contested.	**520.31**	*545.46*	*545.46*
c) Guarantees given by Bank on behalf of Holding Company to Government authority	**105.23**	*105.23*	*105.23*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
d) The Government of Maharashtra vide Notification No.ELD-2000/CR-1022(ii) NRG-1 dated April 1, 2000 and No.ELD-2001/CR-1069/ NRG-1 dated April 4, 2001 had sought to charge electricity duty on the power generated by Captive Power Plant (CPP). The Companies having CPP had petitioned the Hon'ble High Court at Mumbai against the said Notification contesting the aforesaid levy of duty. The Hon'ble High Court vide Order dated February 23, 2010 quashed and set aside the aforesaid Notification. Accordingly, the Holding Company during the year 2009/2010, has written back the provision for the said duty provided in earlier years aggregating to ₹ 1375.74 Lakhs. The Government of Maharashtra has filed a Special Leave Petition (SLP) in the Hon'ble Supreme Court of India against the aforesaid Order of the Hon'ble High Court at Mumbai. The Holding Company is confident of success in this SLP when heard.	**1,375.74**	*1,375.74*	*1,375.74*
e) Disputed demands of Income Tax (refer note (iii) below)	**164.88**	*164.88*	*39.95*
f) The Holding Company had disputed the claim for rent, mesne profit and related interest claimed by the owner of the premises which were used by the Holding Company in earlier years. On the application of the Company, the Hon'ble High Court of Judicature at Bombay granted a stay against the unfavourable Order of the Small Causes Court and directed the Holding Company to deposit an amount of ₹ 1,153.26 Lakhs pending resolution of the related Writ Petition filed by the Holding Company, which the Holding Company has deposited. Out of the above the Holding Company has already provided/paid for amounts aggregating ₹ 635.39 Lakhs and the balance amount of ₹ 517.87 Lakhs has not been provided as the Holding Company is hopeful of succeeding in its Petition.	**1,364.17**	*1,364.17*	*1,364.17*

Notes:

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

(ii) Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The subsidiary has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.

(iii) These represent demands raised by Income-tax department on various matters for which disputes are pending before various Appellate authorities. The Holding Company is confident that all these cases can be successfully contested.

(iii) There are no capital commitments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39. Deferred tax asset/(liability)

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
Deferred tax asset/(liability) created on:			
Property, plant and equipments and intangible	**(1,201.37)**	*(184.85)*	*(179.94)*
Provisions	**18.96**	*199.86*	*19.81*
Trade receivables	**124.15**	*112.49*	*112.49*
Other assets	**57.65**	—	*33.95*
Investments	**(43.12)**	*(17.84)*	*(11.53)*
Loans	**—**	*(65.61)*	*(90.84)*
Borrowings	**(28.75)**	*71.42*	*98.83*
Other liabilities	**0.39**	*(1.74)*	*0.43*
Carry forward business loss and depreciation	**3,692.47**	*3,909.50*	*3,278.26*
Deferred tax assets/(liability)	**2,620.38**	*4,023.23*	*3,261.46*

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

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

Particulars	As at March 31, 2018	*As at March 31, 2017*	*As at April 1, 2016*
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	**—**	—	—
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	**—**	—	—
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	**—**	—	—
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	**—**	—	—
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	**—**	—	—
vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23	**—**	—	—

The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act.

41. The Holding Company has entered into a Memorandum of Understanding dated September 1, 2016 with Feat Properties Private Limited (FPPL) to transfer and assign all its leasehold rights in 62.25 acres of Company's leasehold property situated at Plot No.4, Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, Taluka/Dist - Thane ("Property") for a consideration of ₹ 3,55,00,00,000 (Rupees Three hundred and fifty five crores only) receivable in installments. This transfer, assignment and consideration is subject to various conditions precedent getting satisfied (including approval of MIDC) and other terms and conditions specified in the aforesaid Memorandum of Understanding. Accordingly, FPPL has paid advance of ₹ 6,500 lakhs till March 31, 2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

42. During the year, in terms of the agreement/understanding entered with a buyer, the Holding Company has assigned all its rights and interest concerning entitlement of Transferable Development Right (TDR) with respect to its land situated at Sewree, which the Company is entitled to in terms of Notification dated 16.11.2016 under the Development Control Regulations of Greater Mumbai 1991. Considering acknowledgement on the part of the buyer and views of expert, the management has concluded that, pending only certain formalities for entitlement and assignment, there is no uncertainty in respect of its entitlement of TDR and passing of significant risks and rewards in respect the same and its consequential assignment in favour of the buyer. Accordingly the Company has recognised assignment of TDR entitlement in the financial statements of the current year and profit arising therefrom, amounting to ₹ 3503.13 lakhs, has been disclosed under schedule 26 as "other income".

43. During the previous year, the unsecured loan of ₹ 5370.00 Lakhs (including accrued interest of ₹ 1,249.18 Lakhs and business advance of ₹ 159.45 Lakhs) given to Standard Salt Works Limited (SSWL) has been converted into equity shares. Consequently, the total investment in SSWL as at March 31, 2017 aggregates ₹ 5,969.82 Lakhs. The net worth of SSWL as at March 31, 2017 post aforesaid conversion has become positive.

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

44. First-time adoption of Ind AS

First time Ind AS adoption reconciliations

(i) Reconciliation of total equity as at 31st March 2017 and 1st April 2016:

Particulars	Notes	*As at March 31, 2017*	*As at April 1, 2016*
Equity as reported under previous GAAP		*1,974.16*	*4,278.61*
Ind AS adjustments:			
Fair valuation of investments	a	*95.06*	*37.32*
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	b	*7.14*	*25.91*
Dividends not recognised as liability until declared under Ind AS	c	—	*580.70*
Total adjustments		*102.20*	*643.93*
Total equity as per Ind AS		*2,076.36*	*4,922.54*

(ii) Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Notes	*For the year ended March 31, 2017*
Loss as per previous GAAP		*(2,304.45)*
Ind AS Adjustments:		
Fair valuation of investments	a	*57.78*
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	b	*(18.80)*
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	d	*0.74*
Profit or loss under Ind AS		*(2,264.73)*
Other comprehensive income (net of tax)		*(0.74)*
Total comprehensive income as per Ind AS		*(2,265.47)*

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

(iii) Effect of Ind AS adoption on the statement of cash flows

Particulars	Cash flows as per previous GAAP	*Ind AS Adjustments*	*Cash flows as per Ind AS*
Year ended 31 March, 2017			
Net cash flows from operating activities	2,232.14	*(0.01)*	*2,232.13*
Net cash flows from investing activities	(634.03)	*(0.01)*	*(634.04)*
Net cash flows from financing activities	(1,601.92)	—	*(1,601.92)*
Net increase (decrease) in cash and cash equivalents	(3.81)	*(0.02)*	*(3.83)*
Cash and cash equivalents at beginning of period	486.47	—	*486.47*
Cash and cash equivalents at end of period	**482.66**	**(0.02)**	**482.64**

Notes to reconciliation

a Under previous GAAP, long term investments were measured at cost less diminution in value which is other than temporary and current investments were measured at lower of cost or fair value. Under Ind AS, these financial assets have been classified as FVTPL on the date of transition. The fair value changes are recognised in profit or loss. The net effect of these changes is an increase in total equity as at March 31, 2017 of ₹ 95.06 Lakhs (₹ 37.32 Lakhs as at April 1, 2016), increase in total profit for the year ended March 31, 2017 of ₹ 57.78 Lakhs.

b Under Previous GAAP, the Group accounted for long term borrowings at transaction value. Under IFRS, the Group has recognised these long term borrowings initial at fair value less transaction cost and subsequently measured at amortised cost using effective interest rate (EIR).This has resulted to an impact on equity as on 31st March, 2017 of ₹ 7.14 Lakhs and on 1st April, 2016 of ₹ 25.91 Lakhs.

c Under previous GAAP, dividends on equity shares recommended by the board of directors after the end of the reporting period but before the financial statements were approved for issue were recognised in the financial statements as a liability.

Under Ind AS, such dividends are recognised when declared by the members in a general meeting. The effect of this change is in total equity as at March 31, 2017 of ₹ Nil (₹ 580.70 Lakhs as at April 1, 2016), but does not affect profit before tax and total profit for the year ended March 31, 2017.

d Under previous GAAP, actuarial gains and losses were recognised in profit or loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. The actuarial gains for the year ended March 31, 2016 were ₹ 2.55 Lakhs. This change does not affect total equity.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

45. Disclosure of additional information as required by the Schedule III:

(a) As at and for the year ended March 31, 2018

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹ In Lakhs)	As % of Consolidated profit or loss	Amount (₹ In Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ In Lakhs)	As % of consolidated total comprehensive income	Amount (₹ In Lakhs)
Parent Company								
Standard Industries Limited	91.97%	2,409.16	101.75%	1,144.07	0.00%	—	101.80%	1,144.05
Subsidiaries								
Indian								
Standard Salt Works Limited	7.98%	209.10	-1.71%	(19.24)	100.00%	(0.55)	-1.76%	(19.79)
Mafatlal Enterprises Limited	0.05%	1.19	-0.04%	(0.46)	0.00%	—	-0.04%	(0.46)
Total	**100.00%**	**2,619.45**	**100.00%**	**1,124.37**	**100.00%**	**(0.55)**	**100.00%**	**1,123.80**

(b) As at and for the year ended March 31, 2017

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated Net Assets	Amount (₹ In Lakhs)	As % of Consolidated profit or loss	Amount (₹ In Lakhs)	As % of Consolidated other comprehensive income	Amount (₹ In Lakhs)	As % of consolidated total comprehensive income	Amount (₹ In Lakhs)
Parent Company								
Standard Industries Limited	89%	1,845.81	76.34%	(1,729.44)	0.00%	—	76.34%	(1,729.44)
Subsidiaries								
Indian								
Standard Salt Works Limited	11%	228.89	23.64%	(534.79)	100.00%	(0.74)	23.64%	(535.53)
Mafatlal Enterprises Limited	0%	1.66	0.02%	(0.50)	0.00%	—	0.02%	(0.50)
Total	**100.00%**	**2,076.36**	**100.00%**	**(2,264.73)**	**100.00%**	**(0.74)**	**100.00%**	**(2,265.47)**

In terms of our report attached

For S H R & Co.
Chartered Accountants
FRN: 120491W

DEEP N SHROFF
PARTNER
Membership No. 122592

Mumbai, Dated: May 29, 2018

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

JAYANTKUMAR R SHAH
Chief Financial Officer

Mumbai, Dated: May 29, 2018

For and on behalf of Board of Directors
P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

STANDARD INDUSTRIES LTD.

Registered Office:
Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.
Tel: 61391210/61391213 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com
CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

Date: 29th May, 2018

Dear Shareholder(s),

Sub: Payment of Dividend through National Electronic Clearing Service (NECS)

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the National Electronic Clearing Service (NECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

Accordingly, if your bank account number has undergone a change pursuant to implementation of Core Banking Solutions, then:

(a) **For shareholders holding shares in Dematerialized Form**

Please inform details of your new bank account number to your Depository Participant (DP) and ensure that the same is duly updated in their records;

(b) **For shareholders holding shares in Physical Form**

If you have already opted from the company the NECS Mandate Facility (i.e. direct credit of dividend amount to your designated bank account) or the Bank Mandate Facility (i.e. where the details of your designated bank account are printed on the dividend warrant), please inform details of your new bank account number to the Company's Registrar & Share Transfer Agent, M/s. Karvy Computershare Pvt. Ltd., in the format mentioned overleaf.

If you have not yet opted for the NECS Mandate Facility, we urge you to avail of the same as this not only protects a shareholder against fraudulent interception and encashment of dividend warrants but also eliminates dependence on the postal system, loss/damage of dividend warrants in transit and correspondence relating to revalidation/issue of duplicate dividend warrants.

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the DP/Registrar & Share Transfer Agent) and are communicated on or before 4th August, 2018 to facilitate receipt of dividend.

Please note that if your new Core Bank Account number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned.

Assuring you of our best services at all times.

Yours faithfully,
For Standard Industries Ltd.
TANAZ B. PANTHAKI
Vice President (Legal) & Company Secretary

P.T.O.

FORM

To,
M/s. Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B,
Plot No. 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.

FORM FOR NECS MANDATE/BANK MANDATE
(Not required to be filled by Shareholders holding shares in dematerialised form)

I/We ____

do hereby authorize Standard Industries Limited to:

* Credit my dividend amount directly to my Bank Account as furnished below, by National Electronic Clearing Service (NECS) – NECS Mandate.

OR

* Print the details of my Bank Account as furnished below, on my dividend warrant which will be mailed to me – Bank Mandate.

(* Please strike out whichever is not applicable – Default option is NECS Mandate)

Folio No. ______________

A.	Bank Name	
B.	Branch	
C.	Bank Address	
D.	Account Type (Savings/Current)	
E.	Account Number (Please mention the new Core Banking Account number that you have received from your Bank)	
F.	9 Digit Code number of the bank & branch as appearing on the MICR cheque (for NECS Mandate only) **Please attach photocopy of the cheque/cancelled cheque**	
G.	Telephone number (with STD Code) of shareholder	
H.	Email ID of Shareholder	

I/We hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all because of incomplete or incorrect information, I/We would not hold the Company/ the user Institution/ Bank responsible.

I/We undertake to inform any subsequent changes in the above particulars before the relevant Book Closure Date(s). I/We understand and agree that the above details shall be maintained by you till I/We hold the shares in physical mode under the captioned folio(s).

Signature of the Shareholder(s)
(As per specimen lodged with the Company)

Note :

1. Kindly note that NECS facility is currently available all over India.
2. For any clarifications, you may contact the Company's Share Transfer Agents, M/S. KARVY COMPUTERSHARE PVT. LTD., Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032. Tel. no.: +91 40 6716 2222, Fax no.: +91 40 2342 0814. E-mail: einward.ris@karvy.com

STANDARD INDUSTRIES LTD.

Registered Office:

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 61391210/61391213 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

GREEN INITIATIVE FORM

To,

M/s. Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B,
Plot No. 31-32, Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032.

GREEN INITIATIVE FORM TO BE FILLED IN FOR SHARES HELD IN PHYSICAL MODE

Name : ………………………………..…………………….. E-mail id: ……………………………...……..……

Address: ………

Folio No. ……………………………..………….……….… No. of Equity Shares held …………………..

Signature of Shareholder

Note: The Green Initiative Form may, in the alternative be sent at the following address: M/s. Karvy Computershare Pvt. Ltd., 24-B, Raja Bahadur Mansion, Ground Floor, Ambalal Doshi Marg, Behind BSE, Fort, Mumbai – 400 023.

PROXY FORM

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

STANDARD INDUSTRIES LTD.

Registered Office:

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai 400 710.

Tel: 61391210/61391213 • Fax: 27780175 • E mail : standardgrievances@rediffmail.com

CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

121st ANNUAL GENERAL MEETING

Name of the Member(s) :

Registered address :

Email ID :

Folio No. / DP ID / Client ID No. :

I/We, being the member(s) of Standard Industries Limited, holding ...., shares of the above named company, hereby appoint

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

Address:..

.... Signature:...

or failing him/her

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

Address:..

.... Signature:...

or failing him/her

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

Address:..

.... Signature:...

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 121st Annual General Meeting of the Company, to be held on Monday, 20th August, 2018 at 3.00 P.M. at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai - 400 614 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
ORDINARY BUSINESS	
1.	Adoption of Directors' Report, Audited Financial Statements for the year ended 31st March, 2018 & Auditors' Report thereon
2.	Confirmation of Interim dividend & Declaration of Final dividend
3.	Re-appointment of Smt. Divya P. Mafatlal who retires by rotation
4.	Appointment of M/s. Arunkumar K. Shah & Co. Chartered Accountants as Auditors of the Company
SPECIAL BUSINESS	
5.	Continuance of Shri M. L. Apte as Non-Executive-Independent Director for the balance term of his current tenure upto 13th August, 2019
6.	Continuance of Shri K. J. Pardiwalla as Non-Executive-Independent Director for the balance term of his current tenure upto 9th February, 2020

Signed this ....day of.. 2018.

Affix
Revenue
Stamp

Signature of the member

Signature of the proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statements & Notes please refer to the Notice of the 121st Annual General Meeting.
3. A proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than 10% of the total Share Capital of the Company. Members holding more than 10% of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member.