STANDARD INDUSTRIES LTD.

123rd ANNUAL REPORT 2019-2020

STANDARD INDUSTRIES LTD.

CONTENTS

STANROSE MAFATLAL

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL
Chairman
SHRI M. L. APTE
(Resigned on 11.09.2019)
SHRI K. J. PARDIWALLA
SMT. DIVYA P. MAFATLAL
SHRI SHOBHAN DIWANJI
MS. AZIZA A. KHATRI
(Appointed on 29.11.2019)
SHRI D. H. PAREKH
Executive Director

BANKERS

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

AUDITORS

M/S. ARUNKUMAR K. SHAH & 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:
KFin Technologies Private Limited,
(Formerly known as Karvy Fintech Private Limited)
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@kfintech.com
Website : www.kfintech.com

Mumbai Front Office:
KFin Technologies Private Limited,
(Formerly known Karvy Fintech 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 IGAPP			
	01.04.2010 to 31.03.2011	01.04.2011 to 31.03.2012	01.04.2012 to 31.03.2013	01.04.2013 to 31.03.2014
COMPANY OWNED:				
1. Fixed Assets (Net)	1,371	2,887	2,878	2,790
2. Investments	914	293	983	574
3. Net Current/Non-Current Assets	12,938	11,472	9,713	8,502
Total Assets (Net)	15,223	14,652	13,574	11,866
COMPANY OWED:				
1. Loan Funds	—	—	—	—
2. Company's Net Worth:				
Equity Share Capital	3,216	3,216	3,216	3,216
Reserves and Surplus	12,007	11,436	10,358	8,650
Total capital employed	15,223	14,652	13,574	11,866
Debt/Equity Ratio#	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†
Income	1,834	2,334	1,762	1,432
Salaries and Wages	169	239	195	176
Operation and Other Expenses, etc.	1,828	2,042	2,083	2,305
Interest	—	—	—	—
Profit before Depreciation and Taxes	(163)	53	(516)	(1,049)
Depreciation	133	89	95	95
Profit before extra ordinary items and taxes	(296)	(36)	(611)	(1,144)
Taxes	—	—	—	—
Profit after Taxes	(296)	(36)	(611)	(1,144)
Refund of Income-tax/Extra provision of tax w/back	19	26	97	—
Balance brought forward from Previous Year	9,287	8,449	7,879	6,801
Transferred from General Reserve	—	—	—	—
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013	—	—	—	—
Remeasurement of Defined Benefit Plan	—	—	—	—
Amount for Appropriation*	9,010	8,439	7,365	5,657
Dividends	482	482	482	482
Tax on Dividends	78	78	82	82
Balance retained in business	8,450	7,879	6,801	5,093
Earnings per Equity Share ₹ **	(0.43)	(0.02)	(0.80)	(1.78)
Dividend paid per Equity Share ₹ **	0.75	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/-

(₹ in lakhs)

As per IGAPP		As per Ind AS			
01.04.2014 to 31.03.2015	01.04.2015 to 31.03.2016	01.04.2016 to 31.03.2017	01.04.2017 to 31.03.2018	01.04.2018 to 31.03.2019	01.04.2019 to 31.03.2020
2,603	2,089	2,021	2,413	4,469	**5,029**
164	94	7,772	15,096	19,629	**21,883**
8,096	9,459	(155)	1,647	(4,609)	**(14,709)**
10,863	11,642	9,638	19,156	19,489	**12,203**
—	2,500	1,868	10,823	14,341	**11,150**
3,216	3,216	3,216	3,216	3,216	**3,216**
7,647	5,926	4,554	5,117	1,932	**(2,163)**
10,863	11,642	9,638	19,156	19,489	**12,203**
0.00:1.00†	0.27:1.00†	0.24:1.00†	1.30:1.00†	2.79:1.00†	**10.58:1.00†**
1,581	1,063	1,466	4,900	2,236	**366**
180	188	183	174	160	**172**
1,652	1,802	2,525	2,347	2,523	**2,706**
—	94	419	821	1,843	**1,493**
(251)	(1,021)	(1,661)	1,558	(2,290)	**(4,005)**
149	119	83	76	113	**287**
(400)	(1,140)	(1,744)	1,482	(2,403)	**(4,292)**
—	—	—	338	—	**—**
(400)	(1,140)	(1,744)	1,144	(2,403)	**(4,292)**
—	—	14	—	—	**200**
5,093	4,090	3,321	1,011	1,779	**(1,408)**
—	—	—	204	—	**—**
22	—	—	—	—	**—**
—	—	—	—	(8)	**(2)**
4,671	2,950	1,591	2,359	(632)	**(5,502)**
482	482	482	482	644	**—**
98	98	98	98	132	**—**
4,091	2,370	1,011	1,779	(1,408)	**(5,502)**
(0.62)	(1.77)	(2.69)	1.78	(3.75)	**(6.36)**
0.75	0.75	0.75	0.75	1.00	**—**

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTY THIRD ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held on Thursday, the 10th September, 2020, at 3.00 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt:
   a. Audited Balance Sheet as at 31st March, 2020, 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, 2020, 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 appoint a Director in place of Smt. Divya P. Mafatlal (DIN 00011525), who retires by rotation and being eligible offers herself for re-appointment.

SPECIAL BUSINESS

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

   AS AN ORDINARY RESOLUTION

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 16,17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the approval of the Members of the Company be and is hereby accorded for appointment of Ms. Aziza A Khatri (DIN 03470976) as the Non-Executive Independent Director of the Company and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Act read with the SEBI Listing Regulations, whose term shall not be subject to retirement by rotation, to hold office for two (2) consecutive years on the Board of the Company w.e.f. 29th November, 2019 upto 28th November, 2021."

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

   AS A SPECIAL RESOLUTION

   "RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force) and read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 based on the recommendation of the Nomination and Remuneration Committee and the Board, the consent of the members be and is hereby accorded for re-appointment of Shri D.H. Parekh (DIN 00015734), as Executive Director of the Company for a period of 3 years commencing from 2nd August, 2020, not liable to retire by rotation, upon the terms of re-appointment including remuneration, commission and perquisites as set out in the Explanatory Statement as required under Section 102(1) of the Companies Act, 2013, with a liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board) to alter and vary the said terms of re-appointment and remuneration in such manner as may be agreed to between the Board and Shri D.H. Parekh."

"RESOLVED FURTHER THAT where in any Financial Year during the currency of Shri D.H. Parekh's tenure as Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and retirement benefits as set out in the Notice as minimum remuneration subject to compliance with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, in force from time to time."

"RESOLVED FURTHER THAT any revision in the remuneration payable to Shri D.H. Parekh shall be within the overall limits as approved by the members in terms of this Resolution and as recommended by the Nomination and Remuneration Committee to the Board for its approval, from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid Resolution."

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

AS A SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions if any, of the Companies Act, 2013, and the relevant rules made thereunder, Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable regulations issued by SEBI (including any statutory modifications, amendments, or re-enactments of any of them for the time being in force), the Memorandum and Articles of Association of the Company and subject to such other requisite approvals, consents, permissions and sanctions as may be required, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) (i) to divest by way of sale, transfer or otherwise dispose off the entire investment or any substantial part thereof held in the Company's wholly owned subsidiaries viz. Standard Salt Works Ltd. **("SSWL")** and/or Mafatlal Enterprises Ltd. **("MEL")**, (ii) for disposal of all the assets or any part thereof of SSWL and/or MEL, with other integrated facilities and immovable/ movable properties, if any attached thereto, with or without associated liabilities, by way of asset sale, slump sale or in any other manner in one or more tranches to any strategic partner/investor/buyer within such period not exceeding 24 months from the date of approval of this Resolution by the members, at a price not less than the fair value to be determined by independent Registered Valuer / Merchant Banker / Practicing Chartered Accountant."

"**RESOLVED FURTHER THAT** for the purpose of implementation of this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matter and things, including but not limited to negotiating, deciding the consideration for the transaction as well as the means, methods or modes for receipt of the consideration, finalizing and executing the required transactional documents including but not limited to Agreement(s) for sale, lease, license, transfer, transitional services, indemnities, guarantees, declarations, undertakings, forms, letters and such other documents with such modification/s as may be required from time to time and to do and perform or cause to be done all such acts, deeds, matters and things, as may be required or deemed necessary and/or expedient in their discretion, to settle any questions, difficulties, doubts that may arise in this regard, as they may in their absolute discretion deem fit and finalise all issues as may be deemed necessary or expedient in their own discretion and in the best interest of the Company to give effect to the Resolution for completion of the transaction, without being required to seek any further consent or approval of the Shareholders and to delegate all or any of the powers or authorities herein conferred to any Director/s or other Officer/s of the Company, or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary."

NOTE:

1. Statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), in respect of the Special Business to be transacted at the Annual General Meeting ("AGM") is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the "AGM" through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
3. The AGM is being held pursuant to the MCA Circulars through VC / OAVM. Physical attendance of Members have been dispensed with. **Accordingly, the facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.**
4. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report for financial year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report for financial year 2019-20 will also be available on the Company's website at www.standardindustries.co, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of KFin Technologies Private Limited at www.kfintech.com.
5. In order to enable the Company to promptly send the general meeting notices, annual reports and other shareholder communications in electronic form, Members are requested to register/update their e-mail addresses as under:
   a. In case shares are held in dematerialized form: Updated details to be sent to their respective Depository Participant with whom members have opened Demat account; and
   b. In case of shares held in physical form: Updated details to be sent to einward.ris@kfintech.com
6. The Company has engaged the services of KFin Technologies Private Limited, Registrar and Transfer Agent as the authorised agency (KFintech) for conducting of the e-AGM and providing e-voting facility.
7. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. As the AGM will be held through VC / OAVM, the Route Map is not annexed to this Notice.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM. Documents referred to in the Notice in terms of section 102(3) will be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 10th September 2020. Members seeking to inspect such documents can send an email to standardgrievances@rediffmail.com
10. As mandated by SEBI, effective from April 1, 2019, securities of listed companies shall be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise share(s) held by them in physical form.

11. **Instructions for attending the AGM through VC/OAVM, Remote E-voting and E-voting at the AGM through insta poll are as follows:**

A. Instructions for attending the AGM through VC/OAVM:

1. Members will be able to attend the AGM through VC / OAVM or view the live webcast of AGM at https://emeetings.kfintech.com and **click on the "video conference**" by using their remote e-voting login credentials and selecting the 'Event' for Company's AGM. Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, Members can also use the OTP based login for logging into the e-voting system.
2. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM. Members who would like to express their views or ask questions during the AGM may register themselves by logging on to https://emeetings.kfintech.com and clicking on the 'Speaker Registration' option available on the screen after log in. The Speaker Registration will be open during 05th September, 2020 to 08th September, 2020. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of Speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
3. Facility of joining the AGM through VC / OAVM shall be available for 1000 members on first come first served basis. However, the participation of members holding 2% or more shares, promoters, and Institutional Investors, directors, key managerial personnel, chairpersons of Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first come first serve basis.
4. Members are encouraged to join the AGM through laptops with Google Chrome for better experience. Further, Members will be required to allow camera, if any, and are requested to use internet with a good speed to avoid any disturbance during the meeting.

   Please note that participants connecting from mobile devices or tablets or through laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
6. Members who need technical assistance before or during the AGM, can contact KFintech on 1800 345 4001 (toll free).

B. Instructions for remote e-voting

1. In compliance with the provisions of Section 108 of the Act read with Rules made thereunder and Regulation 44 of the Listing Regulations, the Company is offering e-voting facility to all Members of the Company. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners (in case of shares held in dematerialized form) maintained by the Depositories as on the cut-off date i.e. 3rd September, 2020 only shall be entitled to avail the facility of remote e-voting/e-voting at the AGM. Kfintech will be facilitating remote e-voting to enable the Members to cast their votes electronically. The Members can cast their vote online from 9.00 A.M. (IST) on 6th September, 2020 to 5.00 P.M. (IST) on 9th September, 2020. At the end of Remote e-voting period, the facility shall forthwith be blocked.

Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date, i.e. Thursday, 3rd September 2020 may obtain the User ID and password by sending a request at einward.ris@kfintech.com

2. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

3. The Members present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting, and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

4. The procedure and instructions for e-voting are as follows:

   a. Open your web browser during the remote e-voting period and navigate to "https://evoting.karvy.com".

   b. Enter the login credentials (i.e., user id and password) mentioned in the communication. Your

      Folio No. / DP ID No./ Client ID No. will be your User- ID.

      User – ID : For Members holding shares in Demat form

      For NSDL: 8 Character DP ID followed by 8 Digits Client ID

      For CDSL: 16 digits beneficiary ID

      User – ID : For Members holding shares in Physical Form:-

      Event Number followed by Folio No. registered with the Company

      Password: Your unique password is sent via e-mail forwarded through the electronic notice

      Captcha: Please enter the verification code i.e. the alphabets and numbers in the exact way as they are displayed for security reasons.

   c. After entering these details appropriately, click on "LOGIN".

   d. Members holding shares in Demat / Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z) one lower case (a-z), one numeric value (0-9) and a special character (@, #, $, etc.). Kindly note that this password can be used by the Demat holders for voting in any other Company on which they are eligible to vote, provided that the other company opts for e-voting through Kfintech e-Voting platform. System will prompt you to change your password and update your contact details like mobile number, e-mail ID, etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

   e. You need to login again with the new credentials.

   f. On successful login, system will prompt you to select the 'Event' i.e. 'Company Name'. Select the EVENT of Standard Industries Limited and click on submit.

   g. If you are holding shares in Demat form and had logged on to "https://evoting.karvy.com" and have cast your vote earlier for any company, then your existing login ID and password are to be used.

   h. On the voting page, you will see Resolution Description and against the same the option

‘FOR / AGAINST / ABSTAIN’ for voting. Enter the number of shares under ‘FOR/ AGAINST / ABSTAIN’ or alternatively you may partially enter any number in ‘FOR’ and partially in ‘AGAINST’, but the total number in ‘FOR / AGAINST’ taken together should not exceed your total shareholding. If you do not wish to vote, please select ‘ABSTAIN’.

i After selecting the Resolution, you wish to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

j. Once you ‘CONFIRM’ your vote on the Resolution whether partially or otherwise, you will not be allowed to modify your vote.

C. Evoting at AGM through insta Poll

The facility for voting through electronic voting system will also be made available at the AGM (**‘Insta Poll’**) and Members attending the AGM who have not cast their vote(s) by remote e-voting will be able to vote at the AGM through Insta Poll.

Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the AGM.

Members may click on the “Thumb sign” on the left hand corner of the video screen to take them to the “Insta Poll” page. Members may click on the “Insta Poll” icon to reach the Resolution page and vote on the Resolutions.

12. Corporate Members are required to send scanned copy (PDF / JPG format) of the relevant Board or governing body Resolution / Authorisation together with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to ‘evoting@karvy.com’.

13. The voting rights of the Members shall be in proportion to the number of shares held by them in the equity share capital of the Company as on the cut-off date being 3rd September, 2020.

14. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/ Password” or “Physical User Reset Password” option available on https://evoting.karvy.com to reset the password.

15. The Board of Directors have appointed Shri Kaushik M. Jhaveri, Proprietor, M/s. Kaushik M. Jhaveri & Co., Practicing Company Secretary, (Membership No. FCS 4254) as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

16. 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 48 hours 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.

17. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.standardindustries.co and the website of Kfintech at https://evoting.karvy.com 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.

18. In case of any query pertaining to e-voting, please visit Help and FAQs section available at Kfintech’s website https://evoting.karvy.com or contact toll free no. 1800 3454 001.

19. The unclaimed dividend for the accounting periods ending 31st March, 2013 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, 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
April, 2017 To March, 2018	29.05.2018 (Interim) 20.08.2018 (Final)	03.07.2025 24.09.2025
April, 2018 To March, 2019	—	—

The details of unpaid/unclaimed Dividend(s) are available on the website of the Company 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').

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, 2013, onwards, are advised to submit their claims to the Company's Registrar and Share Transfer Agents, Kfintech, 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 2011-12 & seven consecutive years thereafter, have been transferred to IEPF authority in the financial year 2019-20 as per Section 124(5) of the Companies Act, 2013.

Members/ claimants whose shares, unclaimed dividend have been transferred to the IEPF, as the case may be, may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF- 5 (available on iepf.gov.in) along with requisite fees, if any, as decided by the IEPF Authority from time to time. The Member/Claimant can file only one consolidated claim in a financial year as per the IEPF Rules.

20. 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 Kfintech, 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.

21. 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, 2021.

22. 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 Kfintech, 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

23. Details of Smt. Divya P. Mafatlal, Ms. Aziza A. Khatri and Shri D. H. Parekh as required to be given pursuant to the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is attached to this Notice as "Annexure 1".

In case of any query pertaining to e-voting, members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of KFin's website for e-voting: https://evoting.karvy.com or call KFin on 1800 345 4001 (toll free).

Members are requested to note the following contact details for addressing e-voting grievances:

Mr. Anil Dalvi
Manager

KFin Technologies Private Limited
Selenium Tower B, Plot 31 - 32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500 032
Telephone: +91 - 40 6716 2222
Fax: +91 - 40 2342 0814
E-mail: einward.ris@kfintech.com.

INSTRUCTIONS AT A GLANCE

Cut-off date 03rd September, 2020

Remote e-voting period Starts at 09.00 a.m. on September 06, 2020 and ends at 5.00 p.m. on September 09, 2020

For remote e-voting log on to: https://evoting.karvy.com

Speaker Registration From 05th September, 2020 to 08th September, 2020

Log on to: https://emeetings.kfintech.com

AGM Date and time - 10th September, 2020 at 3. P.M

For attending AGM log on to: https://emeetings.kfintech.com

For e-voting during AGM go to the "Insta Poll" page after voting is announced by clicking on the thumb icon on the video screen

User ID and Passwords: Use your existing User ID and Password; OR

User ID and Password mentioned in the email; OR

Write to einward.ris@kfintech.com. (for shares held in physical form); OR

Register / update your email addresses with the Depository Participant(s) (for shares held in Demat form)

KFintech's contact details Toll free number: 1800-345-4001

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: 30th June, 2020.

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. 3 to 5 contained in the accompanying Notice dated 30th June, 2020.

Item No. 3

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") and the Articles of Association of the Company, had appointed Ms. Aziza A Khatri (DIN: 03470976) as an Additional Director in the category of Independent Director of the Company with effect from 29th November, 2019.Pursuant to Section 161(1) of the Act, Ms. Aziza A. Khatri holds office up to the date of this meeting.

It is proposed to approve her appointment for a period of 2 years from 29th November, 2019. The Company has also received a declaration from Ms. Aziza A. Khatri, that she meets with the criteria of Independence as prescribed, both under sub-section 6 of Section 149 of the Act and under Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is not disqualified from being appointed as a director in terms of Section 164 of the Act and has given her consent to act as a Director.

In the opinion of the Board, Ms. Aziza A. Khatri fulfils the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, for her appointment as an Independent Director of the Company and is independent of the management.

The Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing the candidature of Ms. Aziza A. Khatri as an Independent Director on the Board of the Company.

The Board of Directors is confident that with her vast knowledge and experience, she will be of great value to the Company and hence recommends the Item No. 3 of this Notice for approval of members as an Ordinary Resolution. A brief profile of Ms. Aziza A Khatri is provided in the Annexure 1 to this Notice.

Except Ms. Aziza A Khatri, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 3. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No. 4

The Board of Directors of the Company ("the Board"), at its meeting held on 30th June, 2020 has, subject to approval of members, re-appointed Shri D. H. Parekh (DIN: 00015734) as an Executive Director for a period of 3 (three) years with effect from August 2, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee (the 'NRC Committee') of the Board. Members' approval is sought for the re-appointment of and remuneration payable to Shri D. H. Parekh as Executive Director of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Shri D. H. Parekh shall not be liable to retire by rotation as long as he holds office of Executive Director in the Company.

The terms of remuneration comprising salary, commission and perquisites to Shri D. H. Parekh are as under:

(1) Salary of ₹ 5,00,000/- per month inclusive of dearness and all other allowances with the authority to the Nomination & Remuneration Committee of the Board to grant such increments from time to time as it may decide in its absolute discretion upto a salary of ₹ 7,00,000/- per month.

(2) Commission as may be decided by the Nomination & Remuneration Committee subject to the overall ceiling laid-down in Section 197 read with Schedule V of the Companies Act, 2013. Such commission will be determined by the Board and be payable after the financial statements for the said financial year have been approved by the Board and adopted by the Members.

(3) Perquisites:

Perquisites such as furnished accommodation or house rent allowance, provision of gas, electricity, water and furnishings in respect of such accommodation, medical reimbursement for self and family, club fees (excluding admission and life membership fees), leave benefits (including leave encashment), leave travel concessions for self and family, personal accident insurance and such other perquisites and on such terms and conditions as the Nomination & Remuneration Committee may in its absolute discretion determine from time to time.

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purposes shall be treated as perquisite to the Executive Director.

Shri D. H. Parekh shall be entitled to Earned/ Privilege Leave on full pay and Allowances as per the Rules of the Company but not more than 1 month's leave for every 11 months' service.

The monetary value of perquisites will be determined in accordance with the relevant rules laid down in this regard under the Income-tax Act. In the absence of such rules, the monetary value of such perquisite shall be determined at cost.

Shri D. H. Parekh shall be entitled to reimbursement of expenses incurred by him for the business of the Company.

Shri D. H. Parekh will not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof of the Company.

Shri D. H. Parekh's services are liable to be terminated by giving three months' notice from either side or by giving him three months' salary in lieu of notice.

Shri D. H. Parekh will not be granted any stock options.

(4) Retirement Benefits:

a) Company's contribution to Provident Fund & Superannuation Fund as per the Rules of the Company;

b) Gratuity as per the Rules of the Company including continuity of service for the time served in any other capacity other than Executive Director within the Company.

c) Leave & encashment of leave as per the Rules of the Company.

The retirement benefits in (a), (b) and (c) above shall not be included in the computation of ceiling on remuneration of Shri D. H. Parekh to the extent provided in Section IV of Schedule V to the Companies Act, 2013.

Notwithstanding anything contained hereinabove, where in any financial year during the currency of Shri D. H. Prarekh's tenure as Executive Director, the Company has no profits or its profits are inadequate, he shall be paid aforesaid remuneration by way of salary, perquisites and retirement benefits as minimum remuneration subject to compliance with schedule V and other applicable provisions, if any, of the Companies Act 2013, in force from time to time.

A statement pursuant to clause (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 is as follows:

I. General Information:

1) Nature of industry:

Presently the Company has a Property Division (previously known as real estate), Trading in Textiles and Chemicals.

The Property Division comprises of assets which are in excess of business needs which the Company would liquidate based on market conditions.

2) Date or expected date of commencement of commercial production:

Not Applicable

3) In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus:

Not Applicable

4) Financial performance based on given indicators:

	₹ in lakhs	₹ in lakhs	₹ in lakhs
	(2019-20)	(2018-19)	(2017-18)
Turnover	1676.69	1279.19	1017.42
Profit Before Tax	(4292.20)	(2402.61)	1482.27
Profit After Tax	(4091.87)	(2402.61)	1144.06
Networth	1053.67	5147.80	8333.48

5) Foreign investments or collaborations, if any:

There are no foreign investments or collaborations by the Company. However, 39.51% of the share capital of the Company is held by NRI/OCB and FIIs.

II. Information about the appointee:

1) Background details:

Shri D. H. Parekh is a Chartered Accountant and has diversified experience in Financial Accounting, Taxation and Management.

He joined the Company in the year 1976. In 1998 he was promoted to the Post of Vice-President (Finance).

Shri D. H. Parekh is a Executive Director on the Board of Standard Industries Limited and a Director in Stan Plaza Limited, Standard Salt Works Ltd, Duville Estates Private Limited, Umiya Real Estate Private Limited and Umiya Balaji Real Estate Private Limited. He is a Member of Audit Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of Standard Industries Limited.

Shri D. H. Parekh holds 100 shares in the Company as of date of this notice.

2) Past remuneration:

Remuneration paid to Shri D. H. Parekh for past 3 financial years is as under:

Financial year	Remuneration (₹)
2017-18	42,06,962
2018-19	42,13,318
2019-20	41,04,863

3) Recognition or awards:

Refer Para (1) above under section 'Background details':

4) Job profile and his suitability:

As an Executive Director & KMP of the Company, Shri D. H. Parekh will be responsible for the affairs of the Company. Shri D. H. Parekh's profile includes assisting Board in taking business and policy decisions. By qualification Shri D. H. Parekh is a Chartered Accountant and has diverse experience in Financial Accounting, Taxation and Management. He is associated with the Company for about 44 years holding various responsible positions in the Company. Having regard to his vast experience, it will be in the interest of the Company to appoint him as Executive Director & KMP of the Company.

5) Remuneration proposed:

As given above.

6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with regard to the country of his origin);

The aforesaid proposed remuneration is commensurate with the size of the Company, profile of the position and person and compares favourably with the remuneration package in the industry.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;

Shri D. H. Parekh does not have any pecuniary relationship with the Company or any other key managerial personnel except to the extent of remuneration drawn by him.

III. Other information

Reasons of loss or inadequate profits; Steps taken or proposed to be taken for improvement; Expected increase in productivity and profits in measurable terms;

As you are aware, the Company had suspended in-house production of its Textiles and Garments Divisions, in totality, in 2001 and closed its Chemicals Factory from 9th November, 2006.

The Company is now, inter alia, engaged in the trading of Textiles / Chemicals and has Property Division.

The Real Estate market has been amongst the sectors severely hit by the economic downturn due to outbreak of Covid-19 pandemic. The residential space continues to face headwinds in the form of muted sales and subdued consumer demand. Furthermore, the sector has been challenged by frequent delays in project completion and a complex approval process. This has resulted in developers curtailing new project launches and focusing on executing existing projects to deliver within the committed timeframe.

The Company had leasehold land of an area of 92 acres and 10 gunthas (approx. 92.25 acres) at Thane-Belapur Road, Navi Mumbai, for a term of 100 years computed from 1.8.1965. The Company has transferred and assigned to LOMA IT Park Developers Private Limited (LOMA), Singapore, in 2008 an area of 30 acres located within the larger property of approx. 92.25 acres, for the remaining tenure of the lease with Maharashtra Industrial Development Corporation (MIDC), leaving balance plot of 62.25 acres.

The Company had, on 1st September, 2016, entered into a Memorandum of Understanding (MOU) in respect of the proposed transfer and assignment to Feat Properties Private Limited of the Company's leasehold rights in approx. 62.25 acres comprising of Plot No. 4 situated at Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, District Thane ("Property"). The said MOU contemplated fulfillment of various conditions precedent as well as other terms and conditions, to be satisfied by the respective parties. Certain conditions precedent/terms and conditions were not fulfilled. Accordingly, the said transfer/ assignment of the property has not been completed. Arising out of and in pursuance of such compliances, the Parties have mutually decided to terminate the said MOU. Consequently, Standard Industries Limited and Feat Properties Private Limited have terminated the said MOU on 29th March, 2019, vide letter of termination dated 29th March, 2019, in accordance with the terms and conditions contained therein.

The Company has entered into an 'Agreement to Assign TDR' dated 18th May, 2017, in favour of K. Raheja Pvt. Ltd., K. Raheja Corporation Pvt. Ltd. and Genext Hardware & Parks Pvt. Ltd., to sell, transfer and assign the entire TDR admeasuring approx. 13,241.76 Sq. Mtrs. equivalent to 1,42,534.30 Sq. ft. and the Development Rights Certificate that would be issued in respect of the said TDR due to surrender of Possessed land and set back area to the Competent Authority at a total consideration of ₹41,50,00,000/- (Rupees Forty one Crores Fifty lakhs only)(inclusive of indirect taxes) payable by them to the Company on satisfaction of certain conditions.

Subsequently, vide letter dated 30th March, 2018, it was informed by K. Raheja Group of companies that only K. Raheja Private Limited will be the buyer of the entire TDR receivable instead of 3 purchasers as mentioned in the above Agreement dated 18th May, 2017.

The Company has received an advance of ₹31.50 crores till 16th October, 2018. The Company has made all the compliances to receive TDR Certificate from the Authorities.

Additionally, the Company is taking necessary steps to improve its overall business verticals and also focussing on cost control in all areas.

Considering the downturn in Country's economy in general and real estate sector in particular due to Covid-19 outbreak, there continues to be pressure on demand and price in real estate space. The Company expects improvement in the financial position as and when the situation normalizes and business picks up pace.

With the above steps and the efforts and initiatives of Shri D. H. Parekh, as Executive Director & KMP, the Company has diversified its operations for improving its performance. The Company proposes to appropriately remunerate the Executive Director & KMP, for these efforts, role and responsibility.

The Board is of the opinion that having regard to his qualification, experience and dedication, the appointment of Shri D. H. Parekh as Executive Director & KMP, would be in the interest of the Company.

As per Section 197 read with Schedule V of the Companies Act, 2013, appointment of Shri D. H. Parekh as Executive Director & KMP of the Company including the terms of his appointment are placed before the Members in General Meeting for their approval by Special Resolution.

Shri D. H. Parekh is interested in the Resolution as the same concerns his appointment. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in this Resolution.

The Board of Directors recommends the Special Resolution set out in item no. 4 of this Notice for approval of members.

Item No. 5

The Board of Directors of the Company have on 30th June 2020 decided to explore and evaluate sale/transfer/disposal of investments / assets of its wholly owned subsidiaries including material wholly owned subsidiary either in whole or in part, to one or more buyer(s), subject to approval of the Members of the Company or such other approvals as may be required under the Act, SEBI Regulations and other applicable laws.

Section 180(1)(a) of the Companies Act, 2013 (**"Act"**), mandates that the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose off the whole or substantially the whole of any undertaking(s) of the Company, only with the approval of the Members of the Company by way of a Special Resolution.

For Section 180(1)(a) of the Act, the expression "undertaking" means an undertaking in which the investment of the Company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the Company during the previous financial year; the expression "substantially the whole of the undertaking" in any financial year shall mean twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

Regulation 24(5) of the SEBI Listing Regulations *inter alia* provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than fifty percent or cease the exercise of control over the subsidiary without passing a special resolution in its general meeting.

Further, Regulation 24(6) of the SEBI Listing Regulations *inter alia* provides that no company shall sell, dispose or lease of assets amounting to more than twenty percent of the assets of its material subsidiary on an aggregate basis during a financial year without passing a special resolution in its general meeting.

A material subsidiary for the purposes of Regulation 24 of the SEBI Listing Regulations and as per the Company's 'Policy for Determining Material Subsidiaries' means a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or the net worth of the listed company and its subsidiaries in the immediately preceding accounting year.

Mafatlal Enterprises Ltd. (MEL) is wholly owned subsidiary of the Company and Standard Slat Works Ltd. (SSWL) is a material wholly owned subsidiary of the Company, as per audited financial statements for FY 2019-20. The Board proposes to scout out for one or more potential strategic partner/investor/ buyer for sale of all or any part of the equity shares of SSWL and / or MEL or disposal of all or any part of the assets of SSWL and/or MEL, with other integrated facilities and immovable/movable properties, if any attached thereto, with or without associated liabilities, by way of asset sale, slump sale or in any other manner in one or more tranches. Such sale would be carried out within 24 months from the date of approval of this Resolution by the members. The consideration will be made at a price not less than the fair value to be determined by Registered Valuer / Merchant Banker / Practicing Chartered Accountant.

The funds realized by the Company on sale of its investments will be used for business and other general corporate purposes as the Board may in its absolute discretion and in the best interest of the Company deem fit.

The Board commends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested in passing of the Resolution at Item No. 5 of the accompanying Notice except to the extent of directorship and shareholding of Mr. K. J. Pardiwalla and Mr. D. H. Parekh in SSWL, directorship of Mr. Pradeep R. Mafatlal and Ms. Aziza A Khatri in MEL and shareholding of Mr. D. H. Parekh, Mr. K. J. Pardiwalla and Mrs. Tanaz B. Panthaki in MEL.

In view of the aforesaid provisions, you are requested to grant your consent to the special resolution as set out at item No. 5 of the accompanying Notice.

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: 30th June, 2020

Annexure 1: Information required to be furnished under Regulation 26 and 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Name of Director	**Aziza A. Khatri**	**Divya P. Mafatlal**	**D. H. Parekh**
DIN	03470976	00011525	00015734
Age	55 Years	51 Years	69 Years
Date of birth	06th July, 1965	5th October, 1968	16th July, 1951
Nationality	India	Indian	Indian
Date of first appointment on the board	29th November, 2019	27th July, 2005	2nd August, 2011
Relationship with other directors and KMP	There is no relationship with other Directors on the Board.	Spouse of Shri Pradeep R. Mafatlal	There is no relationship with other Directors on the Board.
Qualification	Solicitor	B.Com, Diploma in Child Care & psychology	B. Com (Hons.), Chartered Accountants
Terms and conditions of appointment/re-appointment	Non-Executive, Independent Director not liable to retire byrotation.	Non-Executive, Promoter Director liable to retire by rotation.	Refer item 4 in Explanatory Statement of this Notice
Remuneration sought to be paid	—	—	Refer item 4 in Explanatory Statement of this Notice
Remuneration last drawn	—	—	₹ 41,04,863/-
Nature of expertise in specific functional areas	Advocate & solicitor having experience of more than 25 years providing Legal advice & services	Smt. Divya P. Mafatlal is the Promoter of the Company. She is the wife of Shri Pradeep R. Mafatlal from the illustrious house of Mafatlals. She has diversified experience of more than 15 years in the areas of Textiles, Chemicals,Realty & other businesses.	He has diversified experience for about 44 years in financial accounting, taxation & management.
Number of shares	NIL	NIL	100
List of directorships held in other public limited companies	Stanrose Mafatlal Investment & Finance Limited Mafatlal Enterprises Limited	NIL	Stan Plaza Limited Standard Salt Works Limited
Chairmanships/ memberships of committees in other public limited companies (includes only audit committee and stakeholders' relationship committee)	NIL	NIL	NIL
Number of board meetings attended during the FY 2019 - 2020	Held - 5 Attended - 2	Held - 5 Attended - 4	Held - 5 Attended - 5

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: 30th June, 2020

DIRECTORS' REPORT

To

The Members,

Standard Industries Limited.

Your Directors hereby present the 123rd Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS (AS ADJUSTED UNDER IND AS)

		Current year 01.04.2019 to 31.03.2020 (₹ in lakhs)		*Previous year 01.04.2018 to 31.03.2019 (₹ in lakhs)*
Gross Operating Profit before Depreciation and tax		**(4005.38)**		*(2289.30)*
Less: Depreciation		**286.82**		*113.31*
Profit before Taxes		**(4292.20)**		*(2402.61)*
Current Tax		**—**		—
Excess provision of Tax written back		**(200.33)**		—
Profit after Taxes		**(4091.87)**		*(2402.61)*
Remeasurements of the defined benefit Plan		**(2.26)**		*(7.53)*
Balance brought forward from previous year	**(1407.55)**		*1778.13*	
Less :Interim Dividend on Equity Shares	**—**		*482.47*	
Less :Corporate Tax on Dividend	**—**		*99.19*	
Final Dividend on Equity Shares	**—**		*160.82*	
Corporate Tax on Final Dividend	**—**		*33.06*	
Sub-total	**—**		*775.54*	
		(1407.55)		*1002.59*
Retained Earnings		**(5501.68)**		*(1407.55)*

The Company has drawn up its Accounts under IND AS.

RESULTS OF OPERATIONS & THE STATE OF COMPANY AFFAIRS:

TRADING DIVISION

For the Financial Year April 2019 to March 2020 under review, the Company has achieved a Textile Trading turnover of ₹ 1655.69 lakhs in comparison with ₹ 1258.19 lakhs for the previous Financial Year. Thus achieving an increase of 32%.

During the last three years, the Company is achieving turnover growth.

The main season of our business is during March/April to September/October months. Unfortunately, this time we have lost our prime season of sales from March, 2020 onwards for almost 4 months due to the COVID-19 pandemic situation all over the world. Although, we are hopeful of regaining lost ground in coming months, it has adversely affected the market conditions /sentiments of the customers.

PROPERTY DIVISION (REAL ESTATE ACTIVITIES)

The Property Division of the Company comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

Your Company enjoys the benefit of leasehold rights from MIDC in approximately 62.25 acres comprising of Plot No. IV situated at Trans-Thane Creek Industrial Area in the Villages of Ghansoli & Savali, Dist. Thane, with clear title.

The Real estate segment which was already reeling under the impact of the economic slowdown and thereby weak sales prospect, was severely impacted due to COVID-19 impact.

PRE-COVID

In the 3rd quarter of calendar year 2019, the country's economic growth declined to less than 5%. The economy bottomed out. It was expected that in the 4th quarter of calendar year 2019, i.e. October, 2019 to December, 2019, the economy would pick up to 5%. However, the economy has remained stagnant.

The current slowdown is due to various factors viz., after effects of demonetization, Covid-19 outbreak, consumer demand slump, real estate slowdown, lesser jobs and lower investments.

CONSOLIDATED ACCOUNTS

ESTIMATION OF UNCERTAINTIES RELATING TO THE GLOBAL HEALTH PANDEMIC FROM COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as on the date of this Report, has used internal and external sources of information including credit reports, related information and economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of the financial statements.

The Consolidated Financial Statements of your Company for the financial year 2019-20, are prepared as per Indian Accounting Standards ("IND AS") and in compliance with applicable provisions of the Companies Act, 2013 ("the Act"), read with the Rules issued thereunder and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). 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, 2020, is ₹ 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, sweat Equity Shares and has not granted any stock options.

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

The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

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 is, however, constantly pursuing technological upgradation in a cost-effective manner for delivering quality customer service.

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

PUBLIC DEPOSITS

There are no outstanding public deposits remaining unpaid as on 31st March, 2020. The Company has not accepted any public deposits under Chapter V of the Act and rules made thereunder.

However, the Company has taken loans from Financial Institutions which are exempt from the definition of 'deposit' under the Companies (Acceptance of Deposits) Rules, 2014. The details of such loans are given in Note no. 21 to the standalone financial statements.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Act, 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, 2020, 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;

(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 VENTURE AND ASSOCIATE COMPANIES

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

1. Standard Salt Works Limited
2. Mafatlal Enterprises Limited

COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013, is not applicable to the Company.

DONATIONS

During the Financial Year, the Company has donated a sum of ₹ 25,61,000 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 Act, Smt. Divya P. Mafatlal is due to retire by rotation at the ensuing AGM and being eligible offers herself for reappointment.

B. Changes in Directors and Key Managerial Personnel

Shri M.L.Apte tendered his resignation as Independent Director of the Company with effect from 11th September, 2019. The Board has placed on record their sense of appreciation of the valuable services rendered by Shri M. L. Apte during his association with the Company.

Your Directors with deep regret would like to inform you about the sad demise of Shri M. L. Apte on 23rd September, 2019. He was an Industrialist having wide and varied experience of more than 60 years in the areas of Textile, Chemicals, Chocolate Manufacturing and other businesses. He was associated with the Company as a Director for over 34 years during which period the Company has immensely benefitted through his guidance.

The Chairman and the Board of Directors record their profound sorrow and grief on the sad demise of Shri M. L. Apte.

The Board of Directors at their meeting held on 29th November, 2019, have appointed Ms. Aziza A. Khatri, Additional Non-Executive Director as Independent Director of the Company in terms of Section 149, 161 and other applicable provisions of the Act subject to approval of the Members at the ensuing Annual General Meeting ("AGM")

Your Directors are seeking appointment of Ms. Aziza A. Khatri as Independent Director for 2 consecutive years with effect from 29th November, 2019, at the ensuing Annual General Meeting. Details of the proposal for appointment of Ms. Aziza A. Khatri are mentioned in the Explanatory Statement attached to the Notice of the 123rd Annual General Meeting.

Shri D. H. Parekh was appointed as an Executive Director for a period 3 (three) years commencing from 2nd August, 2017 and his tenure would expire on 1st August 2020. Based on the recommendation of the Nomination and Remuneration Committee, the Board has re-appointed Shri D. H. Parekh as Executive Director for a term of 3 (three) years with effect from 2nd August 2020 to 1st August 2023, subject to approval of Members at the ensuing AGM. The terms and conditions of his re-appointment are mentioned in the Explanatory Statement under Section 102(1) of the Act.

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

C. Declarations by Independent Directors and re-appointment:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Board is of the opinion that Ms. Aziza A. Khatri appointed during the year is a person of integrity and has expertise and experience as required for Independent Director.

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

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 5 Board Meetings were held, the details of which are given in the Corporate Governance Report. The gap between the consecutive meetings were within the period prescribed under Section 173 of the Act and Regulation 17(2) of SEBI Listing Regulations.

AUDIT COMMITTEE

The Audit Committee constituted by the Board of Directors of the Company comprises 3 Independent Non-Executive Directors in addition to the Executive Director (Whole-time Director):

Shri K. J. Pardiwalla	—	Chairman
Shri D. H. Parekh	—	Member
Shri Shobhan Diwanji	—	Member
Ms. Aziza A. Khatri (w.e.f. 29th November 2019)	—	Member

Shri M. L. Apte resigned as an Independent Director and member of Audit Committee of the Company with effect from 11th September, 2019.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises Shri K. J. Pardiwalla, Chairman, Shri Shobhan Diwanji, Smt. Divya P. Mafatlal and Ms. Aziza A. Khatri, 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 Act, the Company's Policy on Directors' appointment & remuneration is uploaded on the website of the Company at the link www.standardindustries.co/pdf/Nomination&RemunerationPolicy.pdf

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 Statutory Auditors or by the Secretarial Auditor in their respective Reports.

The observations made by the Statutory 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 Act 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 extract 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. In compliance with Section 134(3)(a) of the Act, MGT-9 has been uploaded on the website of the Company at the link http://www.standardindustries.co/pdf/MGT-9ExtractofAnnualReturn2019-20.pdf

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

The Board of the Company, 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 committee viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and that of the individual Directors, pursuant to the provisions of the Act and SEBI Listing Regulations. 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

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 which required the Statutory Auditors to report 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 Company has formed a CSR Committee and has uploaded the CSR Policy on the Company's website at link www.standardindustries.co/pdf/PolicyOnCorporateSocialResponsibility.pdf

During the year under review, the CSR provisions as prescribed under the Act are not applicable to the Company, hence Company is not required to contribute towards CSR.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments pursuant to the provisions of Section 186 of the Act, 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 Act, are disclosed in Form No. AOC -2 (Please refer **Annexure B** 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 www.standardindustries.co/pdf/PolicyOnRelatedPartyTransactions.pdf

PARTICULARS OF EMPLOYEES

The information as per Section 197 of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report as **Annexure C**. 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 Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with Regulation 24A of the SEBI Listing Regulations, the Company has appointed M/s. Nishant Jawasa & Associates, to undertake the Secretarial Audit of the Company.

Pursuant to Regulation 24A of the SEBI Listing Regulations M\s. Kaushik M. Jhaveri & Co, Practicing Company Secretaries has been appointed by the Board of Standard Salt Works Limited the 'material unlisted subsidiary' to undertake the Secretarial Audit of Standard Salt Works Limited. Reports of the Secretarial Auditor for the Company and Standard Salt Works Limited is annexed herewith as **Annexure D1 and D2 respectively**. The Secretarial Audit Reports do 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 Regulations, 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 Discussion and Analysis Report for the year under review as stipulated under Regulation 34(2)(e) read with Schedule V of SEBI Listing Regulations, is enclosed as Annexure 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. Arunkumar K. Shah & Co., (Firm Registration No. 126935W), Chartered Accountants, Mumbai, were appointed as Statutory Auditors of the Company at the 121st AGM of the Company held on 20th August, 2018 for a period of five (5) consecutive years till 126th AGM of the Company.

Their appointment was subject to ratification by the Members at every subsequent AGM held after the AGM held on 20th August, 2018. Pursuant to the amendments made to Section 139 of the Act by the Companies (Amendment) Act, 2017 effective from 7th May, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors has been withdrawn. Hence, the Resolution seeking ratification of the Members for continuance of their appointment at this AGM is not being sought.

For and on behalf of the Board
PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated : 30th June, 2020.

ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2020

[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/Non-Government Company
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 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. Kfin Technologies Private Limited, (Formerly known as Karvy Fintech Private Limited) 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 Toll Free No. 18003454001 Email : einward.ris@kfintech.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.	Polyester cotton grey fabrics	46411	98.75%

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 (1.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% 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	0	0	0	0	0
(b) Central Government	0	0	0	0	0	0	0	0	0
(c) State Government(s)	0	0	0	0	0	0	0	0	0
(d) Bodies Corporate	12948487	0	12948487	20.13	12948487	0	12948487	20.13	0
(e) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	**12948487**	**0**	**12948487**	**20.13**	**12948487**	**0**	**12948487**	**20.13**	**0**
(2) Foreign									
(a) Non Resident Individuals	13555	0	13555	0.02	13555	0	13555	0.02	0
(b) Other-Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corporate	0	0	0	0	0	0	0	0	0
(d) Banks/Financial Institutions	0	0	0	0	0	0	0	0	0
(e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	**13555**	**0**	**13555**	**0.02**	**13555**	**0**	**13555**	**0.02**	**0**
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	**12962042**	**0**	**12962042**	**20.15**	**12962042**	**0**	**12962042**	**20.15**	**0**
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Fund	3892	62567	66459	0.10	3892	62567	66459	0.10	0
(b) Banks/Financial Institutions	25888	16267	42155	0.07	25888	16267	42155	0.07	0
(c) Central Government	0	0	0	0	0	0	0	0	0
(d) State Government(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	3079434	560	3079994	4.79	3079434	560	3079994	4.79	0
(g) Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	**3109214**	**79394**	**3188608**	**4.96**	**3109214**	**79394**	**3188608**	**4.96**	**0**
(2) Non Institutions									
(a) Bodies Corporate									
i) Indian	44382494	24849	4407343	6.85	2790107	23386	2813493	4.37	-2.47
ii) Overseas	0	25000000	25000000	38.86	0	25000000	25000000	38.86	0
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	9723331	1467190	11190521	17.40	9488188	1375316	10863504	16.89	-0.51
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	6525692	0	6525692	10.14	8424411	0	8424411	13.10	2.95
(c) Others (specify)									
Trust	150759	9810	160569	0.25	150759	9810	160569	0.25	0.00
Non resident individuals	425860	9721	435581	0.68	404826	9200	414026	0.64	-0.04
Foreign Nationals	75	0	75	0.00	0	0	0	0.00	0
IEPF	444981	0	444981	0.69	501766	0	501766	0.78	0.09
Clearing Members	13529	0	13529	0.02	522	0	522	0.00	-0.02
Sub-Total (B)(2)	**21666721**	**26511570**	**48178291**	**74.89**	**21760579**	**26417712**	**48178291**	**74.89**	**0.00**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**24775935**	**26590964**	**51366899**	**79.85**	**24869793**	**26497106**	**51366899**	**79.85**	**0.00**
(C) Shares held by Custodians for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
GRAND TOTAL (A)+(B)+(C)	**37737977**	**26590964**	**64328941**	**100**	**37831835**	**26497106**	**64328941**	**100**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Name of the shareholder	No. of Shares held at the beginning of the year (1.04.2019)			No. of Shares held at the end of the year (31.03.2020)			% 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 & Finance Limited	12404487	19.28	0	12404487	19.28	0	0
2.	Shanudeep Private Limited	500000	0.78	0	500000	0.78	0	0
3.	Shri Pradeep Rasesh Mafatlal	13555	0.02	0	13555	0.02	0	0
4.	Sheiladeep Investments Private Limited	11000	0.02	0	11000	0.02	0	0
5.	Vinadeep Investments Private Limited	11000	0.02	0	11000	0.02	0	0
6.	Gagalbhai Investments Private Limited	11000	0.02	0	11000	0.02	0	0
7.	Pradeep Investments Private Limited	11000	0.02	0	11000	0.02	0	0
	TOTAL	**12962042**	**20.15**	**0**	**12962042**	**20.15**	**0**	**0**

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

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2019)		Remarks	Shareholding at the end of the year (31.03.2020)	
		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 (01.04.2019)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2020)	
		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.	Life Insurance Corporation of India	1311631	2.04	—	—	1311631	2.04
3.	International Financial Service Limited	1241279	1.93	1241279	Sale	0	0
4.	Dhiren Mahendra Shah	0	0	1171150	Purchase	1171150	1.82
5.	The Oriental Insurance Company Limited	1113472	1.73	—	—	1113472	1.73
6.	Tushad K. Cooper	671559	1.04	15055	Sale	656504	1.02
7.	G. Shankar	542152	0.84	2655	Purchase	544807	0.85
8.	The New India Assurance Company Limited	529316	0.82	—	—	529316	0.82
9.	Investor Education and Protection Fund Authority	444981	0.69	56785	Transfer	501766	0.78
10.	JM Financial Services Limited	432882	0.67	432882	Sale	0	0
11.	Atrun Fiscal Private Limited	0	0.00	419382	Purchase	419382	0.65
12.	Trishakti Power Holdings Private Limited	300000	0.47	—	—	300000	0.47
13.	Sejal Dhiren Shah	253586	0.39	673089	Purchase	926675	1.44

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2019)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31.03.2020)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1.	Shri Pradeep R. Mafatlal	13555	0.02	—	—	13555	0.02
2.	Shri M. L. Apte (upto 11.09.2019)	1735	0.00	1735	Sale	0	0.00
3.	Shri K. J. Pardiwalla	—	—	—	—	—	—
4.	Smt. Divya P. Mafatlal	—	—	—	—	—	—
5.	Shri D. H. Parekh	—	—	—	—	*	0.00
6.	Shri Shobhan Diwanji	—	—	—	—	—	—
7.	Ms. Aziza A. Khatri (w.e.f 29.11.2019)	—	—	—	—	—	—
8.	Smt. T. B. Panthaki	3325	0.01	—	—	3325	0.01
9.	Shri J. R. Shah	300	0.00	—	—	300	0.00

* Holding as on date, 100 shares

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	14340.73	—	—	14340.73
(ii) Interest due but not paid	—	—	—	—
(iii) Interest accrued but not due	256.09	—	—	256.09
Total (i+ii+iii)	14596.82	—	—	14596.82
Change in Indebtedness during the financial year				
• Addition	—	—	—	—
• Reduction	3071.81	—	—	3071.81
Net Change	3071.81	—	—	3071.81
Indebtedness at the end of the financial year				
(i) Principal Amount	11150.19	—	—	11150.19
(ii) Interest due but not paid	54.57	—	—	54.57
(iii) Interest accrued but not due	320.25	—	—	320.25
Total (i+ii+iii)	11525.01	—	—	11525.01

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of WTD Shri. D. H. Parekh (Amount in ₹)
1.	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961	28,10,493
	(b) Value of perquisites u/s. 17(2) of the Income tax Act, 1961	4,37,400
	(c) Personal Accident and Medical Insurance Premium	1,14,970
	Subtotal (a+b+c)	33,62,863
	(d) Profits in lieu of salary u/s. 17(3) of the Income-tax Act 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission — as % of profit — others	—
5.	Others (Retrial Benefits)	—
	Contribution to Funds for Retirement Benefits	7,42,000
	Total (A)	41,04,863
	Ceiling as per Act	The remuneration is as per Schedule V of the Companies Act, 2013.

B. Remuneration to other Directors:

(₹)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shri M. L. Apte*	Shri Shobhan Diwanji	Shri K. J. Pardiwalla	Ms Aziza A. Khatri#	
1.	Independent Directors					
	• Fee for attending board committee meetings	1,00,000	2,60,000	3,40,000	80,000	7,80,000
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	Total (1)	**1,00,000**	**2,60,000**	**3,40,000**	**80,000**	**7,80,000**
		Shri Pradeep R. Mafatlal	**Smt. Divya P. Mafatlal**			
2.	Other Non-Executive Directors					
	• Fee for attending board committee meetings	1,40,000	1,20,000			2,60,000
	• Commission	—	—			—
	• Others, please specify	—	—			—
	Total (2)	**1,40,000**	**1,20,000**			**2,60,000**
	Total (B)=(1+2)					**10,40,000**
	Total Managerial Remuneration					**10,40,000**
	Overall ceiling as per the Act					Not Applicable

* Shri M. L. Apte resigned from the Board with effect from 11th September, 2019.

Ms Aziza A. Khatri was appointed on the Board with effect from 29th November, 2019.

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

(in ₹)

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	11,48,000	9,36,300	20,84,300
	(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)	11,80,400	9,36,300	21,16,700
	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: 30th June, 2020.

ANNEXURE B 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 License (ii) Availing facilities and amenities
	(c)	Duration of the contracts/ arrangements/ transactions	Use of office premises on Leave and License: (i) From 19th August, 2016 to 18th August, 2019 (ii) From 19th August, 2019 to 18th August, 2022 Availing facilities and amenities: (i) From 21st August, 2016 to 20th August, 2019 (ii) From 21st August, 2019 to 20th August, 2022
	(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 license basis at license 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:	Use of office premises on Leave and License: (i) 27th April, 2016 and 30th May, 2019 Availing facilities and amenities: (ii) 27th April, 2016 and 30th May, 2019
	(f)	Amount paid as advances, if any:	Nil

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 30th June, 2020.

ANNEXURE C TO THE DIRECTORS' REPORT

DETAILS FOR BOARD REPORT

Information required under Section 197 of the Companies Act, 2013, read with Companies ("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 2019-2020 is as follows:

Name of the Director	Ratio of remuneration of Director to the median remuneration
D. H. Parekh	3.92

Notes:

1. The information provided above is on standalone basis.
2. The aforesaid ratio is calculated on the basis of remuneration including Retiral Benefits for the financial year 2019-2020.
3. The Company does not pay any remuneration to its Non-Executive Directors apart from sitting fees for the Board Meetings and Committee Meetings attended by them during the Financial Year. Therefore, the above disclosure is not required for Non-Executive Directors.

B. Details of percentage increase in the remuneration of each Director and CFO & Company Secretary in the financial year 2019-2020.

Name	Designation	Increase %
D.H. Parekh	Executive Director	(-) 2.57
Tanaz B. Panthaki	VP (Legal) & Company Secretary	3.12
Jayantkumar R. Shah	Chief Financial Officer	14.14 *

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

Notes:

1) Remuneration to Director is within the over all limits approved by the Shareholders.
2) The Company does not pay any remuneration to its Non-Executive Directors apart from sitting fees for the Board Meetings and Committee Meetings attended by them during the Financial Year. Therefore, the above disclosure is not required for Non-Executive Directors

C. Percentage increase in the median remuneration of all employees in the financial year 2019-2020

Particulars	Increase %
Median Remuneration of all employees per annum *	17.15

* including Retiral Benefits.

D. Number of permanent employees on the rolls of the Company as on 31st March, 2020

Particulars	Number of employees
Executive/Manager Cadre	12
Staff	—
Total	12

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

Particulars	Increase %
Average salary of all employees	15.31
Key Managerial Personnel:	
Salary of Executive Director	(-) 2.57
Salary of CS & CFO	7.70 *

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

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

G. It is hereby confirmed that there are no employees in the Company who draw remuneration in excess of Rule 5 (2) of the Companies (Appointment & Remuneration of Management Personnel) Rules 2014.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman

Mumbai
Dated: 30th June, 2020.

ANNEXURE D-1 TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[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, 2020 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, 2020 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.

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 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. There was no change in the composition of the Board of Directors during the period under review.

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: 1st July, 2020
UDIN: F006557B000407980

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: 1st July, 2020

ANNEXURE D-2

FORM MR No. 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,

The Members,

Standard Salt Works Limited

912, Alishan Awaas, Diwali Baugh,

Athwa Lines, Nanpura,

Surat - 395001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Standard Salt Works Limited (CIN: U24110GJ1979PLC003315)** (hereinafter called the **"Company"**). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of 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, 2020 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 **Standard Salt Works Limited** for the financial year ended on 31st March, 2020 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; ***(Not applicable to the Company during the audit period)***

(iii) The Depositories Act,1996 and the Regulations and Bye-laws framed thereunder; ***(Not applicable to the Company during the audit period)***

(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; ***(Not applicable to the Company during the audit period)***

(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; ***(Not applicable to the Company during the audit period)***

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,1992 and 2015*; ***(Not applicable to the Company during the audit period)***

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; ***(Not applicable to the Company during the audit period)***

   (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***(Not applicable to the Company during the audit period)***

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***(Not applicable to the Company during the audit period)***

   (f) 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; ***(Not applicable to the Company during the audit period)***

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; ***(Not applicable to the Company)***

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,1998; ***(Not applicable to the Company during the audit period).***

* The Company being a material subsidiary of **Standard Industries Limited ("SIL")**, certain employees of the Company have been categorised as Designated Persons and are covered by the Code of Conduct under The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, of "SIL".

(vi) Other applicable Acts/Laws as per **Annexure-A.**

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards, etc. mentioned above.

We further report that,

The Company has adequate composition of the Board of Directors as per the Companies Act, 2013. There was no change in the composition of the Board during the period under review.

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 a meaningful participation at the meeting.

All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 such event that took place having major bearing on the company's affairs except as stated below in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred above.

During the period under review we could not physically visit the Company premises for checking of the records, data & documents due to lockdown situation in the Country imposed by the Government in view of the global pandemic of COVID-19. The report has been provided on basis and to the extent of the availability of the documents electronically.

For Kaushik M. Jhaveri & Co.,
Practising Company Secretary

KAUSHIK JHAVERI
FCS No.: 4254
CP No.: 2592
UDIN: F004254B000407547

Place: Mumbai
Dated: 1st July, 2020

ANNEXURE - A TO SECRETARIAL AUDIT REPORT OF STANDARD SALT WORKS LIMITED FOR THE YEAR ENDED 31ST MARCH, 2020

List of other Acts/Laws as amended time to time applicable to the Company:

1. The Payment of Wages Act, 1936.
2. The Payment of Gratuity Act, 1972.
3. The Payment of Bonus Act, 1965.

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

ANNEXURE - B

To,
The Members,
Standard Salt Works Limited
912, Alishan Awaas, Diwali Baugh,
Athwa Lines, Nanpura,
Surat - 395001

The report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the Management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
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 Kaushik M. Jhaveri & Co.,
Practising Company Secretary

KAUSHIK JHAVERI
FCS No.: 4254
CP No.: 2592
UDIN: F004254B000407547

Place: Mumbai
Dated: 1st July, 2020

CORPORATE GOVERNANCE

INTRODUCTION

I. 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.

II. 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 2019-2020	Whether attended AGM held on 13th August, 2019	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	9*	1
Shri M. L. Apte (resigned w.e.f.11.09.2019)	Non-Executive & Independent	2	No	NA	NA
Shri K. J. Pardiwalla	Non-Executive & Independent	5	Yes	4	2(2)
Smt. Divya P. Mafatlal	Promoter Non-Executive	4	No	6	—
Shri D. H. Parekh	Executive Director	5	Yes	5	—
Shri Shobhan Diwanji	Non-Executive & Independent	5	No	1	1
Ms. Aziza A. Khatri (appointed w.e.f. 29.11.2019)	Non-Executive & Independent	2	NA	2	—

* 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. Names of other Directorships in Listed Entities

Name of Directors	**Names of other Directorships in Listed Entities**	
	Name of Listed Company	**Category**
Shri Pradeep R. Mafatlal	Stanrose Mafatlal Investments & Finance Limited	Promoter Non-Executive Non Independent Director
Shri K. J. Pardiwalla	Stanrose Mafatlal Investments & Finance Limited	Independent Director
Smt. Divya P. Mafatlal	—	—
Shri Shoban Diwanji	Swan Energy Limited	Independent Director
Shri D. H. Parekh	—	—
Ms. Aziza A. Khatri	Stanrose Mafatlal Investments & Finance Limited	Independent Director

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

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

Five Board Meetings were held during the Financial Year from 1st April, 2019 to 31st March, 2020. The dates of such Board Meetings are 30.05.2019, 5.08.2019, 19.10.2019, 29.11.2019 and 10.02.2020.

D. Familiarization programme for Independent Directors:

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc. During FY 2019-20, Independent Directors were taken through various aspects of the Company's business and operations. The details of familiarization programmes imparted to the Independent Directors during FY 2019-20 are put up on the website of the Company and can be accessed at http://www.standardindustries.co/pdf/FamiliarizationProgrammeforIndependentDirectors.pdf

E. The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

i. Knowledge - understand the Company's business, policies, culture and knowledge of the industry in which the Company operates.

ii. Strategic thinking and decision making.

iii. Financial Skills.

iv. Technical/Professional skills and specialized knowledge to business

The Board of the Company consist of members having diverse expertise, skills and experience. In terms of the requirement of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Board has identified the core skills/expertise/ competencies of the Directors in the context of the Company's business for effective functioning and as available with the Board. These are as follows:

Particulars	Pradeep R. Mafatlal	Divya P. Mafatlal	M. L. Apte$	K. J. Pardiwalla	D. H. Parekh	S. I. Diwanji	Aziza A. Khatri*
Knowledge	√	√	√	√	√	√	√
Strategic thinking and decision making	√	√		√	√		
Financial Skills	√			√	√	√	
Technical/ Professional skills and specialized knowledge to business	√	√	√	√	√	√	√

$ Shri M. L. Apte resigned as an Independent Director w.e.f. 11th September 2019.

* Ms. Aziza A. Khatri was appointed as an Additional Independent Director w.e.f. 29th November, 2019.

F. The Board confirms that the Independent Directors fulfill the conditions specified in Section 149 of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

G. During the year under review, Shri M. L. Apte resigned as an Independent Director w.e.f. 11th September 2019, due to his advanced age and ill health. The Company has received a confirmation from Shri M. L. Apte that except the above reasons there are no other material reason for resigning as an Independent Director.

H. 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 i.e.http://www.standardindustries.co/pdf/CodeOfConductForBoardOfDirectors&SeniorManagement.pdf

III. AUDIT COMMITTEE

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

Shri K. J. Pardiwalla	Chairman
Shri M. L. Apte (resigned w.e.f. 11.09.2019)	Member
Shri D. H. Parekh	Member
Shri Shobhan Diwanji	Member
Ms. Aziza A. Khatri (appointed w.e.f 29.11.2019)	Member

The Vice President (Legal) & Company Secretary acts as a Secretary to the Committee. Shri Pradeep 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 Regulations inter alia include 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, 2020 the Audit Committee met four times, viz. on 30.05.2019, 05.08.2019, 19.10.2019 and 10.02.2020. Attendance during the Financial Year is as under:

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	4
Shri M. L. Apte (resigned w.e.f. 11.09.2019)	2
Shri D. H. Parekh	4
Shri Shobhan Diwanji	4
Ms. Aziza A. Khatri (appointed w.e.f 29.11.2019)	1

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 (resigned w.e.f. 11.09.2019)	
Shri Shobhan Diwanji	Member
Smt. Divya P. Mafatlal	Member
Ms. Aziza A. Khatri (appointed w.e.f. 29.11.2019)	Member

The terms of reference of the Nomination & Remuneration Committee are in accordance with the provisions of Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors and inter alia include the following:

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

b) To recommend to the Board on policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.

c) Formulation of criteria for evaluation of performance of independent directors and the Board of Directors.

d) To determine whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

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) Identifying 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 of Directors their appointment and removal.

g) Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

h) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

i) Specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

j) Determining the appropriate size, diversity and composition of the Board and to devise a policy on Board diversity

k) To assist the Board in ensuring that succession plans are in place for appointment to the Board.

l) Ensuring that there is an appropriate induction & training programme in place for new Directors and reviewing its effectiveness.

The aforesaid Nomination and Remuneration Committee met thrice during the Financial Year from 1st April, 2019 to 31st March, 2020, viz. on 30.05.2019, 19.10.2019 & 29.11.2019. Attendance during the Financial Year is as under:

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	3
Shri M. L. Apte (resigned w.e.f. 11.09.2019)	1
Shri Shobhan Diwanji	3
Ms. Aziza A. Khatri (appointed w.e.f. 29.11.2019)	—
Smt. Divya P. Mafatlal	2

The Nomination & Remuneration Committee approved and recommended a revised Nomination & Remuneration Policy to the Board, which was adopted and effective from 1st April, 2019. The revised policy and charter are available on the Company's website at http://www.standardindustries.co/pdf/Nomination&RemunerationPolicy.pdf

Performance Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of SEBI Listing Regulations, 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 Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

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. REMUNERATION OF DIRECTORS

Payment of remuneration to Shri D. H. Parekh, 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 for a period of 3 (three) years. The remuneration structure comprises salary, perquisites and contributions to Provident Fund, Superannuation and Gratuity

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	28,10,493	5,52,370	7,42,000	41,04,863

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

DIRECTORS' REMUNERATION PAID DURING THE FINANCIAL YEAR ENDED 31st MARCH, 2020

Name of the Directors	Remuneration paid during April, 2019 to March, 2020			
	Sitting Fees ₹	Salary & Perks ₹	Total ₹	No. of shares held as on 31.03.2020
Shri Pradeep R. Mafatlal, Chairman	1,40,000	—	1,40,000	13,555
Shri M. L. Apte (resigned w.e.f. 11.09.2019)	1,00,000	—	1,00,000	
Shri K. J. Pardiwalla	3,40,000	—	3,40,000	
Smt. Divya P. Mafatlal	1,20,000		1,20,000	
Shri D. H. Parekh, Executive Director	—	41,04,863	41,04,863	*
Shri Shobhan Diwanji	2,60,000	—	2,60,000	
Ms. Aziza A. Khatri (appointed w.e.f 29.11.2020)	80,000	—	80,000	
TOTAL	10,40,000	41,04,863	51,44,863	—

* Holding as on date 100 Shares

The Company does not pay any remuneration to its Non-Executive Directors, apart from Sitting Fees for the Board Meetings and Committee Meetings attended by them during the year. The Executive Director is paid fixed component of remuneration. No performance linked incentives have been paid or is payable to Directors for the year under review.

Service contracts, notice period, severance fees

The appointment of the Executive Director is governed by Resolution passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company.

A separate Service Contract is not entered into by the Company with the Executive Director.

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. No severance fee is payable to any Director.

Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

The Company has not issued any stock options to directors / employees.

VI. 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, 2020, the aforesaid Committee met four times, viz. on 30.05.2019, 05.08.2019, 19.10.2019 and 10.02.2020.

Members	Meetings attended
Shri K. J. Pardiwalla, Chairman	4
Shri P. R. Mafatlal	3
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, 2019 to 31st March, 2020.	1
Number of complaints not resolved to the satisfaction of shareholders.	NIL
Number of pending share Transfers/complaints	NIL

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 (SEBI PITR). The Company had adopted a revised code of Fair Disclosure as required under the amended Regulation 8 of SEBI PITR, inter alia, containing a policy on Legitimate Purpose. Further, the Company has also approved and adopted a revised Code to Monitor, Regulate and Report trading by its designated persons and immediate relatives of designated persons pursuant to the amended Regulation 9 of SEBI PITR towards achieving compliance with the SEBI PITR and adopting the minimum standards set out in relevant Schedule to SEBI PITR and the same was effective from 1st April, 2019.

OTHER BOARD COMMITTEES:

A. INVESTMENT COMMITTEE

The Investment Committee comprises the following two Directors:

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

The Committee met three times during the Financial Year, viz. on 30.05.2019, 05.08.2019 and 10.02.2020.

B. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

The composition, powers, role and terms of reference of the Committee are in accordance with the requirements mandated under Section 135 of the Companies Act, 2013. The CSR Committee consists of the following Directors:

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

During the year under review the said Committee has not met any time.

During the year under review, the CSR provisions as prescribed under the Act are not applicable to the Company, hence the Company is not required to contribute towards CSR.

C. INDEPENDENT DIRECTORS' COMMITTEE

The Independent Directors' Committee comprises the following Directors:

Shri M. L. Apte (resigned on 11.09.2019)	Member
Shri Shobhan Diwanji	Member
Shri K. J. Pardiwalla	Member
Ms. Aziza A. Khatri (appointed w.e.f. 29.11.2019)	Member

The Independent Directors met on 10th February, 2020, 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.

D. 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.

VII. GENERAL BODY MEETINGS:

A. Location and time where the last three Annual General Meeting (AGM) were held:

Year	AGM	Location	Date and Time
2018-2019	AGM	The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614.	13.08.2019 at 3.00 p.m.
2017-2018	AGM	----do----	20.08.2018 at 3.00 p.m.
2016-2017	AGM	----do----	31.08.2017 at 3.00 p.m.

B. Whether any Special Resolutions were passed in the previous 3 Annual General Meetings:

Year	Special Resolutions
2018-2019	Reappointment and Continuation of Shri M. L. Apte as Non-Executive Independent Director under Reg. 17(1A) of SEBI Listing Regulations, for a term of 3 consecutive years w.e.f. 14th August, 2019 to 13th August, 2022.
	Reappointment of Shri Shobhan Diwanji as Non-Executive Independent Director for a term of 5 consecutive years w.e.f. 14th August, 2019 to 13th August, 2024
	Reappointment and Continuation of Shri K. J. Pardiwalla as Non-Executive Independent Director under Reg. 17(1A) of SEBI Listing Regulations, for a term of 3 consecutive years w.e.f. 10th February, 2020 to 9th August, 2023.
2017-2018	Continuation of Shri M. L. Apte as Non-Executive Independent Director for the balance term of his current tenure upto 13th August, 2019
	Continuation of Shri K. J. Pardiwalla as Non-Executive Independent Director for the balance term of his current tenure upto 9th February, 2020
2016-2017	Approval of making loan, investments or giving guarantee upto ₹ 300 crores.
	Reappointment of Shri D. H. Parekh as Executive Director.

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.

D. **Person who conducted the postal ballot exercise:**

Not Applicable

E. **Whether any special resolution is proposed to be conducted through postal ballot:**

At present there is no proposal to pass any special resolution through postal ballot.

F. **Procedure for postal ballot:**

Not Applicable

VIII. MEANS OF COMMUNICATION

A. Quarterly Results/Annual Results:

The Board of Directors of the Company approves and takes on record the consolidated 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.

B. Newspapers wherein results normally published:

The quarterly results / annual results are generally published in The Free Press Journal (English) and Navshakti (Marathi).

C. Any website, where displayed:

The quarterly results/ annual results of the Company are put on the website of the Company i.e http://www.standardindustries.co after these are submitted to the Stock Exchanges.

D. Presentations made to institutional investors or to the analysts: None

IX. GENERAL SHAREHOLDERS' INFORMATION

A. **Annual General Meeting**

Date, Time & Venue

To be held on Thursday, 10th September, 2020 at 3 p.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

B. **Financial year – 1 April to 31 March**

C. **Financial Calendar (tentative)**

Financial Reporting for the Quarter ended 30th June, 2020	Mid August, 2020
Financial Reporting for the Quarter ended 30th September, 2020	Mid November, 2020
Financial Reporting for the Quarter ended 31st December, 2020	Mid February, 2021
Financial Reporting for the year ending 31st March, 2021	End May, 2021
Annual General Meeting for the year ending 31st March, 2021	August/September 2021

D. **Name and address of each Stock Exchange at which Company's Shares are listed.**

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1,

G Block, Bandra-Kurla Complex, Bandra (E),
Mumbai-400 051

Listing Fees:

The Company has paid Listing Fees to the above Stock Exchanges upto 31st March, 2021.

E.	**Stock Code:**	BSE – 530017 NSE – SIL
	Demat ISIN Numbers in NSDL & CDSL for Equity Shares.	INE173A01025
F.	**Stock Market Data**	Please see Annexure "1"
G.	**Stock performance**	Please see Annexure "2"

H. **Registrar & Share Transfer Agents (R & STA)**

Corporate Office:
KFin Technologies Private Limited
(Formerly known as Karvy Fintech Private Limited)
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
Toll Free No. 18003454001

Email: einward.ris@kfintech.com

Mumbai Front Office:
KFin Technologies 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, demat requests and other communication in relation thereto should be addressed to the R & STA at the above address.

I. Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, with effect from 1st April 2019, shares of the Company can be transferred only in demat form, except in case of request received for deletion of name of deceased shareholder, transmission and transposition of names for shares held in physical form, where it is required to submit self-certified photocopy of PAN Card of the surviving holder(s), legal heir(s) and joint holder(s) respectively along with necessary documents to be sent to the Registrar & Share Transfer Agents, KFin Technologies Private Limited.

J. (i) Distribution of Shareholding

No. of Equity Shares held	No. of Share-holders	No. of Shares held	% Share-holding
1 to 5000	26536	7631687	11.86
5001 to 10000	266	1966884	3.06
10001 to 20000	150	2103445	3.27
20001 to 30000	45	1088919	1.69
30001 to 40000	17	598854	0.93
40001 to 50000	16	726878	1.13
50001 to 100000	21	1449492	2.25
100001 & above	35	48762782	75.80
TOTAL	27086	64328941	100

(ii) Categories of Shareholding as on 31st March, 2020.

Categories	No. of Share-Holders	No. of Shares held	% Share-holding
Promoters/Group Companies	7	12962042	20.15
Public/Pvt Ltd Companies	239	2814015	4.37
Insurance Companies	8	3079994	4.79
Public Financial Institutions/Banks	21	42155	0.07
Mutual Funds/UTI	11	66459	0.10
Foreign Institutional Holding	0	0	0
NRIs/OCBs	207	25414026	39.51
Resident Individuals	26585	19287915	29.98
IEPF	1	501766	0.78
Trust	7	160569	0.25
TOTAL	27086	64328941	100

K. Dematerialisation of shares and liquidity:

58.81% of the total Equity Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2020. Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 8th May, 2000, as per notification issued by SEBI. All shares held by Promoters/Promoter Group Companies have been dematerialised.

L. Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity:

None

M. Plant Location:

The Company does not have any manufacturing activity and the Company does not have any plant.

N. Address for Correspondence:

(i) Investor correspondence of dematerialisation of shares and any other query relating to shares of the Company:

For Shares held in Physical Form

Corporate Office:

M/s. KFinTechnologies Private Limited
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
Toll Free No. 18003454001
Email: einward.ris@kfintech.com

Mumbai Front Office

M/s. KFinTechnologies 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 22 61391210, 61391213
E-mail ID: standardgrievances@rediffmail.com

O. List of credit ratings obtained by the Company along with any revision thereto during the financial year 2019-2020 for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

None

P. 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 KFin Technologies Private Limited, at their Corporate Office, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032.

X. OTHER DISCLOSURE

A. All transactions entered into with related parties as defined under Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 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. 39 to the 'Notes on Accounts' annexed to the Financial Statements for the year under review.

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, the Whistle Blower policy was amended in line with the SEBI PITR as amended, enabling employees to report any violations under the Insider Trading regulations and leak of Unpublished Price Sensitive Information.

The web link where the Policy dealing with Vigil Mechanism/ Whistle Blower is disclosed is http://www.standardindustries.co/pdf/WhistleBlowerPolicy.pdf. During the year under review no employee was denied access to the Audit Committee.

D. The Company has complied with all the mandatory requirements of the SEBI Listing Regulations.

The following discretionary requirements have been adopted by the Company:

(a) There are no modified opinions in Audit Report.

(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 web link http://www.standardindustries.co/pdf/PolicyForDeterminingMaterialSubsidaries.pdf

F. The Company has framed a Policy on Related Party transactions. The web link where the Policy dealing with Related Party transaction is disclosed is http://www.standardindustries.co/pdf/PolicyOnRelatedPartyTransactions.pdf

G. Disclosure for Commodity price risks and commodity hedging activities:

None

H. Details of utilization of funds raised through preferential allotment or qualified Institutions placement as specified under Regulation 32(7A):

Not Applicable

I. Certificate from M/s Nishant Jawasa & Co, Practicing Company Secretary confirming that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI /Ministry of Corporate Affairs or any such statutory authority forms part of the Annual Report.

J. There was no such instance during FY 2019-20 when the board had not accepted any recommendation of any committee of the board.

K. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is given below:

(₹ In lakhs)

Payment to Statutory Auditor	FY 2019-2020
Statutory Audit Fees	5.15
Other Services including reimbursement of expenses	7.40
Total	**12.55**

L. 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.

M. Disclosure with respect to demat suspense account/unclaimed suspense account: Not Applicable

N. The Management Discussion & Analysis Report forms part of the Annual Report.

O. Certificate on Corporate Governance: A Compliance certificate from Statutory Auditors pursuant to Schedule V of the SEBI Listing Regulations regarding compliance of conditions of corporate governance. The said certificate forms an integral part of the Annual Report.

XI. THE DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition of Board	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation	N.A.
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation	Yes
2	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
4	Stakeholders Relationship Committee	20(1), (2) & (3)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2) &(3)	Composition of Risk Management Committee	N.A.
		21(4)	Role of the Committee	N.A.
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related Party Transaction	23(1),(5),(6),(7) &(8)	Policy for Related Party Transaction	Yes
		23(2)	Approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	Yes
		23(3)	Approval of omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee	N.A.
		23(4)	Approval for Material Related Party Transactions.	Yes
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	Yes
		24(2),(3),(4),(5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed entity	Yes
9	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(4)	Disclosure of Shareholding by Non- Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
11	Other Corporate	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
12	Disclosures on Website of the Company	46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes

CERTIFICATE RELATING TO NON-DISQUALIFICATION OF DIRECTORS

To,
The Members,
Standard Industries Limited

We have examined the register records, books and papers of **Standard Industries Limited (the Company)** having CIN: L17110MH1892PLC000089 as particularly required to be maintained under the Companies Act, 2013, (the Act) and the rules made thereunder. In our opinion, and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we hereby certify that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the company by the SEBI /Ministry of Corporate Affairs or any such statutory authority.

For Nishant Jawasa & Associates
Company Secretaries

Nishant Jawasa
(Proprietor)
M.No. F6557

Place: Mumbai
Date: 30th June, 2020

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-19	15.35	15.00	13.50	13.00	550125	1019724	5.50	10.19
May-19	14.77	15.10	12.36	12.50	1084082	964478	10.84	9.64
Jun-19	14.01	13.85	10.26	10.05	1128371	664122	11.28	6.64
Jul-19	16.49	16.45	12.95	12.85	2183200	2253356	21.83	22.53
Aug-19	15.25	14.50	11.80	11.90	817500	567286	8.17	5.67
Sep-19	13.70	13.50	11.52	11.25	1975362	487513	19.75	4.87
Oct-19	12.00	12.65	9.90	9.75	2187357	2138454	21.87	21.38
Nov-19	12.18	11.95	9.84	9.50	500447	544324	5.00	5.44
Dec-19	12.00	12.45	9.90	9.90	747633	891017	7.47	8.91
Jan-20	14.20	14.70	11.30	10.70	615699	1013470	6.15	10.13
Feb-20	12.41	12.60	10.51	10.65	436422	653964	4.36	6.53
Mar-20	11.32	11.20	8.85	9.00	934202	730471	9.34	7.30

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, 2020.

Period	Share price	Sensex	Relative to Sensex
01.04.2019 to 31.03.2020	-37.29%	-26.93%	-10.36%

(b) SIL share price performance relative to NSE Nifty based on share price on 31st March, 2020.

Period	Share price	Nifty	Relative to Nifty
01.04.2019 to 31.03.2020	-35.93%	-26.30%	-9.63%

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 Board of Directors and Senior Management.

I confirm that the Company has in respect of the financial year ended 31st March, 2020, 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: 30th June, 2020

Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members
Standard Industries Limited
Plot no 4, TTC Industrial Area
Thane Belapur Road P.O
Millenium Business Park
NAVI MUMBAI 400710

1. The Corporate Governance Report prepared by **Standard Industries Limited** ("the Company"), contains details as stipulated in Regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (" the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2020. This Certificate is required by the Company for annual submission to the stock exchange and to be sent to the shareholders of the Company.

Management's Responsibility

2. The Preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This Responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. 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.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures include, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purpose of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as whole.

Opinion

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2020 referred to in paragraph 1 above.

Other matters and Restriction on Use

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling the Company to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occuring after the date of this Certificate.

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

Arunkumar K. Shah
Proprietor
Membership No. 034606

Place: Mumbai
Date: 30th June, 2020
UDIN:20034606AAAABY7381

MANAGEMENT DISCUSSION AND ANALYSIS

TRADING DIVISION

For the Financial Year under review, i.e. April, 2019 to March, 2020, the Company has achieved a Textile Trading turnover of Rs. 1655.69 lakhs in comparison with Rs. 1258.19 lakhs for the previous Financial Year. Thus achieving an increase of 32%.

During the last three years, the Company is achieving turnover growth.

The main season for our activities is during the first half of the year ie. March/April to September/October months. Unfortunately, this time we have lost our prime season of sales from March, 2020, onwards for almost 4 months due to the COVID-19 pandemic situation all over the world. Although, we are hopeful of regaining lost ground in coming months, it has adversely affected the market conditions/sentiments of the customers.

PROPERTY 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 Property Division which comprises of assets which are in excess of business needs, which the Company would liquidate based on market conditions.

Your Company enjoys the benefit of leasehold rights from MIDC in approximately 62.25 acres comprising of Plot No. IV situated at Trans-Thane Creek Industrial Area in the Villages of Ghansoli & Savali, Dist. Thane, with clear title.

Pre-Covid

In the 3rd quarter of calendar year 2019, the Country's economic growth declined to less than 5%. The economy bottomed out. It was expected that in the 4th quarter of calendar year 2019, i.e. October, 2019 to December, 2019, the economy would pick up to 5%. The economy has remained stagnant.

The current slowdown is due to

a. Consumer demand slump – people were saving less before demonetisation and the household savings rate has dropped further after demonetisation.

b. Real Estate slowdown – of all the things that hurt India's GDP, a slowdown in real estate and construction sector have had the worst impact. The real estate and construction sector which account for 40% of the overall jobs has seen the worst last four years with business being slower with each passing year.

c. Lesser jobs – a drop in number of employment and wage levels have hastened the slowdown and resulted in slump in consumer demand.

d. Lower investments – investments are key to more business activities, resulting in more jobs and eventually higher spending. Investment levels have bottomed out in the last 2 years as foreign institutional investors (FIIs) marked an exit from the Indian Stock Markets.

e. Economic downturn due to COVID-19 outbreak. - COVID 19 effect picked up its spread by March, 2020 and business and activities were severely impacted in India. While the administrative lockdown is necessary to avert a public health crisis it will come at a notable economic cost as it has disrupted activity in most sectors.

We expect the economic recovery to be gradual because a certain amount of social distancing will continue over the medium term to avoid another wave of infection. Businesses that depend on gathering of people, such as real estate/construction sites, may see ongoing restrictions and weaker activity.

INDUSTRY OVERVIEW

The overall economy and especially the real estate sector had been in the downward curve in the whole of the financial year 2019-20 because of liquidity crises due to overall economic slowdown.

The ongoing COVID-19 outbreak and its impact on economy had pushed sentiment in real estate to its all time low level in the quarter ended March 2020 and the first quarter of the Financial Year 2020-21. Both residential and commercial real estate sectors are expected to be hit for a long time.

STRENGTHS

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

During the last three years, the Company is achieving turnover growth.

The Property Division of the Company has its presence in Navi Mumbai area since 5 decades which is fast developing.

WEAKNESS

The textile trading faces the threat of constant inflow of cheaper alternatives from unorganized sector.

Even before the onset of COVID-19, the global economy was confronting turbulence on account of disruption in trade flows. The situation has been aggravated by the demand, supply and liquidity shocks that COVID-19 has inflicted. Once the Pandemic is in control the shape and speed of the recovery in India will be the key factor determining the nature and traction of the Indian economic recovery.

Specific cyclical challenges even before COVID-19 pandemic:

- Government reforms have bolstered the formal sector over the past few years; however income levels in the informal areas have suffered as a result.

- Credit growth among nonbanking financial companies have steadily declined due to a freeze in the wholesale money market during most of 2019. This has affected overall credit growth, particularly in the informal sector.

The ongoing lockdown in India will amplify these existing cyclical challenges. Unless the economy is supported by adequate stimulus measures from the government, the sudden stop in economic activity will affect income and savings.

OPPORTUNITIES & CHALLENGES

Our textiles brand sees enormous opportunities in product and design innovations to address the changing preferences of customers. Key threats for the brand continue to be the constant inflow of cheaper alternatives from the unorganized sector as well as inflow from neighbouring countries.

Based on the market conditions the Company is awaiting a good opportunity to liquidate the Company's leasehold rights at Navi Mumbai, District Thane.

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.

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.

HUMAN RESOURCES

As on 31st March, 2020, the employees' strength (on permanent roll) of the Company was 12.

FINANCIAL STATEMENT ANALYSIS

In accordance with SEBI (Listing Obligation and Disclosure Requirements) (Amendment) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios:

Particulars	Note no.	Year ended March 31, 2020	Year ended March 31, 2019
Debtors Turnover (in days)	1	290 days	68 days
Inventory Turnover (in days)	2	5 days	7 days
Interest Coverage Ratio	3	(1.88)	(0.30)
Debt Equity Ratio	4	10.58	2.79
Net Profit Margin (%)	5	-244.18%	-188.41%

Ratios where there has been a significant change from year ended March 31, 2019 to year ended March 31, 2020

1. Debtors Turnover (in days): Debtors turnover is computed as net credit sales divided by average account receivable. The movement in this ratio as compared to previous year is on account of increase in credit sales and large amount of average debtors balance.
2. Inventory Turnover (in days): Inventory turnover is computed as cost of goods sold divided by average inventory. The movement in this ratio is on account of increase in cost of goods sold which is directly related to the increase in the Company's sales and decrease in average inventory balance during the current year as compared to the previous year.
3. Interest Coverage Ratio: Interest coverage ratio is computed as Earnings before interest and Tax (EBIT) divided by Interest expense. The movement in this ratio is on account of losses in the Company on account of fair value accounting under IND AS for various investments.
4. Debt Equity Ratio: Debt equity ratio is computed as Long-term Debts divided by shareholders' fund. The movement in this ratio is on account of movement in shareholder's fund due to losses in the Company on account of fair value accounting under IND AS for various investments.
5. Net Profit Margin(%): Net profit margin is computed as net profit divided by revenue. The movement in ratio is on account of increase in revenue during the current year as compared to the previous year. Additionally the Company has incurred a net loss during the current year on account of fair value losses under IND AS for various investments as compared to net profit during the previous year.

THE DETAILS OF RETURN ON NET WORTH ARE GIVEN BELOW:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Return on Net Worth (%)	-132.04%	-35.76%

Return on net worth is computed as net profit by average net worth. Net loss has increased from Rs. 2410.14 lakhs to Rs. 4094.13 lakhs, which resulted into consequential further reduction in Return on Net Worth.

INDEPENDENT AUDITORS' REPORT

TO

THE MEMBERS OF STANDARD INDUSTRIES LIMITED

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **STANDARD INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including other comprehensive loss, the Statement of cash flows and the Statement for changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone IND AS Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Other matter

We draw your attention to the Note no. 4A (vii) of the standalone financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19), on the business operations of the company. The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal sources of information including credit reports and related information, economic forecasts. The impact of COVID 19 on the Company's financial statements may differ from that estimated at the date of approval of these financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters as follows:-

The Key Audit Matters	How the matter was addressed in our Audit
a. Adoption of Ind AS 115 – Revenue From Contracts with Customer	
As described in Note No. (2.4) & Note No. (27) To the standalone financial statements, The company adopted Ind AS 115 - Revenue from Contracts with Customers which is a new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	We Assessed the company's process to identify the impact of adoption of the new accounting standard. Our Audit Approach consisted testing of design and operating effectiveness of the internal controls and substantive testing as follows : • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variances and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.
b. Diminution in Value of Investment in Subsidiary Company	
We draw Attention to Note No. (44) of financial statements regarding Investment in subsidiary company – Standard Salt Works Limited.	We assessed that in view of the long term strategic nature of the Investment in lease hold rights to salt pans and growth prospect of subsidiary business, no provision for diminution in value of Investment is considered necessary at this stage.

The Key Audit Matters	How the matter was addressed in our Audit
c. Evaluation of Uncertain Tax Positions	
The company has material uncertain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes, Refer Note No. (40) of the financial statements	• We obtained details of completed tax assessments and demands upto March 31, 2020 from management. • We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; • Assessed management's estimate to the possible outcome of the disputed cases.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive loss), changes in equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   (e) On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 operative effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   (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 litigation on its financial position in its standalone Ind AS financial statements refer note no (40) to the financial statements.
      (ii) The Company has made provision as required under 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.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matter specified in the paragraph 3 and 4 of the Order.
3. The company has provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the act.

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

Arunkumar K. Shah
Proprietor
Membership No: 34606.

UDIN : 20034606AAAABW4511

Place: Mumbai,
Dated: 30th June, 2020

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 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, 2020 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, 2020, 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 Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

Arunkumar K. Shah
Proprietor
Membership No:034606
UDIN : 20034606AAAABW4511

Place: Mumbai,
Dated: 30th June, 2020

ANNEXURE"B" TO THE AUDITORS' REPORT

The annexure referred to in Paragraph 2 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, 2020 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 has 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 undersection 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 76or 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, 2020 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 the Statute	Nature of Dues	Financial Year	Forum where matter is pending	Amount (₹ in Lakhs)
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	158.33
		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 give 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 Arunkumar K. Shah & Co
Chartered Accountants
FRN: 126935W

Arunkumar K. Shah
Proprietor
Membership No:034606

Place: Mumbai,
Dated: 30th June, 2020

BALANCE SHEET

AS AT MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2020	*As at March 31, 2019*
Assets			
1 Non-current assets			
a. Property, plant and equipment	5	2,946.69	*3,043.89*
b. Right-to-use asset	6	199.35	—
c. Investment property	7	1,878.60	*1,420.72*
d. Other intangible assets	8	4.11	*4.25*
e. Investment in subsidiaries	9	5,974.82	*5,974.82*
f. Financial assets			
i. Other investments	10	2,489.65	*2,014.59*
ii. Loans	11	197.74	*197.74*
iii. Other financial assets	12	118.97	*130.01*
g. Non-current tax assets (net)	13	90.46	*51.13*
h. Other non-current assets	14	2,163.22	*2,808.94*
Total non-current assets		16,063.61	*15,646.09*
2 Current assets			
a. Inventories	15	21.62	*20.76*
b. Property under development	16	8,962.57	*7,630.23*
c. Financial Assets			
i. Other investments	10	13,419.01	*11,639.38*
ii. Trade receivables	17	1,336.95	*1,326.13*
iii. Cash and cash equivalents	18	718.25	*4,278.60*
iv. Bank balances other than (iii) above	18	49.52	*56.43*
v. Other financial assets	12	62.42	*19.94*
d. Other current assets	14	1,024.24	*41.43*
Total current assets		25,594.58	*25,012.90*
Total assets		41,658.19	*40,658.99*
Equity and liabilities			
Equity			
a. Equity share capital	19	3,216.45	*3,216.45*
b. Other equity	20	(2,162.78)	*1,931.35*
Total Equity		1,053.67	*5,147.80*
Liabilities			
1 Non-current liabilities			
a. Financial liabilities			
i. Borrowings	21	11,150.19	*4,964.70*
ii. Lease liabilities	22	126.33	—
b. Provisions	23	583.66	*583.66*
Total non-current liabilities		11,860.18	*5,548.36*
2 Current liabilities			
a. Financial liabilities			
i. Trade payables	24	451.51	*384.75*
ii. Lease liabilities	22	79.63	—
iii. Other financial liabilities	25	27,448.21	*28,678.33*
b. Provisions	23	34.73	*32.06*
c. Other current liabilities	26	730.26	*867.69*
Total current liabilities		28,744.34	*29,962.83*
Total liabilities		40,604.52	*35,511.19*
Total Equity and Liabilities		41,658.19	*40,658.99*

See accompanying notes to the financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer
Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

K. J. PARDIWALLA
D. P. MAFATLAL
S. I. DIWANJI
AZIZA A KHATRI
Directors

D. H. PAREKH
Executive Director

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2020	*For the year ended March 31, 2019*
I	Revenue from operations	27	**1,676.69**	*1,279.19*
II	Other Income	28	**(1,311.15)**	*956.95*
III	**Total Income (I + II)**		**365.54**	*2,236.14*
IV	**Expenses**			
	Purchases of stock-in-trade		**1,593.33**	*1,204.25*
	Changes in inventories of stock-in-trade	29	**(0.86)**	*4.92*
	Employee benefits expense	30	**171.97**	*159.53*
	Finance costs	31	**1,492.86**	*1,842.93*
	Depreciation and amortisation expense	32	**286.82**	*113.31*
	Other expenses	33	**1,113.62**	*1,313.81*
	Total expenses (IV)		**4,657.74**	*4,638.75*
V	**(Loss)/Profit before tax (III - IV)**		**(4,292.20)**	*(2,402.61)*
VI	Tax expenses			
	Current tax		**—**	—
	Excess provision of earlier years written back		**(200.33)**	—
	Deferred tax		**—**	—
			(200.33)	—
VII	**(Loss)/Profit for the year (V - VI)**		**(4,091.87)**	*(2,402.61)*
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit plans		**(2.26)**	*(7.53)*
IX	**Total comprehensive (loss)/income for the year (VII + VIII)**		**(4,094.13)**	*(2,410.14)*
	Earnings per equity share	35		
	(1) Basic (in ₹)		**(6.36)**	*(3.75)*
	(2) Diluted (in ₹)		**(6.36)**	*(3.75)*

See accompanying notes to the financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

K. J. PARDIWALLA
D. P. MAFATLAL
S. I. DIWANJI
AZIZA A KHATRI
} *Directors*

D. H. PAREKH
Executive Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Cash flows from operating activities		
(Loss)/Profit for the year	**(4,091.87)**	*(2,402.61)*
Adjustments for:		
Depreciation	**286.82**	*113.31*
(Profit)/loss on sale of property, plant and equipments (net)	**0.05**	*(0.44)*
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**297.19**	*(169.02)*
Net gain/(loss) arising from fair value of financial assets designated as at FVTPL	**1,270.71**	*(688.88)*
Sundry credit balances written back	**(105.31)**	*(0.44)*
Dividends from equity investments	**(6.54)**	*(8.89)*
Dividend on investments in mutual funds	**(100.93)**	*(42.31)*
Interest income on fixed deposits with banks	**(20.11)**	*(31.47)*
Fund raising expenses on financial liabilities measured at amortised cost	**33.04**	*47.49*
Interest on loans from banks and financial institutions	**1,444.60**	*1,499.06*
Interest on lease liability	**15.22**	*—*
Other finance cost	**—**	*296.38*
	(977.13)	*(1,387.82)*
Movements in working capital:		
(Increase)/Decrease in trade and other receivables	**(82.73)**	*924.39*
(Increase)/Decrease in inventories	**(0.86)**	*4.92*
Increase/(Decrease) in trade and other payables	**8,490.07**	*11,507.46*
Cash generated from operations	**7,429.35**	*11,048.95*
Income taxes paid	**(39.33)**	*(130.30)*
Net cash generated by operating activities	**7,390.02**	*10,918.65*
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	**(2,645.12)**	*(4,795.64)*
Purchase of intangibles	**(0.74)**	*(1.21)*
Sale of property, plant and equipments	**(0.02)**	*1.15*
Payment to acquire financial assets	**(13,963.18)**	*(13,333.98)*
Proceeds from sale of financial assets	**10,140.59**	*9,663.09*
Dividend on investments	**107.47**	*47.18*
Balance in earmarked accounts	**6.91**	*(10.05)*
Interest income on fixed deposits with banks	**20.47**	*34.92*
Net cash (used in)/generated by investing activities	**(6,333.62)**	*(8,394.54)*

STATEMENT OF CASH FLOWS (Contd.)

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
Cash flows from financing activities		
Net proceeds/(repayment) from borrowing	**(3,223.58)**	*3,470.23*
Dividend and dividend tax paid	**(6.91)**	*(765.49)*
Interest paid	**(1,325.86)**	*(1,786.27)*
Payment of lease liability	**(60.40)**	—
Net cash generated by financing activities	**(4,616.75)**	*918.47*
Net increase in cash and cash equivalents	**(3,560.35)**	*3,442.58*
Cash and cash equivalents at the beginning of the year	**4,278.60**	*836.02*
Cash and cash equivalents at the end of the year	**718.25**	*4,278.60*

See accompanying notes to the financial statements

Notes:
The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

K. J. PARDIWALLA
D. P. MAFATLAL
S. I. DIWANJI
AZIZA A KHATRI
Directors

D. H. PAREKH
Executive Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2018	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2019	*6,43,28,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2020	**6,43,28,941**	**3,216.45**

b. Other equity

Particulars	Reserves & surplus				
	General reserve	Securities premium reserve	Capital redemption reserve	Retained earnings	Total
Balance at April 1, 2018	*800.00*	*2,526.90*	*12.00*	*1,778.13*	*5,117.03*
Transfer from general reserve	—	—	—	—	—
Dividend on equity shares	—	—	—	*(643.29)*	*(643.29)*
Corporate tax on dividend paid	—	—	—	*(132.25)*	*(132.25)*
Remeasurement of defined benefits plan	—	—	—	*(7.53)*	*(7.53)*
Profit for the year	—	—	—	*(2,402.61)*	*(2,402.61)*
Balance at March 31, 2019	*800.00*	*2,526.90*	*12.00*	*(1,407.55)*	*1,931.35*
Transfer to retained earnings	—	—	—	—	—
Transfer from general reserve	—	—	—	—	—
Dividend on equity shares paid	—	—	—	—	—
Corporate tax on dividend paid	—	—	—	—	—
Remeasurement of defined benefits plan	—	—	—	*(2.26)*	*(2.26)*
(Loss)/Profit for the year	—	—	—	*(4,091.87)*	*(4,091.87)*
Balance at March 31, 2020	**800.00**	**2,526.90**	**12.00**	**(5,501.68)**	**(2,162.78)**

Refer note 20 for nature of reserves.

See accompanying notes to the financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606
Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

K. J. PARDIWALLA
D. P. MAFATLAL
S. I. DIWANJI
AZIZA A KHATRI
Directors

D. H. PAREKH
Executive Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

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 was engaged in the business of manufacturing textiles, chemicals and garments. Presently, the Company is in the business of property division (previously known as real estate) and trading in textiles and chemicals. The property division comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

2. Significant accounting policies:

2.1 Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

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.

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;

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- 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 June 30, 2020. The aforesaid financial statement have been prepared in Indian Rupee (₹) and denominated in Lakhs.

2.3 Investment in subsidiaries

Investments 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.

2.4 Revenue Recognition

With effect from 1st April, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method. In accordance with this transition method, the comparatives have not been retrospectively adjusted. The following is revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Sale of goods:

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

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.

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).

2.5 Leasing

The Company as lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Company as lessee:

The Company's lease asset class consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, their coverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash-flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition:

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information for the year ended March 31, 2019 and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of lease as at short term lease as at the transition date. The effect of this adoption is insignificant on the financials.

The following is the summary of practical expedients elected on initial application:

i. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

ii. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS116 is applied only to contracts that were previously identified as leases under Ind AS 17.

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 (₹).

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 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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 alternate tax (MAT) paid in a year is charged to statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement” under the deferred tax assets. The Company reviews the “MAT Credit Entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

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.

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.

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 by external valuers on the date of conversion.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

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.

Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the ‘Reserve for equity instruments through other comprehensive income’. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling 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; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Company has equity investment in an entity which is not held for trading. The Company has elected the FVTOCI irrevocable option for this investment (see note 9.1). Fair value is determined in the manner described in note 38.

Dividends on these investments in equity instruments are recognised in profit or loss 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. Dividends recognised in profit or loss is included in the ‘Other income’ line item.

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.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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; 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; or
- it is a derivative that is not designated and effective as a hedging instrument.

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; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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, they constitute as 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.

3. Application of new Revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

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.

vi. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

vii. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues and investment in subsidiaries. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

5. Property, plant and equipment

Description of assets	Freehold land	Building	Plant and equiment	Furniture and fixtures	Office equipment	Vehicles	Total
Cost							
As at April 1, 2018	*706.45*	*23.54*	*69.36*	*59.21*	*20.37*	*562.06*	*1,440.99*
Additions	—	*36.59*	*1,697.40*	*39.70*	*2.15*	*26.57*	*1,802.41*
Disposals/ reclassifications	—	—	—	—	—	*(1.59)*	*(1.59)*
As at March 31, 2019	**706.45**	**60.13**	**1,766.76**	**98.91**	**22.52**	**587.04**	**3,241.81**
Additions	—	*53.05*	*14.29*	*1.15*	*9.77*	*35.44*	*113.70*
Disposals/ reclassifications	—	—	*(0.07)*	—	—	—	*(0.07)*
As at March 31, 2020	**706.45**	**113.18**	**1,780.98**	**100.06**	**32.29**	**622.48**	**3,355.44**
Depreciation							
As at April 1, 2018	—	*1.43*	*21.92*	*18.47*	*5.50*	*59.50*	*106.82*
Depreciation expense for the year	—	*0.70*	*12.33*	*9.62*	*2.69*	*66.64*	*91.98*
Eliminated on disposal of assets/ reclassifications	—	—	—	—	—	*(0.88)*	*(0.88)*
As at March 31, 2019	**—**	**2.13**	**34.25**	**28.09**	**8.19**	**125.26**	**197.92**
Depreciation expense for the year	—	*8.84*	*119.53*	*11.75*	*3.85*	*66.90*	*210.87*
Eliminated on disposal of assets/ reclassifications	—	—	*(0.04)*	—	—	—	*(0.04)*
As at March 31, 2020	**—**	**10.97**	**153.74**	**39.84**	**12.04**	**192.16**	**408.75**
As at March 31, 2020	**706.45**	**102.21**	**1,627.24**	**60.22**	**20.25**	**430.32**	**2,946.69**
As at March 31, 2019	*706.45*	*58.00*	*1,732.51*	*70.82*	*14.33*	*461.78*	*3,043.89*

5.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

5.2 Assets pledged as security

Buildings with a carrying amount of ₹ 42.95 Lakhs (as at March 31, 2019: ₹ 43.24 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Company (see note 21). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

6. Right-to-use asset

	Office premises	Total
As at April 1, 2019	—	—
Additions	*251.14*	*251.14*
Disposals/ reclassifications	—	—
As at March 31, 2020	***251.14***	***251.14***
Accumulated depreciation and impairment		
As at April 1, 2019	**—**	**—**
Depreciation expense for the year	***51.79***	***51.79***
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2020	*51.79*	*51.79*
As at March 31, 2020	***199.35***	***199.35***

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

7. Investment property

	Investment property	Total
Cost		
As at April 1, 2018	*1,116.49*	*1,116.49*
Additions	*365.88*	*365.88*
Disposals/ reclassifications	—	—
As at March 31, 2019	*1,482.37*	*1,482.37*
Additions	*481.16*	*481.16*
Disposals/ reclassifications	—	—
As at March 31, 2020	**1,963.53**	**1,963.53**
Accumulated depreciation and impairment		
As at April 1, 2018	**41.32**	**41.32**
Depreciation expense for the year	*20.33*	*20.33*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	**61.65**	**61.65**
Depreciation expense for the year	*23.28*	*23.28*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2020	**84.93**	**84.93**
As at March 31, 2020	**1,878.60**	**1,878.60**
As at March 31, 2019	**1,420.72**	**1,420.72**

7.1 Fair value of the Company's investment properties

The fair value of the Company's investment properties situated at Surat as at March 31, 2020 and March 31, 2019 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.

The fair value of the other investment properties as at March 31, 2020 and March 31, 2019 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.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2020 and March 31, 2019 are as follows:

	Fair value as at	
	March 31, 2020	*March 31, 2019*
Level 2		
Residential units located in India- Thane	**849.30**	*849.30*
Residential units located in India- Chembur	**770.00**	*770.00*
Residential units located in India- Prabhadevi	**16,818.18**	*16,818.18*
Residential units located in India- Bhulabhai Desai Road	**808.00**	*808.00*
Residential units located in India- Tardeo	**331.87**	*118.00*
Residential units located in India- Sewree	**524.00**	*524.00*
Residential units located in India- Surat	**138.23**	*138.23*
Residential units located in India- Carmichael Road, Mumbai	**267.29**	—

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 ₹ 429.52 Lakhs (as at March 31, 2019: ₹ 432.42 Lakhs) included in the investment property have been pledged to secure borrowings of the Company (see note 21). The Company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

7.3 Income and expenses related to investment property recognised on profit or loss

	For the year ended March 31, 2020	For the year ended March 31, 2019
Rental income from investment property	**22.60**	*1.48*
Expenses arising from investment property that generated rental income	**0.58**	*0.19*
Expenses arising from investment property that did not generate rental income	**3.41**	*18.79*
Total expenses	**3.99**	*18.98*

8. Other intangible assets

	Software	Total
Cost		
As at April 1, 2018	*6.35*	*6.35*
Additions	*1.21*	*1.21*
Disposals/ reclassifications	—	—
As at March 31, 2019	*7.56*	*7.56*
Additions	*0.74*	*0.74*
Disposals/ reclassifications	—	—
As at March 31, 2020	**8.30**	**8.30**
Accumulated amortisation and impairment		
As at April 1, 2018	*2.31*	**2.31**
Amortisation expenses	*1.00*	*1.00*
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2019	*3.31*	*3.31*
Amortisation expenses	*0.88*	**0.88**
Eliminated on disposal of assets/ reclassifications	—	—
As at March 31, 2020	**4.19**	**4.19**
As at March 31, 2020	**4.11**	**4.11**
As at March 31, 2019	**4.25**	**4.25**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

9. Investments in subsidiary

	As at March 31, 2020 Qty.	As at March 31, 2020 Amount	*As at March 31, 2019 Qty.*	*As at March 31, 2019 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*
(b) Mafatlal Enterprises Limited				
Equity Shares of the face value of ₹ 10/- each fully paid-up	**50,007**	**5.00**	*50,007*	*5.00*
(c) Deemed Investment in subsidiary (refer note 9.1)	**—**	**506.30**	—	*506.30*
Total investments		**5,974.82**		*5,974.82*
Aggregate market value of quoted investments		**—**		—
Aggregate carrying value of unquoted investments		**5,974.82**		*5,974.82*
Aggregate amount of impairment in value of investments in subsidiaries		**—**		—

9.1 The Company had provided loan to its wholly owned 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, 2020 Qty.	As at March 31, 2020 Amount	*As at March 31, 2019 Qty.*	*As at March 31, 2019 Amount*
Non-Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
Nocil Limited	**13,320**	**8.76**	*13,320*	*19.51*
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**11.54**	*19,009*	*18.40*
Total aggregate quoted investments (A)		**20.30**		*37.91*
Unquoted Investments (all fully paid)				
(B) Investments in equity instruments measured at FVTPL				
Stanrose Mafatlal Lubechem Limited	**200**	**—**	*200*	—
		—		—
(C) Investments in equity instruments measured at FVTOCI				
Duville Estate Private Limited	**1,447,714**	**1,204.61**	*723,857*	*602.30*
		1,204.61		*602.30*
(D) Investments in Preference shares measured at FVTPL				
Connect India E-commerce Services Private Limited	**32,712**	**864.74**	*32,712*	*844.88*
		864.74		*844.88*
(E) Investment in Unsecured debenture measured at FVTPL				
IIFL Wealth Finance Limited	**—**	**—**	*500*	*529.50*
IIFL-IFM-01-MLD-2030	**400**	**400.00**	—	—
		400.00		*529.50*
Total aggregate unquoted investments (B + C + D + E)		**2,469.35**		*1,976.68*
Total non-current investments (Quoted) + (Unquoted)		**2,489.65**		*2,014.59*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2020 Qty.	As at March 31, 2020 Amount	*As at March 31, 2019 Qty.*	*As at March 31, 2019 Amount*
Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
HDFC Bank	**5,123**	**44.16**	*1,000*	*23.19*
HDFC Limited	**1,000**	**16.33**	*1,000*	*19.68*
Bajaj Finserve Limited	**3,000**	**137.74**	*7,000*	*492.59*
Larsen & Toubro Limited	**—**	**—**	*1,000*	*13.85*
Maruti Suzuki India Limited	**1,000**	**42.88**	*1,000*	*66.73*
ICICI Bank Limited	**2,000**	**6.48**	*2,000*	*8.01*
Mahindra & Mahindra Limited	**—**	**—**	*1,000*	*6.74*
Bajaj Auto Limited	**—**	**—**	*500*	*14.56*
Bajaj Finance Limited	**1,798**	**39.84**	*1,000*	*30.25*
Cholamandalam Financial Holdings Limited	**2,000**	**5.80**	*2,000*	*9.73*
JBF Industries Limited	**13,102**	**0.99**	*13,102*	*2.68*
Chalet Hotels Limited	**535,671**	**1,098.93**	*535,671*	*1,808.16*
Apcotex Industries Limited	**11,728**	**9.07**	—	—
A U Small Finance Bank Limited	**3,491**	**17.64**	—	—
Minda Industries Limited	**6,000**	**14.42**	—	—
Dalmia Bharat Limited	**1,405**	**6.89**	—	—
PI Industries Limited	**1,972**	**23.07**	—	—
Reliance Indutries Limited	**2,737**	**30.48**	—	—
Torrent Pharmaceuticals Limited	**1,227**	**24.19**	—	—
JK Lakshmi Cement Limited	**4,022**	**7.88**	—	—
Solar Industries India Limited	**1,637**	**14.97**	—	—
Cipla Limited	**3,180**	**13.45**	—	—
ITC Limited	**8,018**	**13.77**	—	—
State Bank of India	**4,862**	**9.57**	—	—
		1,578.55		*2,496.17*
Unquoted investments (all fully paid)				
(B) Investments in mutual funds measured at FVTPL				
HDFC Low duration Fund- Regular Plan (Daily Dividend)	**69,228,492**	**6,971.31**	*16,651*	*1.69*
Franklin India Floating Rate Fund	**56,720**	**5.67**	*54,174*	*5.42*
ABSL Low Duration Fund - Daily Dividend Reinvestment	**795,360**	**797.24**	*2,795,990*	*2,820.60*
HDFC Liquid Fund (Growth)	**148**	**5.73**	*148*	*5.40*
ICICI Prudential Liquid Fund (Growth)	**1,393**	**4.07**	*1,393*	*3.84*
Kotak Money Market Scheme - Regular Plan (Growth)	**443**	**14.63**	*443*	*13.64*
Kotak Money Market Scheme - Regular Plan -Daily Dividend	**124**	**1.26**	*119*	*1.20*
Kotak Low Duration Fund Standard-Weekly Dividend	**363**	**3.68**	*345*	*3.50*
IIFL Blended Fund Series-A	**—**	**—**	*19,127,813*	*1,914.67*
IIFL Special Opportunities Fund - Series 5	**10,296,823**	**848.60**	*10,296,823*	*1,002.47*
WHITE OAK India Equity Fund	**9,910,432**	**944.99**	*9,910,432*	*1,112.60*
IDFC Equity Opportunity - Series 5 Regular	**6,000,000**	**447.00**	*6,000,000*	*589.80*
IIFL Special Opportunities Fund - Series 7	**5,992,846**	**546.27**	*5,992,846*	*618.00*
Blume Ventures (Opportunities) Fund IIA	**499,695**	**542.17**	*325,000*	*320.03*
IIFL India Private Equity Fund	**6,497,827**	**645.34**	*4,000,000*	*402.06*
IIFL High Growth Companies Fund	**—**	**—**	*2,989,120*	*328.29*
HDFC Liquid Fund- Direct Plan- Gr	**1,600**	**62.50**	—	—
		11,840.46		*9,143.21*
Total current investments (A) + (B)		**13,419.01**		*11,639.38*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2020 Qty.	Amount	*As at March 31, 2019 Qty.*	*Amount*
Aggregate book value of quoted investments		**1,598.85**		*2,534.08*
Aggregate market value of quoted investments		**1,598.85**		*2,534.08*
Aggregate carrying value of unquoted investments		**14,309.81**		*11,119.89*
Aggregate amount of impairment in value of investments		**—**		*—*

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

	As at March 31, 2020	*As at March 31, 2019*
Financial assets carried at fair value through profit or loss (FVTPL)		
Investment in quoted equity shares	**1,598.85**	*2,534.08*
Investment in unsecured debentures	**400.00**	*529.50*
Investment in unquoted preference shares	**864.74**	*844.88*
Investment in mutual funds	**11,840.46**	*9,143.21*
	14,704.05	*13,051.67*
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Investment in unquoted equity shares	**1,204.61**	*602.30*
	1,204.61	*602.30*
Total	**15,908.66**	*13,653.97*

11. Loans

	As at March 31, 2020	*As at March 31, 2019*
Non-Current		
Loans to others		
unsecured, considered good	**197.74**	*197.74*
Total	**197.74**	*197.74*

12. Other financial assets

	As at March 31, 2020	*As at March 31, 2019*
Non-current		
Security deposits	**13.74**	*24.78*
Fixed deposits with banks under lien	**105.23**	*105.23*
Total	**118.97**	*130.01*
Current		
Advances to subsidiary companies	**0.28**	*0.28*
Security deposits	**10.44**	*—*
Interest accrued but not due on bank deposits	**1.79**	*2.15*
Others	**49.91**	*17.51*
Total	**62.42**	*19.94*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

13. Non current tax asset (net)

	As at March 31, 2020	*As at March 31, 2019*
Advance Tax (net of provisions)	**90.46**	**51.13**
Total	**90.46**	*51.13*

14. Other assets

	As at March 31, 2020	*As at March 31, 2019*
Non-current		
Capital advance	**697.38**	*400.38*
Advances other than capital advances		
- Amounts deposited against disputed rent	**1,153.26**	*1,153.26*
- Advance to creditors	**197.96**	*197.96*
Less: Provision for doubtful advances	**(197.96)**	*(197.96)*
	—	*—*
- Balance with Government authorities	**312.58**	*1,255.30*
Total	**2,163.22**	*2,808.94*
Current		
Advances other than capital advances		
- Advance to creditors	**21.08**	*19.97*
- Advance to others	**985.05**	*—*
Prepaid expenses	**17.69**	*21.00*
Others	**0.42**	*0.46*
Total	**1,024.24**	*41.43*

15. Inventories

	As at March 31, 2020	*As at March 31, 2019*
Inventories (lower of cost and net realisable value)		
- Stock-in-trade	**21.62**	*20.76*
Total	**21.62**	*20.76*

The cost of inventories recognised as an expense during the year was ₹ 1592.47 Lakhs (for the year ended March 31, 2019: ₹ 1,209.17 Lakhs).

16. Property under development

	As at March 31, 2020	*As at March 31, 2019*
Property under development (at lower of cost and net realisable value)		
Land development including related Capital work-in-progress	**8,962.57**	*7,630.23*
Total	**8,962.57**	*7,630.23*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

17. Trade Receivables

	As at March 31, 2020	As at March 31, 2019
Current		
Outstanding for a period exceeding six months		
Unsecured, considered good	**1,036.14**	*1,053.89*
Unsecured, considered doubtful	**426.34**	*426.34*
Allowance for doubtful debts (expected credit loss allowances)	**(426.34)**	*(426.34)*
	1,036.14	*1,053.89*
Outstanding for a period less than six months		
Unsecured, considered good	**300.81**	*272.24*
	1,336.95	*1,326.13*

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

17.2 Age of receivables

	As at March 31, 2020	As at March 31, 2019
Within the credit period	**288.19**	*197.94*
1-30 days past due	**8.31**	*37.50*
31-60 days past due	**3.02**	*2.07*
61-90 days past due	**1.29**	*38.57*
More than 90 days past due	**1,462.48**	*1,476.39*

17.3 Movement in the expected credit loss allowance

	As at March 31, 2020	As at March 31, 2019
Balance at beginning of the year	**426.34**	*426.34*
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	—	—
Balance at end of the year	**426.34**	*426.34*

18. Cash and bank balance

	As at March 31, 2020	As at March 31, 2019
A. Cash and cash equivalents		
Balances with banks		
- In current account	**606.28**	*4,242.94*
- In deposits account	**106.30**	*29.08*
Cash on hand	**5.67**	*6.58*
Total	**718.25**	*4,278.60*
B. Bank balance other than cash and cash equivalent		
Balances with bank in unpaid dividend account	**49.52**	*56.43*
Total	**49.52**	*56.43*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

19. Equity share capital

	As at March 31, 2020	As at March 31, 2019
Equity share capital	**3,216.45**	*3,216.45*
Total	**3,216.45**	*3,216.45*
Authorised share capital		
15,00,00,000 Equity shares of ₹ 5/- each	**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*
Total	**3,216.45**	*3,216.45*

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

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

	As at March 31, 2020	
	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, 2019	
	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%*

20. Other equity

	As at March 31, 2020	As at March 31, 2019
Reserves and surplus		
General reserve	**800.00**	*800.00*
Securities premium reserve	**2,526.90**	*2,526.90*
Capital redemption reserve	**12.00**	*12.00*
Retained earnings	**(5,501.68)**	*(1,407.55)*
Total	**(2,162.78)**	*1,931.35*

20.1 General Reserve

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	**800.00**	*800.00*
Transfer to retained earnings	**—**	*—*
Balance at end of year	**800.00**	*800.00*

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

20.2 Securities premium reserve

	For the year ended March 31, 2020	For the year ended March 31, 2019
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.

20.3 Capital Redemption reserve

	For the year ended March 31, 2020	For the year ended March 31, 2019
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.

20.4 Retained earnings

	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of year	**(1,407.55)**	*1,778.13*
(Loss)/Profit attributable to owners of the Company	**(4,091.87)**	*(2,402.61)*
Remeasurement of defined benefits plan	**(2.26)**	*(7.53)*
Dividend on equity shares paid	**—**	*(643.29)*
Corporate tax on dividend paid	**—**	*(132.25)*
Transfer from general reserves	**—**	—
Balance at end of year	**(5,501.68)**	(1,407.55)

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

In June, 2018, an interim dividend for F.Y 2017-18 of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) and in September, 2018, a final dividend for F.Y 2017-18 of ₹ 0.25 per share (total dividend ₹ 160.82 Lakhs and tax on dividend paid ₹ 34.01 Lakhs) was paid to holders of fully paid equity shares.

21. Non-current borrowings

	As at March 31, 2020	As at March 31, 2019
Secured - at amortised cost		
Term loans from financial institutions		
- IIFL Wealth Finance Limited	**6,175.46**	*9,376.03*
- HDFC Limited	**4,974.73**	*4,964.70*
Less: Current maturity of long term loans	**—**	*(9,376.03)*
Total	**11,150.19**	*4,964.70*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21.1 Summary of borrowing arrangements

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

As at March 31, 2020

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited (Loan 2) **Security** Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 4374.37 Lakhs	**6,175.46**	Bullet repayment at the end of 24 months (w.e.f September 29, 2019)	IIFLW PLR + 75 bps (i.e. 11.50% as at the balance sheet date. Interest payable semi-annually at the end of every calendar half year.
HDFC Limited **Security** - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC	**4,974.73**	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 12.85% p.a.

As at March 31, 2019

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited (Loan 1) **Security** Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 6,287.92 Lakhs	**9,376.03**	Bullet repayment at the end of 24 months	12% p.a till September 30, 2018 and after that 12.50% p.a. and shall be payable on quarterly basis
HDFC Limited **Security** - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC	**4,964.70**	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 12.85% p.a.

21.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2020 and March 31, 2019.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21.3 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 statement of cash flows as cash flows from financing activities.

Particulars	**Term loans from financial institutions**
As at April 01, 2018	*10,823.01*
Financing cash flows	*3,470.23*
Non-cash changes	
Interest accruals on account of amortisation	*47.49*
As at March 31, 2019	**14,340.73**
Financing cash flows	*(3,223.58)*
Non-cash changes	
Interest accruals on account of amortisation	*33.04*
As at March 31, 2020	**11,150.19**

22. Lease liabilities

	As at March 31, 2020
Non-current	
Lease liabilities	**126.33**
Total	**126.33**
Current	
Lease liabilities	**79.63**
Total	**79.63**

22.1 The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information.

22.2 The following is the movement in lease liabilities during the year ended March 31, 2020:

	For the year ended March 31, 2020
Balance at the beginning	**—**
Additions	**250.41**
Finance cost accrued during the period	**15.22**
Payment of lease liabilities	**(59.67)**
Balance at the end	**205.96**

22.3 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

	As at March 31, 2020
Less than one year	**97.20**
One year to two years	**134.73**
Total	**231.93**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

22.4 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

22.5 Amounts recognised in profit and loss

	For the year ended March 31, 2020
Depreciation expense on right-of-use assets	**51.79**
Interest expense on lease liabilities	**15.22**
Expense relating to short-term leases	**53.82**

23. Provisions

	As at March 31, 2020	*As at March 31, 2019*
Non-current		
Other provisions		
- for disputed rent (refer note 23.1)	**583.66**	*583.66*
	583.66	*583.66*
Current		
Employee benefits		
- for compensated absences	**31.50**	*31.56*
- for gratuity (refer Note 36)	**3.23**	*0.50*
Total	**34.73**	*32.06*

23.1 Provision for disputed rent

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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 40(d) on contingent liabilities and commitments.

24. Trade payables

	As at March 31, 2020	*As at March 31, 2019*
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	**—**	*—*
Total outstanding dues of creditors other than micro enterprises and small enterprises	**451.51**	*384.75*
Total	**451.51**	*384.75*

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

Refer note 42 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

25. Other financial liabilities

	As at March 31, 2020	*As at March 31, 2019*
Current		
Current maturities of long-term debt	—	*9,376.03*
Interest accrued but not due on borrowings	389.12	*324.95*
Interest accrued and due on borrowing	54.57	—
Unpaid dividends	49.52	*56.43*
Deposits received (Unsecured)	26,955.00	*18,500.00*
Payable on account of property, plant and equipments	—	*420.92*
Total	**27,448.21**	*28,678.33*

26. Other current liabilities

	As at March 31, 2020	*As at March 31, 2019*
Statutory Liabilities	730.23	*867.66*
Others	0.03	*0.03*
Total	**730.26**	*867.69*

27. Revenue from operations

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Sale of products		
- Cloth	1,655.69	*1,257.89*
- Made-ups	—	*0.30*
Other operating revenues		
- Royalty received	21.00	*21.00*
	1,676.69	*1,279.19*

27.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2020 (refer note 17).

27.2 The Company presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer Note 34 on Segment information disclosure).

27.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2020	*As at March 31, 2019*
Closing balances		
Trade receivables	1,336.95	*1,326.13*

27.4 The Company receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

27.5 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2020 and year ended March 31, 2019.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

27.6 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Revenue from contracts with customers (as per Statement of Profit and Loss)	**1,676.69**	*1,279.19*
Add: Discounts, rebates, refunds, credits, price concessions	**—**	*—*
Contracted price with the customers	**1,676.69**	*1,279.19*

28. Other Income

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
(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)	**20.11**	*31.47*
	20.11	*31.47*
(b) Dividend income		
Dividend on equity investments	**6.54**	*8.89*
Dividend on mutual funds	**100.93**	*42.31*
	107.47	*51.20*
(c) Other non-operating income (net of expenses directly attributable to such income)		
Sundry credit balances written back	**105.31**	*0.44*
Miscellaneous income	**23.91**	*15.50*
	129.22	*15.94*
(d) Other gains and losses		
Gain on disposal of property, plant and equipment	**(0.05)**	*0.44*
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**(297.19)**	*169.02*
Net gain/(loss) arising on fair value of financial assets designated as at FVTPL	**(1,270.71)**	*688.88*
	(1,567.95)	*858.34*
(a + b + c + d)	**(1,311.15)**	*956.95*

29. Changes in inventories of stock-in-trade

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
A. Opening stock:		
Finished stock	**20.76**	*25.68*
B. Closing stock:		
Finished stock	**21.62**	*20.76*
A - B	**(0.86)**	*4.92*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

30. Employee benefits expenses

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Salaries and Wages	127.54	*117.58*
Gratuity expenses	0.47	—
Contribution to provident and other funds	16.63	*15.56*
Staff Welfare Expenses	27.33	*26.39*
	171.97	*159.53*

31. Finance Costs

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Interest on loans from banks and financial institutions	1,444.60	*1,499.06*
Interest on lease liability	15.22	—
Unwinding of transaction cost	33.04	*47.49*
Other finance costs	—	*296.38*
Total	1,492.86	*1,842.93*

32. Depreciation and amortisation expense

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Depreciation of property, plant and equipment	210.87	*91.98*
Depreciation of investment property	23.28	*20.33*
Depreciation of right of use asset	51.79	—
Amortisation of intangible assets	0.88	*1.00*
Total depreciation and amortisation expenses	286.82	*113.31*

33. Other expenses

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Charges for corporate office service and facilities	130.68	*130.68*
Consulting fees	85.14	*64.04*
Contributions and financial assistance	10.21	*13.10*
Directors' fees	10.40	*9.20*
Donations	25.61	*73.43*
Electricity	49.24	*38.64*
General charges	14.23	*18.52*
GST input reversal	8.38	*117.40*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2020	For the year ended March 31, 2019
Insurance	**9.05**	*10.18*
Leave and license fees (March 31, 2020: refer note 22.5)	**37.53**	*97.20*
Legal and professional fees	**70.55**	*97.36*
Ownership Flat maintenance expenses	**69.51**	*76.82*
Packing material consumed	**0.25**	*0.06*
Payment to auditors (refer note 33.1)	**11.50**	*7.65*
Rates and taxes	**50.42**	*37.62*
Rent (March 31, 2020: refer note 22.5)	**16.29**	*15.48*
Repairs to buildings, machinery and others	**42.96**	*76.15*
Registrar and share transfer charges	**4.14**	*19.03*
Security charges	**95.21**	*76.08*
Staff canteen expenses	**21.77**	*22.89*
Stationery, printing, advertisement, postage and telegrams etc.	**40.79**	*41.30*
Temporary manpower	**77.53**	*60.70*
Travelling and conveyance expenses	**98.40**	*98.44*
Vehicle expenses	**69.32**	*55.00*
Miscellaneous expenses	**64.51**	*56.84*
Total	**1,113.62**	*1,313.81*

33.1 Payments to auditors

	For the year ended March 31, 2020	For the year ended March 31, 2019
a) For audit	**4.50**	*4.50*
b) Certification work	**5.00**	*3.15*
c) For tax audit	**2.00**	—
Total	**11.50**	*7.65*

34. Segment information

34.1 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 'Property Division*' 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:

- Property division*
- Trading

* The property division (Real estate) comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

34.2 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, 2020	*For the year ended March 31, 2019*
Good and services provided		
- Property division	—	—
- Trading	**1,676.69**	*1,279.19*
Total for operations	**1,676.69**	*1,279.19*
	Segment profit	
Good and services provided		
- Property division	**(212.39)**	*(402.07)*
- Trading	**63.93**	*45.76*
Total for operations	**(148.46)**	*(356.31)*
Unallocated corporate expenses	**(4,702.29)**	*(2,995.75)*
Unallocated corporate income	**558.55**	*949.45*
(Loss)/Profit before tax	**(4,292.20)**	*(2,402.61)*
Tax expenses	**(200.33)**	—
(Loss)/Profit after tax	**(4,091.87)**	*(2,402.61)*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2018-2019: ₹ Nil).

The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2. 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.

34.3 Segment assets and liabilities

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Segment assets		
- Property division	**15,763.97**	*14,562.90*
- Trading	**379.62**	*375.13*
Total segment assets	**16,143.59**	*14,938.03*
Unallocated corporate assets	**25,514.60**	*25,720.96*
Total assets	**41,658.19**	*40,658.99*

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Segment liabilities		
- Property division	**27,760.45**	*19,669.07*
- Trading	**280.15**	*282.42*
Total segment liabilities	**28,040.60**	*19,951.49*
Unallocated corporate liabilities	**12,563.92**	*15,559.70*
Total liabilities	**40,604.52**	*35,511.19*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

34.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Property division	**234.93**	*113.21*
Trading	**0.10**	*0.10*
Unallocable	**51.79**	*—*
Total	**286.82**	*113.31*

Particulars	Additions to non-current assets	
	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Property division	**892.60**	*2,939.63*
Trading	**—**	*—*
Unallocable	**251.14**	*—*
Total	**1,143.74**	*2,939.63*

34.5 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.

34.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 1263.21 Lakhs (year ended March 31, 2019: ₹ 782.75 Lakhs) which arose from sales to its two (previous year: one) major customers which accounts for 76.27 percent (year ended March 31, 2019: 62.21 percent) of the total revenue from trading operation. No other single trading customer contributed 10% or more to the company's revenue for year ended March 31, 2020 and year ended March 31, 2019.

35. Earnings per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Basic earnings per share	**(6.36)**	*(3.75)*
Diluted earnings per share	**(6.36)**	*(3.75)*

35.1 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, 2020	For the year ended March 31, 2019
(Loss)/Profit for the year attributable to owners of the Company	**(4,094.13)**	*(2,410.14)*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share	**(4,094.13)**	*(2,410.14)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

35.2 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, 2020	*For the year ended March 31, 2019*
(Loss)/Profit for the year used in the calculation of basic earnings per share	**(4,094.13)**	*(2,410.14)*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Earnings used in the calculation of diluted earnings per share	**(4,094.13)**	*(2,410.14)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

35.3 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, 2020	*For the year ended March 31, 2019*
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*

36. Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident fund and other funds aggregating during the year ended March 31, 2020 is ₹ 16.62 Lakhs (and during the year ended March 31, 2019: ₹ 15.56 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 previous 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

(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-20	*31-Mar-19*
(i) Financial assumptions		
Discount rate (p.a.)	**6.24%**	*6.96%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*
(ii) Demographic assumptions		
Mortality rate	**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:

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Current service cost	**0.44**	*0.51*
Past service cost and (gains)/losses from settlements	**—**	*—*
Net interest expense	**0.03**	*(0.51)*
Components of defined benefit costs recognised in profit or loss	**0.47**	*—*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**0.23**	*0.07*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	*—*
Actuarial (gains)/loss arising form experience adjustments	**(0.67)**	*9.73*
Return on plan assets (excluding amount included in net interest expense)	**2.70**	*(2.27)*
Adjustment to recognise the effect of asset ceiling	**—**	*—*
Components of defined benefit costs recognised in other comprehensive income	**2.26**	*7.53*
Total	**2.73**	*7.53*

Notes:

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

ii) The remeasurement of the net define benefits liability is included in other comprehensive income for the year ended March 31, 2020.

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, 2020	*As at March 31, 2019*
Present value of benefit obligation at the end of the year	**(143.35)**	*(141.54)*
Fair value of plan assets at the end of the year	**140.12**	*141.04*
Unfunded status -Surplus/ (Deficit)*	**(3.23)**	*(0.50)*

* In previous year 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 March 31, 2020**	*For the year ended March 31, 2019*
Opening of defined benefit obligation	**141.54**	*134.81*
Current service cost	**0.44**	*0.51*
Past service cost	**—**	—
Interest on defined benefit obligation	**9.84**	*9.69*
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	**0.23**	*0.07*
Actuarial loss / (gain) arising from change in demographic assumptions	**—**	—
Actuarial loss / (gain) arising on account of experience changes	**(0.67)**	*9.73*
Benefits paid	**(8.03)**	*(13.27)*
Closing of defined benefit obligation	**143.35**	*141.54*

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

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
Opening fair value of plan assets	**141.04**	*141.85*
Employer contribution	**—**	—
Interest on plan assets	**9.82**	*10.19*
Administration expenses	**—**	—
Remeasurement due to:		
Return on Plan Assets , Excluding Interest Income	**(2.70)**	*2.27*
Benefits paid	**(8.03)**	*(13.27)*
Assets distributed on settlement	**—**	—
Closing of defined benefit obligation	**140.13**	*141.04*

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

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Government securities	**19.69**	*41.16*
Corporate bonds	**30.52**	*31.06*
Trust Managed/Insurer Managed Funds	—	—
Others	**89.92**	*68.82*
Total	**140.13**	*141.04*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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 March 31, 2020	**(0.31)**	*0.35*
As at March 31, 2019	**(0.32)**	*0.35*
b) Salary Escalation Rate		
As at March 31, 2020	**0.36**	*(0.32)*
As at March 31, 2019	**0.35**	*(0.33)*
c) Employee Turnover Rate		
As at March 31, 2020	**0.04**	*(0.04)*
As at March 31, 2019	**0.05**	*(0.06)*

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 ₹ 3.92 Lakhs (as at March 31, 2019: ₹ 0.94 lakhs) to the gratuity trusts 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, 2020	*As at March 31, 2019*
1st following year	**132.06**	*131.63*
2nd following year	**5.21**	*0.33*
3rd following year	**5.86**	*4.90*
4th following year	**0.04**	*5.64*
5th following year	**0.05**	*0.03*
Sum of years 6 to 10	**0.25**	*0.17*

The weighted average duration of the defined benefit obligation as at March 31, 2020: 1 years (March 31, 2019:1 years)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

37. Financial instruments

37.1 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.

Gearing ratio

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

Particulars	As at March 31, 2020	*As at March 31, 2019*
Debt	**11,150.19**	*14,340.73*
Cash and bank balances	**718.25**	*4,278.60*
Net debt	**10,431.94**	*10,062.13*
Total equity	*1,053.67*	*5,147.80*
Net debt to equity ratio	*9.90*	*1.95*

37.2 Categories of financial instruments:

Particulars	As at March 31, 2020	*As at March 31, 2019*
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investment in equity instruments	**1,598.85**	*2,534.08*
Investment in mutual funds	**11,840.46**	*9,143.21*
Investment in preference shares	**864.74**	*844.88*
Investment in unsecured debentures	**400.00**	*529.50*
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments	**1,204.61**	*602.30*
Measured at amortised cost		
Trade receivables	**1,336.95**	*1,326.13*
Loans	**197.74**	*197.74*
Cash and bank balances	**767.77**	*4,335.03*
Other financial assets	**181.39**	*149.95*
Financial liabilities		
Measured at amortised cost		
Borrowings	**11,150.19**	*14,340.73*
Trade payables	**451.51**	*384.75*
Other financial liabilities	**27,448.21**	*19,302.30*

37.3 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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.

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Upto One year	1-5 years	Total
March 31, 2020			
Borrowings	—	*11,150.19*	**11,150.19**
Trade payables	**451.51**	—	**451.51**
Other financial liabilities	**27,448.21**	—	**27,448.21**
March 31, 2019			
Borrowings	*9,376.03*	*4,964.70*	**14,340.73**
Trade payables	**384.75**	—	**384.75**
Other financial liabilities	**19,302.30**	—	**19,302.30**

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, 2020	*As at March 31, 2019*
Secured loan facilities from IIFL Wealth Finance Limited		
- amount used	**6,175.46**	*9,399.04*
- amount unused	**1,324.54**	*600.96*
	7,500.00	*10,000.00*
Secured loan facilities from HDFC Limited		
- amount used	**5,000.00**	*5,000.00*
- amount unused	—	—
	5,000.00	*5,000.00*
Total	**12,500.00**	*15,000.00*

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 major transactions in its functional currency i.e. INR. Accordingly the Company is not exposed to any currency risk.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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.

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed rate borrowing		
Term loan from financial institutions		
- IIFL Wealth Finance Limited	**6,175.46**	*9,399.04*
	6,175.46	*9,399.04*
Floating rate borrowing		
Term loan from financial institutions		
- HDFC Limited	**5,000.00**	*5,000.00*
	5,000.00	*5,000.00*
Total Borrowings	**11,175.46**	*14,399.04*

Interest rate sensitivity

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
1% increase in interest rate – decrease in profit	**(50.14)**	*(50.00)*
1% decrease in interest rate – increase in profit	**50.14**	*50.00*

38. Fair Value Measurement

38.1 Fair value of the 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, 2020	Fair value as at March 31, 2019	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)	**1,598.85**	*2,534.08*	Level 1	Quoted bid prices in an active market	NA	NA
ii) Equity shares (Unquoted)	**1,204.61**	**602.30**	Level 3	Discounted Cash Flow Method based on future cash flows	Discount rate is determined using cost of equity i.e. capitalisation rate	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2020	Fair value as at *March 31, 2019*	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
iii) Preference shares (Unquoted)	**864.74**	**844.88**	Level 3	Discounted Cash Flow method based on projections and estimates of future financial performance	Discount rate of 37.9% i.e. cost of equity. Revenue- Revenue growth is expected to decline linearly in a high growth phase and stabilize in mature phase.	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.
iv) Mutual fund	**11,840.46**	**9,143.21**	Level 1	NAV in an active market	NA	NA
v) Unsecured debentures	**400.00**	**529.50**	Level 1	Debenture value in an active market	NA	NA
Total financial assets	**15,908.66**	*13,653.97*				

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

38.2 Inter Level transfers

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

38.3 Reconciliation of Level 3 fair value

Particulars	**Unlisted equity instruments measured at FVTPL**	**Unlisted preference shares measured at FVTPL**	**Total**
For the year ended			
As at April 1, 2018	—	—	—
Total gains or (losses) recognised in profit or loss	—	—	—
Purchases	*602.30*	*844.88*	*1,447.18*
Disposals/settlements	—	—	—
As at March 31, 2019	*602.30*	844.88	1,447.18
Total gains or losses recognised in profit or loss	—	*19.86*	*19.86*
Purchases	*602.31*	—	*602.31*
Disposals/settlements	—	—	—
As at March 31, 2020	*1,204.61*	864.74	2,069.35

38.4 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39. Related parties transactions

39.1 Names of the related parties and related party relationships

Particulars	**Relationship as at March 31, 2020**	*Relationship as at March 31, 2019*
Standard Salt Works Limited	**Subsidiary**	*Subsidiary*
Mafatlal Enterprises Limited	**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*
Key Management Personnel		
Pradeep R. Mafatlal	**Chairman**	*Chairman*
Divya P. Mafatlal	**Director**	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*
M L. Apte (upto 11-09-2019)	**Director**	*Director*
K J. Pardiwalla	**Director**	*Director*
Shobhan Diwanji	**Director**	*Director*
Aziza Khatri (w.e.f 29-11-2019)	**Director**	—
Tanaz B. Panthaki	**Vice president (legal) & Company Secretory**	*Vice president (legal) & Company Secretory*
Jayantkumar R. Shah	**Chief financial officer**	*Chief financial officer*

39.2 Details of related party transactions

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Shanudeep Private Limited		
Leave and License fees	**97.20**	*97.20*
Corporate Office and Service facilities	**130.68**	*130.68*
Payment of common expenses	**23.59**	*23.15*
Standard Salt Works Limited		
Advances given during the year	**0.57**	*1.54*
Advances received back during the year	**0.57**	*1.54*
Mafatlal Enterprises Limited		
Advances given during the year	**0.01**	—
Advances received back during the year	**0.01**	—

39.3 Details of related party closing balances

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Mafatlal Enterprises Limited		
Advances receivable	**0.28**	*0.28*
Shanudeep Private Limited		
Trade payable	**35.28**	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39.4 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Short-term employee benefits	55.30	54.91
Post-employment benefits	—	—
Other long-term benefits	—	—
Termination benefits	—	—
Total	55.30	54.91
Sitting fee paid to directors	10.40	9.20

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.

40. Contingent liabilities and commitments

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
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)	—	6.84
- Claims in respect of labour matters (i)	0.50	0.50
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.	513.44	513.44
c) 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
d) 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

Notes:

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

(ii). There are no capital commitments

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

41. Deferred tax asset (net)

Components of deferred tax assets/(liabilities) are as under:

Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Deferred tax asset/(liability) created on:		
Property, plant and equipments and intangible	**(305.30)**	*(609.54)*
Provisions	**9.03**	*8.34*
Trade receivables	**110.85**	*110.85*
Other assets	**51.47**	*51.47*
Investments	**441.44**	*(155.42)*
Borrowings	**(6.57)**	*(15.16)*
Carry forward business loss and depreciation	**2,647.89**	*2,644.43*
Deferred tax assets/(liability)	**2,948.81**	*2,034.97*

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.

42. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

	Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
(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.

43. In pursurance of Section 115BAA of the Income Tax Act 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to lower tax rate and simultaneously forgo certain tax incentives including loss of accumulated MAT credit. The Company has not exercised this option in the current year due to unutilised MAT credit.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

44. During the earlier periods, 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, 2020 aggregates ₹ 5,969.82 Lakhs. The net worth of SSWL as at March 31, 2020 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.

45. Disclosure required by Clause 32 of the Listing Agreement (to the extent applicable)

		For the year ended March 31, 2020	*For the year ended March 31, 2019*
	Subsidiary Companies:		
(i)	Mafatlal Enterprises Limited	**0.28**	*0.28*
	Maximum amount outstanding	**0.28**	*0.28*
(ii)	Standard Salt Works Limited	**—**	—
	Maximum amount outstanding	**—**	—

In terms of our report attached

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

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

ARUNKUMAR K. SHAH
PROPRIETOR
MEMBERSHIP NO : 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

K. J. PARDIWALLA
D. P. MAFATLAL
S. I. DIWANJI
AZIZA A KHATRI
} *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

Sr No	Particulars	Standard Salt Works Limited	Mafatlal Enterprises Limited
a	Share Capital	584.00	5.00
b	Reserves and Surplus	(234.59)	(4.89)
c	Total Assets	402.24	0.54
d	Total Liabilities	52.83	0.43
e	Details of Investments (except investment in Subsidiaries)	1.09	—
f	Turnover	450.30	—
g	(Loss)/Profit before taxation	80.19	(0.25)
h	Provision for taxation	—	—
i	(Loss)/Profit after taxation	80.19	(0.25)
j	Proposed Dividend	—	—
k	% of Shareholding	100%	100%
l	Names of subsidiares 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 IND AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of STANDARD INDUSTRIES LIMITED ('the Holding Company') and Standard Salt Works Limited, Mafatlal Enterprise Limited ('the Subsidiaries') together referred to as ("the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and Consolidated Statement of Profit and Loss (including other comprehensive loss), The Consolidated Statement of Cash Flows and the consolidated statement of changes in equity and note to consolidated financial statements, for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the consolidated loss and consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Other matter

We draw your attention to the Note No.4A(vi) of the consolidated financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19), on the business operations of the Group. The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In developing assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal sources of information including credit reports and related information, economic forecasts. The impact of COVID 19 on the Group's financial statements may differ from that estimated at the date of approval of these financial statements.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters as follows:-

The Key Audit Matters	How the matter was addressed in our Audit
a. Adoption of Ind AS 115 – Revenue From Contracts with Customer	
As described in Note No. (2.4) & Note No. (27) To the consolidated financial statements, The company adopted Ind AS 115 - Revenue from Contracts with Customers which is a new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	We Assessed the company's process to identify the impact of adoption of the new accounting standard. Our Audit Approach consisted testing of design and operating effectiveness of the internal controls and substantive testing as follows: • Selected a sample of contracts and performed a retrospective review of efforts incurred with estimated efforts to identify significant variances and verify whether those variations have been considered in estimating the remaining efforts to complete the contract. • Performed analytical procedures and test of details for reasonableness of incurred and estimated efforts.

The Key Audit Matters	How the matter was addressed in our Audit
b. Evaluation of Uncertain Tax Positions	
The company has material uncertain tax positions including matters under disputes which involves significant judgement to determine the possible outcome of these disputes,	• We obtained details of completed tax assessments and demands upto March 31, 2020 from management.
Refer Note No. (40) of the financial statements	• We discussed with appropriate senior management and evaluated management's underlying key assumptions in estimating the tax provisions and; • Assessed management's estimate to the possible outcome of the disputed cases.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive loss, consolidated cash flows of group and consolidated changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the group 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 consolidated Ind AS financial statement 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 consolidated financial statements by directors of the Holding company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the groups is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are also responsible for overseeing the company's financial reporting process of the group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Holding Company and such other entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

   (b) In our opinion, proper books of account as required by law have been kept by the group so far as it appears from our examination of those books.

   (c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss (including other comprehensive loss), the consolidated changes in Equity and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of Group Company as on March 31, 2020, taken on record by the Board of Directors of respective Company, none of the directors of the group is disqualified as on March 31, 2020 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 Group and the operative effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.

(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 consolidated Ind AS financial statements disclosed the impact of pending litigation on consolidated financial position of the group, as referred to in note no (40) to the consolidated 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 the amount to the Investor Education and Protection Fund by the Company.

(h) The company has provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the act.

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

Arunkumar K. Shah
Proprietor
Membership No. 34606.

UDIN: 20034606AAAABX5260

Place: Mumbai
Dated: 30th June, 2020

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, 2020, 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, 2020, 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 Arunkumar K. Shah & Co
Chartered Accountants
(FRN: 126935W)

Arunkumar K. Shah
Proprietor
Membership No. 034606.

UDIN: 20034606AAAABX5260

Place: Mumbai
Dated: 30th June, 2020

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Assets			
1 **Non-current assets**			
a. Property, plant and equipment	5	**3,051.41**	*3,160.09*
b. Right-to-use asset	6	**199.35**	—
c. Investment property	7	**1,878.59**	*1,420.72*
d. Goodwill	8	**50.77**	*50.77*
e. Other intangible assets	9	**4.11**	*4.25*
f. Financial assets			
i. Other investments	10	**2,489.65**	*2,014.59*
ii. Loans	11	**197.74**	*197.74*
iii. Other financial assets	12	**126.63**	*137.66*
g. Non-current tax assets (net)	13	**96.10**	*56.42*
h. Other non-current assets	14	**2,168.22**	*2,813.94*
Total non-current assets		**10,262.57**	*9,856.18*
2 **Current assets**			
a. Inventories	15	**74.01**	*93.24*
b. Property under development	16	**8,962.57**	*7,630.23*
c. Financial Assets			
i. Other investments	10	**13,420.10**	*11,640.47*
ii. Trade receivables	17	**1,340.38**	*1,378.28*
iii. Cash and cash equivalents	18	**745.27**	*4,288.45*
iv. Bank balances other than (iii) above	18	**239.89**	*97.83*
v. Loans	11	**0.51**	*0.18*
vi. Other financial assets	12	**62.14**	*19.66*
d. Other current assets	14	**1,029.18**	*45.81*
Total current assets		**25,874.05**	*25,194.15*
Total assets		**36,136.62**	*35,050.33*
Equity and liabilities			
Equity			
a. Equity share capital	19	**3,216.45**	*3,216.45*
b. Other equity	20	**(7,737.34)**	*(3,722.40)*
Total Equity		**(4,520.89)**	*(505.95)*
Liabilities			
1 **Non-current liabilities**			
a. Financial liabilities			
i. Borrowings	21	**11,150.20**	*4,964.70*
ii. Lease liabilities	22	**126.33**	—
b. Provisions	23	**583.66**	*583.66*
Total non-current liabilities		**11,860.19**	*5,548.36*
2 **Current liabilities**			
a. Financial liabilities			
i. Trade payables	24	**481.34**	*401.36*
ii. Lease liabilities	22	**79.63**	—
iii. Other financial liabilities	25	**27,448.21**	*28,688.18*
b. Provisions	23	**51.35**	*48.37*
c. Other current liabilities	26	**736.79**	*870.01*
Total current liabilities		**28,797.32**	*30,007.92*
Total liabilities		**40,657.51**	*35,556.28*
Total Equity and Liabilities		**36,136.62**	*35,050.33*

See accompanying notes to the consolidated financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

	Particulars	Note No.	For the year ended March 31, 2020	*For the year ended March 31, 2019*
I	Revenue from operations	27	2,122.26	*1,623.55*
II	Other Income	28	(1,306.42)	*955.23*
III	**Total Income (I + II)**		815.84	*2,578.78*
IV	**Expenses**			
	Purchases of stock-in-trade		1,593.33	*1,204.25*
	Changes in inventories of stock-in-trade	29	19.23	*(18.36)*
	Employee benefits expense	30	204.31	*189.75*
	Finance costs	31	1,492.86	*1,842.93*
	Depreciation and amortisation expense	32	300.25	*127.85*
	Other expenses	33	1,418.15	*1,574.22*
	Total expenses (IV)		5,028.13	*4,920.64*
V	**(Loss)/Profit before tax (III - IV)**		(4,212.29)	*(2,341.86)*
VI	**Tax expenses**			
	Current tax		—	—
	Excess provision of earlier years written back		(200.33)	—
	Deferred tax		—	—
			(200.33)	—
VII	**(Loss)/Profit for the period (V - VI)**		(4,011.96)	*(2,341.86)*
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	– Remeasurements of the defined benefit plans		(2.98)	*(7.98)*
IX	**Total comprehensive (Loss)/Income for the period (VII + VIII)**		(4,014.94)	*(2,349.84)*
	Earnings per equity share	35		
	(1) Basic (in ₹)		(6.24)	*(3.65)*
	(2) Diluted (in ₹)		(6.24)	*(3.65)*

See accompanying notes to the consolidated financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Cash flows from operating activities		
(Loss)/Profit for the year	**(4,011.96)**	*(2,341.86)*
Adjustments for:		
Depreciation	**300.25**	*127.85*
(Profit)/loss on sale of property, plant and equipments (net)	**0.05**	*5.97*
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**297.19**	*(169.02)*
Net gain/(loss) arising from fair value of financial assets designated as at FVTPL	**1,270.71**	*(688.88)*
Sundry credit balances written back	**(105.31)**	*(2.76)*
Dividends from equity investments	**(6.54)**	*(8.89)*
Dividend on investments in mutual funds	**(100.93)**	*(42.31)*
Interest income on fixed deposits with banks	**(24.83)**	*(33.65)*
Fund raising expenses on financial liabilities measured at amortised cost	**33.04**	*47.49*
Bonus to employees	**1.61**	*1.62*
Interest on loans from banks and financial institutions	**1,444.60**	*1,499.06*
Interest on lease liability	**15.22**	*—*
Other finance cost	**—**	*296.38*
	(886.90)	*(1,309.00)*
Movements in working capital:		
(Increase)/decrease in trade and other receivables	**(35.16)**	*906.46*
(Increase)/decrease in inventories	**19.22**	*(18.35)*
Increase/(Decrease) in trade and other payables	**8,495.92**	*11,512.96*
Cash generated from operations	**7,593.08**	*11,092.07*
Income taxes paid	**(39.68)**	*(130.52)*
Net cash generated by operating activities	**7,553.40**	*10,961.55*
Cash flows from investing activities		
Purchase of property, plant and equipments including capital advances	**(2,647.09)**	*(4,797.33)*
Purchase of intangibles	**(0.74)**	*(1.21)*
Sale of property, plant and equipments	**(0.02)**	*2.28*
Payment to acquire financial assets	**(14,112.15)**	*(13,375.38)*
Proceeds from sale of financial assets	**10,140.59**	*9,663.09*
Dividend on investments	**107.47**	*47.18*
Balance in earmarked accounts	**6.91**	*(10.05)*
Interest income on fixed deposits with banks	**25.20**	*37.10*
Net cash (used in)/generated by investing activities	**(6,479.83)**	*(8,434.32)*

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2020

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flows from financing activities		
Proceeds/(repayment) from borrowing	**(3,223.58)**	*3,470.23*
Dividend and dividend tax paid	**(6.91)**	*(765.49)*
Interest paid on borrowings	**(1,325.86)**	*(1,786.27)*
Payment of lease liability	**(60.40)**	—
Net cash generated by financing activities	**(4,616.75)**	*918.47*
Net increase in cash and cash equivalents	**(3,543.18)**	*3,445.70*
Cash and cash equivalents at the beginning of the year	**4,288.45**	*842.75*
Cash and cash equivalents at the end of the year	**745.27**	*4,288.45*

See accompanying notes to the consolidated financial statements

Notes:

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

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, 2020

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

	No. of shares	Amount
Balance at April 1, 2018	*64,328,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2019	*64,328,941*	*3,216.45*
Changes in equity share capital during the year	—	—
Balance at March 31, 2020	**64,328,941**	**3,216.45**

b. Other equity

Particulars	Reserves & surplus					Total
	General reserve	Securities premium reserve	Capital redemption reserve	Capital reserve - cash subsidy	Retained earnings	
Balance at April 1, 2018	*800.00*	*2,526.90*	*12.00*	*4.14*	*(3,940.06)*	*(597.02)*
Transfer from general reserve	—	—	—	—	—	—
Dividend on equity shares	—	—	—	—	*(643.29)*	*(643.29)*
Corporate tax on dividend paid	—	—	—	—	(132.25)	(132.25)
Remeasurement of defined benefits plan	—	—	—	—	(7.98)	(7.98)
Profit/(Loss) for the year	—	—	—	—	*(2,341.86)*	*(2,341.86)*
Balance at March 31, 2019	**800.00**	**2,526.90**	**12.00**	**4.14**	**(7,065.44)**	**(3,722.40)**
Transfer to retained earnings	—	—	—	—	—	—
Transfer from general reserve	—	—	—	—	—	—
Dividend on equity shares	—	—	—	—	—	—
Corporate tax on dividend paid	—	—	—	—	—	—
Remeasurement of defined benefits plan	—	—	—	—	*(2.98)*	*(2.98)*
(Loss)/Profit for the year	—	—	—	—	*(4,011.96)*	*(4,011.96)*
Balance at March 31, 2020	**800.00**	**2,526.90**	**12.00**	**4.14**	**(11,080.38)**	**(7,737.34)**

Refer note 20 for nature of reserves.

See accompanying notes to the consolidated financial statements

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

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 'Holding Company') in October 1989. The Holding Company has two wholly owned (100%) subsidiaries namely i) Standard Salt Works Limited ii) Mafatlal Enterprises Limited.

The holding Company was engaged in the business of manufacturing textiles, chemicals and garments. Presently, the Company is in the business of property division (previously known as real estate) and trading in textiles and chemicals. The property division comprises of assets which are in excess of business needs, which the Company would liquidate based on the market condition.

The Subsidiary Company Standard Salt Works Limited is engaged in the business of manufacturing of Common Salt.

2. Significant accounting policies:

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

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 June 30, 2020. The aforesaid consolidated financial statement have been prepared in Indian Rupee (₹) 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, 2020	As at March 31, 2019
1	Standard Salt Works Limited	India	India	100%	100%
2	Mafatlal Enterprises Limited	India	India	100%	100%

2.4. Revenue Recognition

With effect from 1st April, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" using the modified retrospective transition method. In accordance with this transition method, the comparatives have not been retrospectively adjusted. The following is revised significant accounting policies related to revenue recognition. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products or services.

Sale of goods:

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

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.

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).

2.5. Leasing

The Group as lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

The Group as lessee:

The Group's lease asset class consist of leases for land. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

(i) The contract involves the use of an identified asset

(ii) The Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) The Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, their coverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash-flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition:

The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Group has not restated comparative information for the year ended March 31, 2019 and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended March 31, 2019.

On transition, the adoption of the new standard resulted in recognition of lease as at short term lease as at the transition date. The effect of this adoption is insignificant on the financials.

The following is the summary of practical expedients elected on initial application:

i. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application

ii. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, IndAS116 is applied only to contracts that were previously identified as leases under Ind AS 17.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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 (₹).

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 Group 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 Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group 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 Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

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 alternate tax (MAT) paid in a year is charged to statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance note on Accounting for Credit available in respect of Minimum Alternate Tax under the Income tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement" under the deferred tax assets. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

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.

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.

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.

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. 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.

2.17. 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

2.18. 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.

2.19. 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 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.

NOTES FORMING PART OF THE CONSOLIDATED 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 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 FYTPL 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.

Investments in equity instruments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- 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; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

The Group has equity investments in an entity which is not held for trading. The Group has elected the FVTOCI irrevocable option for this investment (see note 9.1). Fair value is determined in the manner described in note 38.

Dividends on these investments in equity instruments are recognised in profit or loss 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. Dividends recognised in profit or loss is included in the 'Other income' line item.

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.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

2.20. 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.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

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; or
- 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; or
- it is a derivative that is not designated and effective as a hedging instrument.

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; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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 fi.nancial 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, they constitute as 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 Group to satisfy the exercise of the share options by the employees.

3. Application of new Revised Ind AS

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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.

v. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

vi. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, and unbilled revenues. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

5. Property, plant and equipment

Description of assets	Freehold land	Building	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Salt Works - Reservoirs, Salt Pans	Washery Plant	Total
Cost									
As at April 1, 2018	707.85	33.56	99.87	59.33	20.59	581.81	14.26	76.73	1,594.00
Additions	—	36.59	1,699.09	39.70	2.15	26.57	—	—	1,804.10
Disposals/reclassifications	—	—	(11.50)	—	—	(2.48)	—	—	(13.98)
As at March 31, 2019	**707.85**	**70.15**	**1,787.46**	**99.03**	**22.74**	**605.90**	**14.26**	**76.73**	**3,384.12**
Additions	—	53.05	16.24	1.15	9.77	35.44	—	—	115.65
Disposals/reclassifications	—	—	(0.07)	—	—	—	—	—	(0.07)
As at March 31, 2020	**707.85**	**123.20**	**1,803.63**	**100.18**	**32.51**	**641.34**	**14.26**	**76.73**	**3,499.70**
Depreciation									
As at April 1, 2018	—	2.15	28.13	18.53	5.61	61.52	2.72	4.59	123.25
Depreciation expense for the year.	—	1.06	15.60	9.65	2.73	68.82	1.36	7.29	106.51
Eliminated on disposal of assets/ reclassifications	—	—	(4.13)	—	—	(1.60)	—	—	(5.73)
As at March 31, 2019	**—**	**3.21**	**39.60**	**28.18**	**8.34**	**128.74**	**4.08**	**11.88**	**224.03**
Depreciation expense for the period	—	9.21	121.44	11.76	3.86	69.38	1.36	7.29	224.30
Eliminated on disposal of assets/ reclassifications	—	—	(0.04)	—	—	—	—	—	(0.04)
As at March 31, 2020	—	**12.42**	**161.00**	**39.94**	**12.20**	**198.12**	**5.44**	**19.17**	**448.29**
As at March 31, 2020	**707.85**	**110.78**	**1,642.63**	**60.24**	**20.31**	**443.22**	**8.82**	**57.56**	**3,051.41**
As at March 31, 2019	707.85	66.94	1,747.86	70.85	14.40	477.16	10.18	64.85	3,160.09

5.1 Impairment losses recognised in the year

There are no impairment losses recognised during the year.

5.2 Assets pledged as security

Buildings with a carrying amount of ₹ 42.95 Lakhs (as at March 31, 2019: ₹ 43.24 Lakhs) included in the block of buildings have been pledged to secure borrowings of the Group (see note 21). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

6. Right-to-use asset

	Office premises	Total
As at April 1, 2019	—	—
Additions	251.14	251.14
Disposals/reclassifications	—	—
As at March 31, 2020	**251.14**	**251.14**
Accumulated depreciation and impairment		
As at April 1, 2019	—	—
Depreciation expense for the year	51.79	51.79
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2020	**51.79**	**51.79**
As at March 31, 2020	**199.35**	**199.35**

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All amounts are ₹ in Lakhs unless otherwise stated

7. Investment property

	Investment property	Total
Cost		
As at April 1, 2018	1,116.49	1,116.49
Additions	365.88	365.88
Disposals/reclassifications	—	—
As at March 31, 2019	1,482.37	1,482.37
Additions	481.15	481.15
Disposals/reclassifications	—	—
As at March 31, 2020	**1,963.52**	**1,963.52**
Accumulated depreciation and impairment		
As at April 1, 2018	41.32	41.32
Depreciation expense for the year	20.33	20.33
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2019	61.65	61.65
Depreciation expense for the year	23.28	23.28
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2020	84.93	84.93
As at March 31, 2020	**1,878.59**	**1,878.59**
As at March 31, 2019	1,420.72	1,420.72

7.1 Fair value of the Group's investment properties

The fair value of the Company's investment properties situated at Surat as at March 31, 2020 and March 31, 2019 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.

The fair value of the other investment properties as at March 31, 2020 and March 31, 2019 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.

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, 2020 and March 31, 2019 are as follows:

	Fair value as at	
	March 31, 2020	*March 31, 2019*
Level 2		
Residential units located in India - Thane	**849.30**	*849.30*
Residential units located in India - Chembur	**770.00**	*770.00*
Residential units located in India - Prabhadevi	**16,818.18**	*16,818.18*
Residential units located in India - Bhulabhai Desai Road	**808.00**	*808.00*
Residential units located in India - Tardeo	**331.87**	*118.00*
Residential units located in India - Sewree	**524.00**	*524.00*
Residential units located in India - Surat	**138.23**	*138.23*
Residential units located in India - Carmichael Road, Mumbai	**267.29**	—

7.2 Assets pledged as security

Buildings with a carrying amount of ₹ 429.52 Lakhs (as at March 31, 2019: ₹ 432.42 Lakhs) included in the investment property have been pledged to secure borrowings of the Group (see note 21). The Group is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

7.3 Income and expenses related to investment property recognised on profit or loss

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Rental income from investment property	**22.60**	*1.48*
Expenses arising from investment property that generated rental income	**0.58**	*0.19*
Expenses arising from investment property that did not generate rental income	**3.41**	*18.79*
Total Expenses	**3.99**	*18.98*

8. Goodwill

	Goodwill	**Total**
Cost		
As at April 1, 2018	50.77	50.77
Additional recognised on consolidation	—	—
As at March 31, 2019	**50.77**	***50.77***
Additional recognised on consolidation	—	—
As at March 31, 2020	**50.77**	***50.77***
Accumulated impairment losses		
As at April 1, 2018	—	—
Impairment expenses	—	—
As at March 31, 2019	**—**	**—**
Impairment expenses	—	—
As at March 31, 2020	**—**	**—**
As at March 31, 2020	**50.77**	***50.77***
As at March 31, 2019	**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
Cost		
As at April 1, 2018	6.35	6.35
Additions	1.21	1.21
Disposals/reclassifications	—	—
As at March 31, 2019	**7.56**	***7.56***
Additions	0.74	0.74
Disposals/reclassifications	—	—
As at March 31, 2020	**8.30**	***8.30***
Accumulated amortisation and impairment		
As at April 1, 2018	2.31	2.31
Amortisation expenses	1.00	1.00
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2019	**3.31**	***3.31***
Amortisation expenses	0.88	0.88
Eliminated on disposal of assets/reclassifications	—	—
As at March 31, 2020	**4.19**	***4.19***
As at March 31, 2020	**4.11**	**4.11**
As at March 31, 2019	**4.25**	**4.25**

10. Other investments

	As at March 31, 2020 Qty.	As at March 31, 2020 Amount	*As at March 31, 2019 Qty.*	*As at March 31, 2019 Amount*
Non-Current				
Quoted investments (all fully paid)				
(A) Investments in equity instruments measured at FVTPL				
Nocil Limited	**13,320**	**8.76**	*13,320*	*19.51*
Stanrose Mafatlal Investment and Finance Limited	**19,009**	**11.54**	*19,009*	*18.40*
Total aggregate quoted investments (A)		**20.30**		*37.91*
Unquoted Investments (all fully paid)				
(B) Investments in equity instruments measured at FVTPL				
Stanrose Mafatlal Lubechem Limited	**200**	**—**	*200*	—
		—		—
(C) Investments in equity instruments measured at FVTOCI				
Duville Estate Private Limited	**1,447,714**	**1,204.61**	*723,857*	*602.30*
		1,204.61		*602.30*
(D) Investments in Preference shares measured at FVTPL				
Connect India E-commerce Services Private Limited	**32,712**	**864.74**	*32,712*	*844.88*
		864.74		*844.88*
(E) Investment in Unsecured debenture measured at FVTPL				
IIFL Wealth Finance Limited	**—**	**—**	*500*	*529.50*
IIFL-IFM-01-MLD-2030	**400**	**400.00**		—
		400.00		*529.50*
Total aggregate unquoted investments (B + C + D + E)		**2,469.35**		*1,976.68*
Total non-current investments (Quoted) + (Unquoted)		**2,489.65**		*2,014.59*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

		As at March 31, 2020 Qty.	As at March 31, 2020 Amount	*As at March 31, 2019 Qty.*	*As at March 31, 2019 Amount*
Current					
	Quoted investments (all fully paid)				
(A)	**Investments in equity instruments measured at FVTPL**				
	HDFC Bank	**5,123**	**44.16**	*1,000*	*23.19*
	HDFC Limited	**1,000**	**16.33**	*1,000*	*19.68*
	Bajaj Finserv Limited	**3,000**	**137.74**	*7,000*	*492.59*
	Larsen & Toubro Limited	**—**	**—**	*1,000*	*13.85*
	Maruti Suzuki India Limited	**1,000**	**42.88**	*1,000*	*66.73*
	ICICI Bank Limited	**2,000**	**6.48**	*2,000*	*8.01*
	Mahindra & Mahindra Limited	**—**	**—**	*1,000*	*6.74*
	Bajaj Auto Limited	**—**	**—**	*500*	*14.56*
	Bajaj Finance Limited	**1,798**	**39.84**	*1,000*	*30.25*
	Cholamandalam Financial Holdings Limited	**2,000**	**5.80**	*2,000*	*9.73*
	JBF Industries Limited	**13,102**	**0.99**	*13,102*	*2.68*
	Chalet Hotels Limited	**535,671**	**1,098.93**	*535,671*	*1,808.16*
	Apcotex Industries Limited	**11,728**	**9.07**	—	—
	A U Small Finance Bank Limited	**3,491**	**17.64**	—	—
	Minda Industries Limited	**6,000**	**14.42**	—	—
	Dalmia Bharat Limited	**1,405**	**6.89**	—	—
	PI Industries Limited	**1,972**	**23.07**	—	—
	Reliance Indutries Limited	**2,737**	**30.48**	—	—
	Torrent Pharmaceuticals Limited	**1,227**	**24.19**	—	—
	JK Lakshmi Cement Limited	**4,022**	**7.88**	—	—
	Solar Industries India Limited	**1,637**	**14.97**	—	—
	Cipla Limited	**3,180**	**13.45**	—	—
	ITC Limited	**8,018**	**13.77**	—	—
	State Bank of India	**4,862**	**9.57**	—	—
			1,578.55		*2,496.17*
	Unquoted investments (all fully paid)				
(B)	**Investments in mutual funds measured at FVTPL**				
	HDFC Low duration Fund- Regular Plan (Daily Dividend)	**69,228,492**	**6,971.31**	*16,651*	*1.69*
	Franklin India Floating Rate Fund	**56,720**	**5.67**	*54,174*	*5.42*
	ABSL Low Duration Fund - Daily Dividend Reinvestment	**7,95,360**	**797.24**	*2,795,990*	*2,820.60*
	HDFC Liquid Fund (Growth)	**148**	**5.73**	*148*	*5.40*
	ICICI Prudential Liquid Fund (Growth)	**1,393**	**4.07**	*1,393*	*3.84*
	Kotak Money Market Scheme - Regular Plan (Growth)	**443**	**14.63**	*443*	*13.64*
	Kotak Money Market Scheme - Regular Plan -Daily Dividend	**124**	**1.26**	*119*	*1.20*
	Kotak Low Duration Fund Standard-Weekly Dividend	**363**	**3.68**	*345*	*3.50*
	IIFL Blended Fund Series-A	**—**	**—**	*19,127,813*	*1,914.67*
	IIFL Special Opportunities Fund - Series 5	**10,296,823**	**848.60**	*10,296,823*	*1,002.47*
	WHITE OAK India Equity Fund	**9,910,432**	**944.99**	*9,910,432*	*1,112.60*
	IDFC Equity Opportunity - Series 5 Regular	**6,000,000**	**447.00**	*6,000,000*	*589.80*
	IIFL Special Opportunities Fund - Series 7	**5,992,846**	**546.27**	*5,992,846*	618.00
	Blume Ventures (Opportunities) Fund IIA	**499,695**	**542.17**	*325,000*	320.03
	IIFL India Private Equity Fund	**6,497,827**	**645.34**	4,000,000	402.06
	IIFL High Growth Companies Fund	**—**	**—**	*2,989,120*	328.29
	HDFC Liquid Fund- Direct Plan- Growth	**1,600**	**62.50**	—	—
			11,840.46		*9,143.21*

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All amounts are ₹ in Lakhs unless otherwise stated

	As at March 31, 2020 Qty.	As at March 31, 2020 Amount	As at March 31, 2019 Qty.	As at March 31, 2019 Amount
(C) Investments carried at amortised cost				
Investments in Government securities		1.09		1.09
		1.09		1.09
Total current investments (A) + (B) + (C)		13,420.10		11,640.47
Aggregate book value of quoted investments		1,598.85		2,534.08
Aggregate market value of quoted investments		1,598.85		2,534.08
Aggregate carrying value of unquoted investments		14,309.81		11,119.89
Aggregate amount of impairment in value of investments		—		—

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

	As at March 31, 2020	As at March 31, 2019
Financial assets carried at fair value through profit or loss (FVTPL)		
Investment in quoted equity shares	1,598.85	2,534.08
Investment in unsecured debentures	400.00	529.50
Investment in unquoted preference shares	864.74	844.88
Investment in mutual funds	11,840.46	9,143.21
	14,704.05	13,051.67
Financial assets carried at fair value through other comprehensive income (FVTOCI)		
Investment in unquoted equity shares	1,204.61	602.30
	1,204.61	602.30
Financial assets carried at amortised cost		
Investments in Government securities	1.09	1.09
	1.09	1.09
Total	15,909.75	13,655.06

11. Loans

	As at March 31, 2020	As at March 31, 2019
Non- Current		
Loans to others		
Unsecured considered good	197.74	197.74
Total	197.74	197.74
Current		
Loans to employees		
Unsecured considered good	0.51	0.18
Total	0.51	0.18

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All amounts are ₹ in Lakhs unless otherwise stated

12. Other financial assets

	As at March 31, 2020	As at March 31, 2019
Non-current		
Security deposits	21.40	32.43
Fixed deposits with banks under lien	105.23	105.23
Total	126.63	137.66
Current		
Security deposits	10.44	—
Interest accrued but not due on bank deposits	1.79	2.15
Others	49.91	17.51
Total	62.14	19.66

13. Non current tax asset (net)

	As at March 31, 2020	As at March 31, 2019
Advance Tax (net of provisions)	96.10	56.42
Total	96.10	56.42

14. Other assets

	As at March 31, 2020	As at March 31, 2019
Non-Current		
Capital advance	697.38	400.38
Advances other than capital advances		
- Amounts deposited against disputed rent	1,153.26	1,153.26
- Advance to creditors	197.96	197.96
Less: Provision for doubtful advances	(197.96)	(197.96)
	—	—
- Security deposits	5.00	5.00
- Balance with Government authorities	312.58	1,255.30
Total	2,168.22	2,813.94
Current		
Advances other than capital advances		
- Advance to creditors	25.14	23.97
- Advance to others	985.05	—
Prepaid expenses	18.27	21.08
Others	0.72	0.76
Total	1,029.18	45.81

15. Inventories

	As at March 31, 2020	As at March 31, 2019
Inventories (lower of cost and net realisable value)		
- Finished Goods	15.19	31.49
- Stock-in-trade	58.82	61.75
Total	74.01	93.24

The cost of inventories recognised as an expense during the year was ₹ 1,612.56 Lakhs (for the year ended March 31, 2019: ₹ 1,185.89 Lakhs).

The mode of valuation of inventories has been stated in note 2.15.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

16. Property under development

	As at March 31, 2020	*As at March 31, 2019*
Property under development (at lower of cost and net realisable value)		
Land development including related Capital work-in-progress	**8,962.57**	*7,630.23*
Total	**8,962.57**	*7,630.23*

17. Trade Receivables

	As at March 31, 2020	*As at March 31, 2019*
Current		
Outstanding for a period exceeding six months		
Unsecured, considered good	**1,036.14**	*1,060.42*
Unsecured, considered doubtful	**426.34**	*426.34*
Allowance for doubtful debts (expected credit loss allowances)	**(426.34)**	*(426.34)*
	1,036.14	*1,060.42*
Outstanding for a period less than six months		
Unsecured, considered good	**304.24**	*317.86*
	1,340.38	*1,378.28*

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

17.2 Age of receivables

	As at March 31, 2020	*As at March 31, 2019*
Within the credit period	**291.62**	*243.56*
1-30 days past due	**8.31**	*37.50*
31-60 days past due	**3.02**	*2.07*
61-90 days past due	**1.29**	*38.57*
More than 90 days past due	**1,462.48**	*1,482.92*

17.3 Movement in the expected credit loss allowance

	As at March 31, 2020	*As at March 31, 2019*
Balance at beginning of the year	**426.34**	*426.34*
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	**—**	*—*
Balance at end of the year	**426.34**	*426.34*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

18. Cash and bank balance

	As at March 31, 2020	*As at March 31, 2019*
A. Cash and cash equivalents		
Balances with banks		
- In current account	**633.27**	*4,252.09*
- In deposits account	**106.30**	*29.08*
Cash on hand	**5.70**	*7.28*
Total	**745.27**	*4,288.45*
B. Bank balance other than cash and cash equivalent		
Balances with bank in unpaid dividend account	**49.52**	*56.43*
Deposits with bank	**190.37**	*41.40*
Total	**239.89**	*97.83*

19. Equity share capital

	As at March 31, 2020	*As at March 31, 2019*
Equity share capital	**3,216.45**	*3,216.45*
Total	**3,216.45**	*3,216.45*
Authorised share capital		
15,00,00,000 Equity shares of ₹ 5/- each	**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*
Total	**3,216.45**	*3,216.45*

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

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

	As at March 31, 2020	
	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, 2019	
	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%*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

20. Other equity

	As at March 31, 2020	*As at March 31, 2019*
Reserves and surplus		
General reserve	**800.00**	*800.00*
Securities premium reserve	**2,526.90**	*2,526.90*
Capital redemption reserve	**12.00**	*12.00*
Capital reserve - cash subsidy	**4.14**	*4.14*
Retained earnings	**(11,080.38)**	*(7,065.44)*
Total	**(7,737.34)**	*(3,722.40)*

20.1 General Reserve

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Balance at the beginning of year	**800.00**	*800.00*
Transfer to retained earnings	**—**	—
Balance at end of year	**800.00**	*800.00*

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.

20.2 Securities premium reserve

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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.

20.3 Capital Redemption reserve

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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.

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All amounts are ₹ in Lakhs unless otherwise stated

20.4 Capital reserve - cash subsidy

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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.

20.5 Retained earnings

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Balance at the beginning of year	**(7,065.44)**	*(3,940.06)*
(Loss)/Profit attributable to owners of the Company	**(4,011.96)**	*(2,341.86)*
Remeasurement of defined benefits plan	**(2.98)**	*(7.98)*
Dividend on equity shares	**—**	*(643.29)*
Corporate tax on dividend paid	**—**	*(132.25)*
Transfer from general reserves	**—**	*—*
Balance at end of year	**(11,080.38)**	*(7,065.44)*

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 amount reported above are not distributable in entirely.

In June, 2018, an interim dividend for F.Y 2017-18 of ₹ 0.75 per share (total dividend ₹ 482.47 Lakhs and tax on dividend paid ₹ 98.24 Lakhs) and in September, 2018, a final dividend for F.Y 2017-18 of ₹ 0.25 per share (total dividend ₹ 160.82 Lakhs and tax on dividend paid ₹ 34.01 Lakhs) was paid to holders of fully paid equity shares.

21. Non-current borrowings

	As at March 31, 2020	*As at March 31, 2019*
Secured - at amortised cost		
Term loans from financial institutions		
- IIFL Wealth Finance Limited	**6,175.46**	*9,376.03*
- HDFC Limited	**4,974.74**	*4,964.70*
Less: Current maturity of long term loans	**—**	*(9,376.03)*
Total	**11,150.20**	*4,964.70*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

21.1 Summary of borrowing arrangements

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

As at March 31, 2020

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited (Loan 2) **Security** Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities. Carrying amount of financial securities pledged is ₹ 4374.37 Lakhs	**6,175.46**	Bullet repayment at the end of 24 months (w.e.f September 29, 2019)	IIFLW PLR + 75 bps (i.e. 11.50% as at the balance sheet date. Interest payable semi-annually at the end of every calendar half year.
HDFC Limited **Security** - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC	**4,974.74**	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 12.85% p.a.

As at March 31, 2019

Particulars	Amount outstanding	Terms of repayment	Rate of interest
IIFL Wealth Finance Limited (Loan 1) **Security** Pre-disbursement: First and exclusive charge over Stanrose apartment situated at Prabhadevi, Mumbai. Post-disbursement: Pledge over diversified basket of financial securities Carrying amount of financial securities pledged is ₹ 6,287.92 Lakhs	**9,376.03**	Bullet repayment at the end of 24 months	12% p.a till September 30, 2018 and after that 12.50% p.a. and shall be payable on quarterly basis
HDFC Limited **Security** - Mortgage of Plot bearing 4, TTC Industrial Area, Village Ghansoli and Savali, Taluka and District Thane, Navi Mumbai admeasuring 2,51,934.308 Sq. m. - Any other security of similar and higher value acceptable to HDFC	**4,964.70**	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 12.85% p.a.

21.2 There are no breach of contractual terms of the borrowing during the year ended March 31, 2020 and March 31, 2019.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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21.3 Reconciliation of liabilities arising from financing activities

The table below details changes in the Group'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 Group's consolidated statement of cash flows as cash flows from financing activities.

Particulars	*Term loans from financial institutions*
As at April 1, 2018	*10,823.01*
Financing cash flows	*3,470.23*
Non-cash changes	
Interest accruals on account of amortisation	*47.49*
As at March 31, 2019	*14,340.73*
Financing cash flows	*(3,223.58)*
Non-cash changes	
Interest accruals on account of amortisation	*33.04*
As at March 31, 2020	*11,150.19*

22. Lease liabilities

	As at March 31, 2020
Non-current	
Lease liabilities	**126.33**
Total	**126.33**
Current	
Lease liabilities	**79.63**
Total	**79.63**

22.1 The Group has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information.

22.2 The following is the movement in lease liabilities during the year ended March 31, 2020:

	For the year ended March 31, 2020
Balance at the beginning	—
Additions	**250.41**
Finance cost accrued during the period	**15.22**
Payment of lease liabilities	**(59.67)**
Balance at the end	**205.96**

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22.3 The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

	As at March 31, 2020
Less than one year	**97.20**
One year to two years	**134.73**
Total	**231.93**

22.4 The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

22.5 Amounts recognised in profit and loss

	For the year ended March 31, 2020
Depreciation expense on right-of-use assets	**51.79**
Interest expense on lease liabilities	**15.22**
Expense relating to short-term leases	**58.96**

23. Provisions

	As at March 31, 2020	*As at March 31, 2019*
Non-current		
Other provisions		
- for disputed rent (refer note 23.1)	**583.66**	*583.66*
	583.66	*583.66*
Current		
Employee benefits		
- for compensated absences	**31.50**	*31.56*
- for gratuity (refer note 36)	**19.85**	*16.81*
Total	**51.35**	*48.37*

23.1 Provision for disputed rent

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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 42(d) on contingent liabilities and commitments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

24. Trade payables

	As at March 31, 2020	*As at March 31, 2019*
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	**—**	*—*
Total outstanding dues of creditors other than micro enterprises and small enterprises	**481.34**	*401.36*
Total	**481.34**	*401.36*

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

Refer note 42 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

25. Other financial liabilities

	As at March 31, 2020	*As at March 31, 2019*
Current		
Current maturities of long-term debt	**—**	9,376.03
Interest accrued but not due on borrowings	**389.12**	*324.95*
Interest accrued and due on advances	**54.57**	*—*
Unpaid dividends	**49.52**	*56.43*
Deposits received (unsecured)	**26,955.00**	*18,500.00*
Payable on account of property, plant and equipments	**—**	*430.77*
Total	**27,448.21**	*28,688.18*

26. Other current liabilities

	As at March 31, 2020	*As at March 31, 2019*
Statutory Liabilities	**730.82**	868.36
Contract liabilities (Advance from customers)	**4.33**	*—*
Bonus payable	**1.61**	*1.62*
Others	**0.03**	*0.03*
Total	**736.79**	*870.01*

27 . Revenue from operations

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Sale of products		
- Cloth	**1,655.69**	*1,257.89*
- Made-ups	**—**	*0.30*
- Common salt	**444.80**	*343.48*
Other operating revenues		
- Income from weighbridge/ quality bonus	**0.77**	*0.88*
- Royalty received	**21.00**	*21.00*
	2,122.26	*1,623.55*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

27.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2020 (refer note 17).

27.2 The Group presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 34 on Segment information disclosure).

27.3 Contract balances

The following table provides information about receivables from contracts with customers:

	As at March 31, 2020	*As at March 31, 2019*
Trade receivables	**1,340.38**	1,378.28
Contract liabilities	**4.33**	—

27.4 The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional.

27.5 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2020 and year ended March 31, 2019.

27.6 Revenue recognized from contract liabilities

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Revenue recognized that was included in the contract liability (advance from customers) balance at beginning of the reporting period.	**—**	0.56
	—	*0.56*

27.7 The Group receives payments from customers based upon contractual billing schedules. Accounts receivable are recorded when the right to consideration becomes unconditional. Contract liabilities include payments received in advance of performance under the contract, and are realized with the associated revenue recognized under the contract.

27.8 There are no performance obligations that are unsatisfied or partially unsatisfied during the year ended March 31, 2020 and year ended March 31, 2019.

27.9 Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Revenue from contracts with customers (as per Statement of Profit and Loss)	**2,122.26**	1,623.55
Add: Discounts, rebates, refunds, credits, price concessions	**—**	—
Contracted price with the customers	**2,122.26**	*1,623.55*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

28. Other Income

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
(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)	**24.83**	*33.65*
- On income-tax refund	**0.01**	*—*
	24.84	*33.65*
(b) Dividend income		
Dividend on equity investments	**6.54**	*8.89*
Dividend on mutual funds	**100.93**	*42.31*
	107.47	*51.20*
(c) Other non-operating income (net of expenses directly attributable to such income)		
Sundry credit balances written back	**105.31**	*2.76*
Miscellaneous income	**23.91**	*15.69*
	129.22	*18.45*
(d) Other gains and losses		
Gain on disposal of property, plant and equipment	**(0.05)**	*(5.97)*
Net gain/(loss) arising on sale of financial assets designated as at FVTPL	**(297.19)**	*169.02*
Net gain/(loss) arising on fair value of financial assets designated as at FVTPL	**(1,270.71)**	*688.88*
	(1,567.95)	*851.93*
(a + b + c + d)	**(1,306.42)**	*955.23*

29. Changes in inventories of stock-in-trade

		For the year ended March 31, 2020	*For the year ended March 31, 2019*
Opening stock:			
Finished stock		**52.26**	*35.58*
Process stock		**40.98**	*39.30*
	A	**93.24**	*74.88*
Closing stock:			
Finished stock		**36.81**	*52.26*
Process stock		**37.20**	*40.98*
	B	**74.01**	*93.24*
	A - B	**19.23**	*(18.36)*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

30. Employee benefits expenses

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Salaries and Wages	**151.09**	*142.25*
Gratuity (refer note 36)	**2.43**	*1.78*
Contribution to provident and other funds	**19.02**	*18.03*
Staff Welfare Expenses	**31.77**	*27.69*
	204.31	*189.75*

31. Finance Costs

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Interest on loans from banks and financial institutions	**1,444.60**	*1,499.06*
Interest on lease liability	**15.22**	—
Unwinding of transaction cost	**33.04**	*47.49*
Other finance costs	**—**	*296.38*
Total	**1,492.86**	*1,842.93*

32. Depreciation and amortisation expense

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Depreciation of property, plant and equipment	**224.30**	*106.52*
Depreciation of investment property	**23.28**	*20.33*
Depreciation of right of use asset	**51.79**	—
Amortisation of intangible assets	**0.88**	*1.00*
Total depreciation and amortisation expenses	**300.25**	*127.85*

33. Other expenses

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Charges for corporate office service and facilities	**130.68**	*130.68*
Consulting fees	**85.14**	*64.04*
Contract labour expenses	**14.32**	*12.22*
Contributions and financial assistance	**10.21**	*13.10*
Directors' fees	**10.43**	*9.23*
Donations	**25.61**	*73.43*
Electricity	**49.24**	*38.64*
General charges	**14.33**	*18.52*
Insurance	**9.34**	*10.35*
Labour charges	**70.79**	*56.37*
Leave and license fees (March 31, 2020: refer note 22.5)	**37.53**	*97.20*
Legal and professional fees	**73.83**	*98.56*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Ownership Flat maintenance expenses	**69.51**	*76.82*
Packing material consumed	**0.25**	*0.06*
Payment to auditors (refer note 33.1)	**12.55**	*8.65*
Power and fuel	**56.72**	*49.20*
Rates and taxes	**58.99**	*56.07*
Rent (March 31, 2020: refer note 22.5)	**21.43**	*20.16*
Repairs to buildings, machinery and others	**75.91**	*113.24*
Registrar and share transfer charges	**4.14**	*19.03*
Security charges	**95.21**	*76.08*
Salt - internal shifting expenses	**71.12**	*53.71*
Staff canteen expenses	**21.77**	*22.89*
Stationery, printing, advertisement, postage and telegrams etc.	**41.62**	*42.12*
Stores and tools consumed	**0.05**	*0.02*
Temporary manpower	**77.53**	*60.70*
Transport and freight charges	**21.12**	*20.99*
Travelling and conveyance expenses	**99.02**	*98.84*
Vehicle expenses	**71.72**	*57.31*
Miscellaneous expenses	**88.04**	*175.99*
Total	**1,418.15**	*1,574.22*

33.1 Payments to auditors

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
a) For audit	**5.15**	*5.15*
b) Certification work	**5.15**	*3.50*
c) For tax audit/taxation matters	**2.25**	*—*
Total	**12.55**	*8.65*

34 Segment information

34.1 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 'Property division*', 'trading', 'manufacturing' and 'others' operations. The directors of the Company have chosen to organise the Group around differences in products and services. No operating segments have been aggregated in arriving at the reportable segments of the Group.

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

- Property division*
- Trading
- Manufacturing
- Others

* The property division (Real estate) comprises of assets which are in excess of business needs, which the Group would liquidate based on the market condition.

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All amounts are ₹ in Lakhs unless otherwise stated

34.2 Segment revenues and results

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

Particulars	Segment revenue	
	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Good and services provided		
- Property division	**—**	*—*
- Trading	**1,676.69**	*1,279.19*
- Manufacturing	**445.57**	*344.36*
- Others	**—**	*—*
Total for operations	**2,122.26**	*1,623.55*
	Segment profit	
Good and services provided		
- Property division	**(212.39)**	*(402.07)*
- Trading	**63.93**	*45.76*
- Manufacturing	**80.19**	*61.30*
- Others	**(0.25)**	*(0.54)*
Total for operations	**(68.52)**	*(295.55)*
Unallocated corporate expenses	**(4,702.32)**	*(2,995.75)*
Unallocated corporate income	**558.55**	*949.44*
(Loss)/Profit before tax	**(4,212.29)**	*(2,341.86)*
Tax expenses	**(200.33)**	*—*
(Loss)/Profit after tax	**(4,011.96)**	*(2,341.86)*

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year (2018-2019: Nil).

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 2. 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.

34.3 Segment assets and liabilities

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Segment assets		
- Property division	**15,763.97**	*14,562.90*
- Trading	**379.62**	*375.13*
- Manufacturing	**402.24**	*314.84*
- Others	**0.54**	*0.82*
Total segment assets	**16,546.37**	*15,253.69*
Unallocated corporate assets	**19,590.25**	*19,796.64*
Total assets	**36,136.62**	*35,050.33*
Segment liabilities		
- Property division	**27,760.45**	*19,669.07*
- Trading	**280.15**	*282.42*
- Manufacturing	**52.83**	*44.89*
- Others	**0.15**	*0.18*
Total segment liabilities	**28,093.58**	*19,996.56*
Unallocated corporate liabilities	**12,563.93**	*15,559.72*
Total liabilities	**40,657.51**	*35,556.28*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

34.4 Other segment information

Particulars	Depreciation and amortisation	
	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Property division	**234.93**	*113.21*
Trading	**0.10**	*0.10*
Manufacturing	**13.43**	*14.54*
Others	**51.79**	*—*
Total	**300.25**	*127.85*

Particulars	Additions to non-current assets	
	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Property division	**892.60**	*2,936.63*
Trading	**—**	*—*
Manufacturing	**1.97**	*1.69*
Others	**251.14**	*—*
Total	**1,145.71**	*2,938.32*

34.5 Information about geographical areas

The Group 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.

34.6 Information about major customers

Included in revenue arising from direct sales of trading goods of ₹ 1263.21 Lakhs (year ended March 31, 2019: ₹ 782.75 Lakhs) which arose from sales to its two (previous year: one) major customers which accounts for 76.27 percent (year ended March 31, 2019: 62.21 percent) of the total revenue from trading operation.

Revenue from manufacturing operation includes of ₹ 287.74 Lakhs (year ended March 31, 2019: ₹ 289.35 Lakhs) which arose from sales to its one (previous year: three) major customer(s) which accounts for 64.63 percent (year ended March 31, 2019: 84.18 percent) of the total revenue.

No other single customer contributed 10% or more to the Group's revenue for both year ended March 31, 2020 and March 31, 2019.

35. Earnings per share

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
Basic earnings per share	**(6.24)**	*(3.65)*
Diluted earnings per share	**(6.24)**	*(3.65)*

35.1 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, 2020**	*For the year ended March 31, 2019*
(Loss)/Profit for the year attributable to owners of the Company	**(4,014.94)**	*(2,349.84)*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share	**(4,014.94)**	*(2,349.84)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

35.2 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, 2020**	*For the year ended March 31, 2019*
(Loss)/Profit for the year used in the calculation of basic earnings per share	**(4,014.94)**	*(2,349.84)*
Add: adjustments on account of dilutive potential equity shares	**—**	—
Earnings used in the calculation of diluted earnings per share	**(4,014.94)**	*(2,349.84)*
Weighted average number of equity shares	**64,328,941**	*64,328,941*

35.3 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, 2020**	*For the year ended March 31, 2019*
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*

36. Employee benefits

i) Defined Contribution Plan

The Group's contribution to Provident fund and other funds aggregating during the period ended March 31, 2020 is ₹ 19.01 Lakhs (and during the year ended March 31, 2019: ₹ 18.03 Lakhs) has been recognised in the statement of profit or loss under the head employee benefits expense.

ii) Defined Benefit Plans:

Gratuity

The Group has a defined benefit gratuity plan in India (funded). The Group'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 previous year, the Group 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 Group 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

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, 2020	*March 31, 2019*
(i) Financial assumptions		
Discount rate (p.a.)	**6.24%**	*6.96%*
Salary escalation rate (p.a.)	**4.00%**	*4.00%*
Rate of employee turnover (p.a.)	**2.00%**	*2.00%*
(ii) Demographic assumptions		
Mortality rate	**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:

	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Current service cost	**1.18**	*0.68*
Past service cost and (gains)/losses from settlements	**—**	*—*
Net interest expense	**1.25**	*1.10*
Components of defined benefit costs recognised in profit or loss	**2.43**	*1.78*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**0.64**	*0.29*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	*—*
Actuarial (gains)/loss arising form experience adjustments	**(0.35)**	*9.96*
Return on plan assets (excluding amount included in net interest expense)	**2.69**	*(2.27)*
Adjustment to recognise the effect of asset ceiling	**—**	*—*
Components of defined benefit costs recognised in other comprehensive income	**2.98**	*7.98*
Total	**5.41**	*9.76*

Notes:

i) The Current service cost and the net 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 for the year ended March 31, 2020 and year ended March 31, 2019.

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:

	As at March 31, 2020	As at March 31, 2019
Present value of benefit obligation at the end of the year	(159.97)	(157.85)
Fair value of plan assets at the end of the year	140.12	141.04
Unfunded status (Surplus/ (Deficit)*	(19.85)	(16.81)

* In previous year the Group 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 March 31, 2020	For the year ended March 31, 2019
Opening of defined benefit obligation	157.85	148.89
Current service cost	1.18	1.19
Past service cost	—	—
Interest on defined benefit obligation	11.06	10.79
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	0.64	0.29
Actuarial loss / (gain) arising from change in demographic assumptions	—	—
Actuarial loss / (gain) arising on account of experience changes.	(0.35)	9.96
Benefits paid	(10.41)	(13.27)
Closing of defined benefit obligation	159.97	157.85

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening fair value of plan assets	141.04	141.85
Employer contribution	—	—
Interest on plan assets	9.82	10.19
Administration expenses	—	—
Remeasurement due to:		
Return on Plan Assets , Excluding Interest Income	(2.70)	2.27
Benefits paid	(8.03)	(13.27)
Assets distributed on settlement	—	—
Closing of defined benefit obligation	140.13	141.04

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, 2020	As at March 31, 2019
Government securities	**19.69**	*41.16*
Corporate bonds	**30.52**	*31.06*
Trust Managed/Insurer Managed Funds	**—**	—
Others	**89.92**	*68.82*
Total	**140.13**	*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 March 31, 2020	**(0.93)**	*1.03*
As at March 31, 2019	**(0.94)**	*1.03*
b) Salary Escalation Rate		
As at March 31, 2020	**1.05**	*(0.96)*
As at March 31, 2019	**1.04**	*(0.98)*
c) Employee Turnover Rate		
As at March 31, 2020	**0.13**	*(0.14)*
As at March 31, 2019	**0.16**	(0.17)

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 Group expects to contribute ₹ 3.92 Lakhs (as at March 31, 2019: ₹ 0.94 lakh) to the gratuity trusts during the next financial year.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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, 2020**	*As at March 31, 2019*
1st following year	**132.06**	*131.63*
2nd following year	**5.21**	*0.33*
3rd following year	**5.86**	4.90
4th following year	**0.04**	5.64
5th following year	**0.05**	0.03
Sum of years 6 to 10	**0.25**	0.17

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, 2020**	*As at March 31, 2019*
1st following year	**0.52**	*0.51*
2nd following year	**0.54**	*2.75*
3rd following year	**10.81**	*0.49*
4th following year	**0.65**	*10.04*
5th following year	**0.23**	*0.55*
Sum of years 6 to 10	**6.22**	4.65

The weighted average duration of the defined benefit obligation as at March 31, 2020: 1 years (March 31, 2019: 1 years)

37 Financial instruments

37.1 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.

Gearing ratio

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

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Debt	**11,150.20**	*14,340.73*
Cash and bank balances	**745.27**	*4,288.45*
Net debt	**10,404.93**	*10,052.28*
Total equity	**(4,520.89)**	*(505.95)*
Net debt to equity ratio	**(2.30)**	*(19.87)*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

37.2 Categories of financial instruments:

Particulars	As at March 31, 2020	*As at March 31, 2019*
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
Investment in equity instruments	**1,598.85**	*2,534.08*
Investment in mutual funds	**11,840.46**	*9,143.21*
Investment in preference shares	**864.74**	844.88
Investment in unsecured debentures	**400.00**	529.50
Measured at fair value through other comprehensive income (FVTOCI)		
Investment in equity instruments	**1,204.61**	602.30
Measured at amortised cost		
Investment in Government securities	**1.09**	*1.09*
Trade receivables	**1,340.38**	*1,378.28*
Loans	**197.74**	*197.74*
Cash and bank balances	**985.16**	*4,386.28*
Other financial assets	**188.77**	*157.32*
Financial liabilities		
Measured at amortised cost		
Borrowings	**11,150.20**	*14,340.73*
Trade payables	**481.34**	*401.36*
Other financial liabilities	**27,448.21**	*19,312.15*

37.3 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.

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.

NOTES FORMING PART OF THE CONSOLIDATED 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, 2020			
Borrowings	—	*11,150.20*	**11,150.20**
Trade payables	481.34	—	**481.34**
Other financial liabilities	27,448.21	—	**27,448.21**
March 31, 2019			
Borrowings	9,376.03	*4,964.70*	**14,340.73**
Trade Payables	401.36	—	**401.36**
Other financial liabilities	19,312.15	—	**19,312.15**

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, 2020**	*As at March 31, 2019*
Secured loan facilities from IIFL Wealth Finance Limited		
- amount used	**6,175.46**	*9,399.04*
- amount unused	**1,324.54**	*600.96*
	7,500.00	*10,000.00*
Secured loan facilities from HDFC Limited		
- amount used	**5,000.00**	*5,000.00*
- amount unused	**—**	—
	5,000.00	*5,000.00*
Total	**12,500.00**	*15,000.00*

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 major transactions in its functional currency i.e. ₹. Accordingly the Group is not exposed to any currency risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

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 Group has borrowed funds with both fixed and floating interest rate.

Particulars	**As at March 31, 2020**	*As at March 31, 2019*
Fixed rate borrowings:		
Term loan from financial institutions		
- IIFL Wealth Finance Limited	**6,175.46**	*9,399.04*
	6,175.46	*9,399.04*
Floating rate borrowing		
Term loan from financial institutions		
- HDFC Limited	**5,000.00**	*5,000.00*
	5,000.00	*5,000.00*
Total Borrowings	**11,175.46**	*14,399.04*

Interest rate sensitivity

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

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
1% increase in interest rate – decrease in profit	**(50.14)**	*(50.00)*
1% decrease in interest rate – increase in profit	**50.14**	*50.00*

38. Fair Value Measurement

38.1 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, 2020**	**Fair value as at March 31, 2019**	**Fair value hierarchy**	**Valuation technique(s) and key input(s)**	**Significant unobservable input(s)**	**Relationship of unobservable inputs to fair value and sensitivity**
Financial assets						
Investments in						
i) Equity shares (Quoted)	**1,598.85**	2,534.08	Level 1	Quoted bid prices in an active market	NA	NA
ii) Equity shares (Unquoted)	**1,204.61**	602.30	Level 3	Discounted Cash Flow Method based on future cash flows	Discount rate is determined using cost of equity i.e. capitalisation rate	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

	Financial assets/ financial liabilities measured at Fair value	Fair value as at March 31, 2020	Fair value as at March 31, 2019	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value and sensitivity
iii)	Preference shares (Unquoted)	**864.74**	—	Level 3	Discounted Cash Flow method based on projections and estimates of future financial performance	Discount rate of 37.9% i.e. cost of equity. Revenue-Revenue growth is expected to decline linearly in a high growth phase and stabilize in mature phase.	A significant increase in the discount rate in isolation would result in a significant decrease in the fair value.
iv)	Mutual fund	**11,840.46**	9,143.21	Level 1	NAV in an active market	NA	NA
v)	Unsecured debentures	**400.00**	529.50	Level 1	Debenture value in an active market	NA	NA
	Total financial assets	**15,908.66**	12,809.09				

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

38.2 Inter Level transfers

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

38.3 Reconciliation of Level 3 fair value

Particulars	Unlisted equity instruments measured at FVTPL	*Unlisted preference shares measured at FVTPL*	**Total**
For the year ended			
As at April 1, 2018	—	—	—
Total gains or (losses) recognised in profit or loss	—	—	—
Purchases	602.30	844.88	1,447.18
Disposals/settlements	—	—	—
As at March 31, 2019	**602.30**	**844.88**	**1,447.18**
Total gains or (losses) recognised in profit or loss...	**—**	**19.86**	**19.86**
Purchases	**602.31**	**—**	**602.31**
Disposals/settlements	**—**	**—**	**—**
As at March 31, 2020	**1,204.61**	**864.74**	**2,069.35**

38.4 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.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39. Related parties transactions

39.1 Names of the related parties and related party relationships

Particulars	Relationship as at March 31, 2020	Relationship as at March 31, 2019
Shanudeep Private Limited	**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*
Divya P. Mafatlal	**Director**	*Director*
Dhansukh H. Parekh	**Executive Director**	*Executive Director*
M L. Apte (upto 11-09-2019)	**Director**	*Director*
K J. Pardiwalla	**Director**	*Director*
Shobhan Diwanji	**Director**	*Director*
Aziza Khatri (w.e.f. 29-11-2019)	**Director**	—
D. M. Nadkarni	**Director**	*Director*
R. N. Patel	**Director**	*Director*
Surendra B. Shah	**Director**	*Director*
Mahesh K. Shah (upto 31.12.2018)	—	*Director*
Tanaz B. Panthaki	**Vice president (legal) & Company Secretary**	*Vice president (legal) & Company Secretary*
Pradeepkumar Tiwari	**Company Secretary**	*Company Secretary*
Jayantkumar R. Shah	**Chief financial officer**	*Chief financial officer*

39.2 Details of related party transactions

	For the year ended March 31, 2020	For the year ended March 31, 2019
Shanudeep Private Limited		
Transactions during the year		
Leave and License fees	**97.20**	*97.20*
Corporate Office and Service facilities	**130.68**	*130.68*
Payment of common expenses	**23.59**	*23.15*

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

39.3 Compensation of key managerial personnel

The remuneration of directors and other members of key managerial personnel during the year was as follows:

Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
Short-term employee benefits	**55.30**	*54.91*
Post-employment benefits	**—**	*—*
Other long-term benefits	**—**	*—*
Termination benefits	**—**	*—*
Total	**55.30**	*54.91*
Sitting fee paid to directors	**10.43**	*9.23*

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

40. Contingent liabilities and commitments

Particulars	For the year ended March 31, 2020	*For the year ended March 31, 2019*
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)	**—**	*6.84*
- Claims in respect of labour matters (refer note (i) below)	**0.50**	*0.50*
- Local cess (refer note (ii) below)	**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 Group is confident that the cases will be successfully contested.	**513.44**	*513.44*
c) 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 Holding Company is confident of success in this SLP when heard.	**1,375.74**	*1,375.74*
d) 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 Holding 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 Company, which the 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*

Notes:

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

(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) There are no capital commitments

41. Deferred tax asset/(liability)

Components of deferred tax assets/(liabilities) are as under:

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
Deferred tax asset/(liability) created on:		
Property, plant and equipments and intangible	**(311.83)**	*(616.07)*
Provisions	**9.71**	*8.78*
Trade receivables	**110.85**	*110.85*
Other assets	**51.47**	*51.47*
Investments	**441.44**	*(155.42)*
Borrowings	**(6.57)**	*(15.16)*
Other liabilities	**0.42**	*0.42*
Carry forward business loss and depreciation	**3,958.59**	*3,976.50*
Deferred tax assets/(liability)	**4,254.08**	*3,361.37*

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.

42. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars	**For the year ended March 31, 2020**	*For the year ended March 31, 2019*
(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 Group 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.

43. In pursurance of Section 115BAA of the Income Tax Acr, 1961 announced by the Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to lower tax rate and simultaneously forgo certain tax incentives including loss of accumulated MAT credit. The Company has not exercised this option in the current year due to unutilised MAT credit.

44. There have been no events after the reporting date that require disclosure in these financial statements.

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, 2020

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	107.74%	(4,870.41)	101.99%	(4,091.87)	75.84%	(2.26)	101.97%	(4,094.13)
Subsidiaries								
Indian								
Standard Salts Works Limited	-7.73%	349.41	-2.00%	80.19	24.16%	(0.72)	-1.98%	79.47
Mafatlal Enterprises Limited	-0.01%	0.11	0.01%	(0.28)	0.00%	—	0.01%	(0.28)
Total	**100.00%**	**(4,520.89)**	**100.00%**	**(4,011.96)**	**100.00%**	**(2.98)**	**100.00%**	**(4,014.94)**

(b) As at and for the year ended March 31, 2019

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	153.48%	(776.53)	102.59%	(2,402.61)	94.35%	(7.53)	102.57%	(2,410.14)
Subsidiaries								
Indian								
Standard Salts Works Limited	-53.35%	269.95	-2.62%	61.30	5.65%	(0.45)	-2.59%	60.85
Mafatlal Enterprises Limited	-0.12%	0.63	0.02%	(0.55)	0.00%	—	0.02%	(0.55)
Total	**100.00%**	**(505.95)**	**100.00%**	**(2,341.86)**	**100.00%**	**(7.98)**	**100.00%**	**(2,349.84)**

In terms of our report attached

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

ARUNKUMAR K. SHAH
PROPRIETOR
Membership No. 034606

Mumbai, Dated: June 30, 2020

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

JAYANTKUMAR R. SHAH
Chief Financial Officer

Mumbai, Dated: June 30, 2020

For and on behalf of Board of Directors

P. R. MAFATLAL
Chairman

D. H. PAREKH
Executive Director

Mumbai, Dated: June 30, 2020

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 • E mail : standardgrievances@rediffmail.com
CIN : L17110MH1892PLC000089 • WEBSITE: www.standardindustries.co

GREEN INITIATIVE FORM

To,

M/s. Kfin Technologies Pvt. Ltd.
(Formerly known as Karvy Fintech Pvt. Ltd.)
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. Kfin Technologies Pvt. Ltd. (Formerly known as Karvy Fintech Pvt. Ltd.), 24-B, Raja Bahadur Mansion, Ground Floor, Ambalal Doshi Marg, Behind BSE, Fort, Mumbai – 400 023.

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