



STANDARD SALT WORKS LIMITED

35th ANNUAL REPORT 2014-2015

BOARD OF DIRECTORS

SHRI D. H. PAREKH (*Chairman*)

SHRI D. M. NADKARNI

SHRI R. N. PATEL

BANKERS

IDBI BANK

BANK OF BARODA

AUDITORS

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

REGISTERED OFFICE

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

CIN: U24110GJ1979PLC003315

SALT WORKS

DANDI BHAGWA,
TALUKA OLPAD,
DISTRICT SURAT.

NOTICE

NOTICE is hereby given that the Thirty-fifth Annual General Meeting of Standard Salt Works Limited will be held at the Registered Office of the Company at 912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat-395 001, on Friday, the 25th September, 2015, at 9.00 a.m. to transact the following business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2015 and Statement of Profit and Loss and Cash Flow Statement for the Financial Year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri D. H. Parekh (holding DIN 00015734), who retires by rotation but, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modifications, the following:

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (as amended from time to time), M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai (ICAI firm Registration No. 126935W), be and are hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting till

the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors.”

NOTES:

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

For and on behalf of the Board

D. H. Parekh
Chairman

Registered Office:

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

Mumbai

Dated: 28th May, 2015.

DIRECTORS' REPORT

To
The Members,
STANDARD SALT WORKS LIMITED

Your Directors hereby present the 35th Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2014 to 31st March, 2015.

1. GENERAL

The Government of Gujarat has not renewed the lease of land given for all the Salt works. The Salt Manufacturers' Association has taken up this matter with the Government and is hopeful of getting a positive outcome.

Exports of Salt have gone down considerably with the result that local market price of salt has been reduced as compared to last year.

2. PRODUCTION

Production of Salt during the Financial Year 2014-15 has increased compared to last year. Total production during the current financial year is 67,797 M.T. compared to 54,413 M.T. in the previous financial year.

Efforts are being made to improve the quality, so that marketing of Salt to Caustic Industry should not be a problem.

3. FINANCIAL RESULTS

The value of salt sold during the financial year under review amounted to ₹ 368.55 Lakhs. There is a loss of ₹ 265.66 Lakhs in this financial year.

4. DESPATCHES

The total sale of salt during the financial year April 2014 to March 2015 is 53,692 M.T. as against 51,845 M.T. during the previous year.

5. IMPROVEMENTS

The Company is trying to use maximum tidal water and extend the Brine circuit to improve the quality of salt. The Company is also trying to develop some more crystallizers to increase the production.

6. PARTICULARS OF EMPLOYEES

The Company has no employees in respect of whom the information as per Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, is required to be given.

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

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

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, for the financial year ended 31st March, 2015, 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 profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis; and
- (e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

9. DIRECTORATE

Shri D. H. Parekh is due to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013, but being eligible offers himself for re-appointment.

10. AUDITORS

It is proposed to appoint M/s Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, the existing statutory auditors of the Company for the current year.

In terms of Section 139 of the Companies Act, 2013 the members are requested to appoint Auditors for the current year. The Auditors have confirmed their eligibility under Section 141 of the Act & the Rules framed thereunder for reappointment as Auditors of the Company.

11. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 4 times during the Financial Year from 1st April, 2014 to 31st March, 2015 i.e. 12.05.2014, 10.09.2014, 05.12.2014 and 13.03.2015.

12. EXTRACT OF THE ANNUAL RETURN

Please refer Annexure A to the Directors' Report.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Accounts forming part of the Audited Financial Statements for the year ended 31st March, 2015.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

There were no contracts or arrangements or transactions not at arm's length basis or material contracts or arrangement or transaction at arm's length basis with any related party.

15. 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.

16. 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.

For and on behalf of the Board

D. H. PAREKH
Chairman

Mumbai
Dated: 28th May, 2015.

ANNEXURE TO THE DIRECTORS' REPORT

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

A. CONSERVATION OF ENERGY

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

B. TECHNOLOGY ABSORPTION**Research and Development**

Nil

Technology absorption, adaptation and innovation:

Not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**1. Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:**

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

2. Total Foreign Exchange used and earned:

	₹
(i) Total Foreign Exchange used	Nil
(ii) Total Foreign Exchange earned	Nil

For and on behalf of the Board

D. H. PAREKH
Chairman

Mumbai

Dated: 28th May, 2015.

ANNEXURE A TO THE DIRECTORS' REPORT**FORM NO. MGT – 9****EXTRACT OF ANNUAL RETURN****as on financial year ended on 31st March, 2015**

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

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U24110GJ1979PLC003315
ii.	Registration Date	23 rd February, 1979
iii.	Name of the Company	STANDARD SALT WORKS LTD.
iv.	Category/Sub-Category of the Company	Unlisted Public Company Limited by Shares
v.	Address of the Registered Office and contact details	912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat – 395 001. Gujarat Tel.: 91 0261 2462287
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of main products/services	NIC Code of the product/service	% of total turnover of the Company
1.	Industrial Salt	08932	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Standard Industries Limited Plot no. 4, TTC Industrial Area, Thane Belapur Road, PO Millenium Business Park, Navi Mumbai - 400 710.	L17110MH1892PLC000089	Holding	100%	Sec. 2(46)

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

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (01-04-2014)				No. of Shares held at the end of the year (31-03-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individuals/H.U.F	0	0	0	0.00	0	0	0	0.00	0.00
(b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corporate	0	47,000	47,000	100.00	0	47,000	47,000	100.00	0.00
(e) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	0	47,000	47,000	100.00	0	47,000	47,000	100.00	0.00
(2) Foreign									
(a) Non Resident Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoters (A)=(A)(1)+(A)(2)	0	47,000	47,000	100.00	0	47,000	47,000	100.00	0.00
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Fund	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non Institutions									
(a) Bodies Corporate									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
(c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
(C) Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	0	47,000	47,000	100.00	0	47,000	47,000	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year (01.04.2014)			No. of Shares held at the end of the year (31.03.2015)			% Change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Standard Industries Limited	46,993	100%	—	46,993	100%	—	—
	Nominees of Standard Industries Limited							
2	Shri K. J. Pardiwalla & Standard Industries Limited	1	—	—	1	—	—	—
3	Shri R. N. Patel & Standard Industries Limited	1	—	—	1	—	—	—
4	Shri D. H. Parekh & Standard Industries Limited	1	—	—	1	—	—	—
5	Shri Suresh R. Patel & Standard Industries Limited	1	—	—	1	—	—	—
6	Shri M. J. Mehta & Standard Industries Limited	1	—	—	1	—	—	—
7	Shri P. R. Pichhamurthy & Standard Industries Limited	1	—	—	1	—	—	—
8	Shri Harshad Mehta & Standard Industries Limited	1	—	—	1	—	—	—
	Total	47,000	100%	—	47,000	100%	—	—

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

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2014)		Remarks	Shareholding at the end of the year (31.03.2015)	
		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 (01.04.2014)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
NOT APPLICABLE							

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Names	Shareholding at the beginning of the year (01.04.2014)		Increase/Decrease in shareholding	Remarks	Shareholding at the end of the year (31.03.2015)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
NOT APPLICABLE							

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	NIL	NIL	NIL
• Addition				
• Reduction				
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
1.	Gross salary	NOT APPLICABLE	
	(a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961		
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		
	— as % of profit		
	— others		
5.	Others		
	Total (A)		
	Ceiling as per Act		

B. Remuneration to other Directors:

(in ₹)

Particulars of Remuneration	Name of Directors			Total Amount
	Shri D. H. Parekh	Shri D. M. Nadkarni	Shri R. N. Patel	
(1) Independent Directors				
• Fee for attending board committee meetings	—	—	—	—
• Commission	—	—	—	—
• Others, please specify	—	—	—	—
Total (1)	—	—	—	—
(2) Other Non-Executive Directors				
• Fee for attending board committee meetings	—	1,000	1,000	2,000
• Commission	—	—	—	—
• Others, please specify	—	—	—	—
Total (2)	—	1,000	1,000	2,000
Total (B)=(1+2)	—	1,000	1,000	2,000
Total Managerial Remuneration	—	1,000	1,000	2,000
Overall ceiling as per the Act				

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income tax Act, 1961	NOT APPLICABLE			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission — as % of profit — others				
5.	Others				
	Total (A)				
	Ceiling as per Act				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STANDARD SALT WORKS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of STANDARD SALT WORKS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in

order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the Note 25 (k) of the financial statements regarding the preparation of accounts on going concern basis.

Report on other Legal and Regulatory Requirements

- (1) As required by Companies (Auditor's Report) order 2015, issued by the Central Government of India in terms of sub-section (11) of section 143(3) of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the order; to the extent applicable.
- (2) 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 appears from our examination of those books.
 - (c) the Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described in under the Emphasis of Matters paragraph above.
- (f) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- (g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to the best of our information and according to the explanations given to us:-
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25 (a) to the financial statements.
- ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There were no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

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

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Mumbai
Dated: May 28, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditors' Report to the members of the company on the financial statements for the year ended 31st March 2015, we report that :-

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
2. (a) As per information & explanation given to us, the physical verification of inventory is conducted at reasonable intervals.
 - (b) The procedure of physical verification of inventory followed by management is reasonable & adequate in relation to the size of the Company & its nature of business.
 - (c) The Company is maintaining proper records of inventory. The discrepancies noted on verification between physical & book record were not material.
3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub-clause (a) & (b) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there are adequate internal controls procedures commensurate with the size of the Company and the nature of its business for purchase of inventory, purchase of fixed assets and sale of goods & services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
 5. The Company has not accepted the deposits from public as per the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
 6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act for any activities of the Company.
 7. (a) In our opinion and according to explanation given to us the company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day

of the financial year concerned for a period of more than six months from the date they became payable.

- (b) Details of cases for non deposit with appropriate authorities of disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or Cess as follows :-

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

- (c) As informed to us the company is not required to transfer the fund to investor education and protection fund.

8. The accumulated losses of the Company as at the end of the year are more than fifty percent of its net worth. The Company has incurred cash losses in the financial year under the report i.e. 31st March 2015 and in the immediately preceding financial year.
9. According to Information and explanation given to us, the company has not borrowed money from banks/financial institutions nor issued any debentures and hence the question of default in repayment of dues does not arise.
10. As per information & explanation given to us, the Company has not given any guarantee for loans taken by others from any bank or financial institutions.
11. The Company has not obtained any term loan during the financial year.
12. As per information & explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

(Arunkumar K. Shah)
 Proprietor
 Membership No: 034606

Mumbai
 Dated: May 28, 2015

BALANCE SHEET

AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	14,25,610	14,25,610
(b) Reserves and surplus	4	(45,87,34,362)	(43,21,67,977)
		(45,73,08,752)	(43,07,42,367)
(2) Non-current liabilities			
(a) Long-term borrowings	5	39,61,37,222	39,61,37,222
(b) Other long-term liabilities.....	6	6,80,75,954	3,77,60,460
		46,42,13,176	43,38,97,682
(3) Current liabilities			
(a) Short-term borrowings.....	7	96,85,298	1,11,25,027
(b) Trade payables	8	17,97,804	12,99,029
(c) Other current liabilities.....	9	39,48,133	11,27,299
(d) Short-term provisions.....	10	13,01,624	11,43,136
		1,67,32,859	1,46,94,491
Total		2,36,37,283	1,78,49,806
II. ASSETS			
(1) Non-Current Assets			
(a) Tangible fixed assets	11	46,35,894	55,09,666
(b) Long-term loans and advances.....	12	21,09,457	20,33,264
		67,45,351	75,42,930
(2) Current assets			
(a) Current investments.....	13	54,000	54,000
(b) Inventories	14	58,65,319	44,72,761
(c) Trade receivables.....	15	21,57,412	11,20,008
(d) Cash and cash equivalents.....	16	79,34,344	35,94,611
(e) Short-term loans and advances.....	17	7,90,078	10,10,686
(f) Other current assets	18	90,779	54,810
		1,68,91,932	1,03,06,876
Total		2,36,37,283	1,78,49,806

See accompanying notes forming part of the Financial Statements

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

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 28, 2015.

D. H. PAREKH *Chairman*

D. M. NADKARNI
R. N. PATEL } *Directors*

Place : Mumbai
Date : May 28, 2015.

**STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31ST MARCH, 2015**

Particulars	Note No.	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
(I) INCOME			
(a) Revenue from operations.....	19	3,69,57,978	3,32,25,223
(b) Other income.....	20	3,32,115	1,90,996
Total Revenue		3,72,90,093	3,34,16,219
(II) EXPENSES			
(a) Change in inventory of stock-in-trade.....	21	(13,92,558)	77,39,488
(b) Employee benefit expenses.....	22	24,83,769	25,73,738
(c) Finance costs	23	3,36,83,882	3,38,14,695
(d) Depreciation	11	10,86,587	13,66,36,042
(e) Other expenses	24	2,77,01,792	2,55,81,385
Total Expenses.....		6,35,63,472	20,63,45,348
(III) (Loss) before taxes (I – II).....		(2,62,73,379)	(17,29,29,129)
(IV) Tax Expense			
Short Provision for taxes in respect of earlier years.....		(2,93,006)	—
(V) (Loss) for the year (III + IV)		(2,65,66,385)	(17,29,29,129)
(VI) Earnings Per Share – Basic and Diluted (₹).....		(1,864)	(12,130)
Nominal value per share ₹.....		100	100
[Refer Note 25(h)]			

See accompanying notes forming part of the Financial Statements

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

Arunkumar K. Shah
Proprietor
Membership No: 034606

D. H. PAREKH

Chairman

D. M. NADKARNI

R. N. PATEL

Directors

Place : Mumbai
Date : May 28, 2015.

Place : Mumbai
Date : May 28, 2015.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST MARCH, 2015

	Year ended 31st March, 2015	Year ended 31st March, 2014
	₹	₹
A. Cash Flow from Operating Activities:		
(Loss) before Taxes.....	(2,62,73,379)	(17,29,29,129)
Adjustments for:		
Depreciation.....	10,86,587	13,66,36,042
Profit on Sale of fixed assets.....	—	—
Interest on borrowings.....	3,36,83,882	3,38,14,695
Sundry credit balances written back.....	(6,879)	—
Excess Provision for Earlier years.....	(154)	(66,200)
Interest Income on Fixed Deposits with Bank.....	(3,16,787)	(77,059)
	<u>3,44,46,649</u>	<u>17,03,07,478</u>
Operating Profit/(Loss) before working Capital Changes	81,73,270	(26,21,651)
Decrease/(Increase) in Trade and other receivables.....	(8,61,309)	(13,64,325)
(Increase)/Decrease in Inventories.....	(13,92,558)	77,39,488
(Decrease)/Increase in Trade and other payables.....	31,92,124	(2,55,99,735)
	<u>9,38,257</u>	<u>(1,92,24,572)</u>
	<u>91,11,527</u>	<u>(2,18,46,223)</u>
Direct Taxes paid.....	(31,680)	(12,480)
Net Cash Generated from/(Used in) Operating Activities (A).....	<u>90,79,847</u>	<u>(2,18,58,703)</u>
B. Cash Flow from Investing Activities:		
Purchase of Fixed Assets.....	(2,12,815)	(4,53,420)
Interest Income on Fixed Deposits with Bank.....	2,80,818	77,059
Net Cash Used in Investing Activities (B).....	<u>68,003</u>	<u>(3,76,361)</u>
C. Cash Flow from Financing Activities:		
Long-term borrowings.....	—	2,48,87,222
Short-term borrowings.....	(14,39,729)	61,09,018
Interest paid.....	(33,68,388)	(61,12,583)
Net Cash Generated from Financing Activities (C).....	<u>(48,08,117)</u>	<u>2,48,83,657</u>
Net Increase/(Decrease) in cash and cash equivalents (A+B+C).....	<u>43,39,733</u>	<u>26,48,593</u>
Cash and Cash equivalents as at 01.04.2014 (Opening Balance).....	<u>35,94,611</u>	<u>9,46,018</u>
Cash and Cash equivalents as at 31.03.2015 (Closing Balance).....	<u>79,34,344</u>	<u>35,94,611</u>

Notes:

- Components of cash and cash equivalents include cash and bank balances in Current Accounts (Refer Note 16 forming part of the Financial Statements).
- The Cash Flow Statement has been prepared in accordance with the requirements of Accounting Standard 3 on "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

See accompanying notes forming part of the Financial Statements

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

Arunkumar K. Shah
Proprietor
Membership No: 034606

Place : Mumbai
Date : May 28, 2015.

D. H. PAREKH Chairman

D. M. NADKARNI Directors

R. N. PATEL

Place : Mumbai
Date : May 28, 2015.

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

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

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

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

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

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with rule 7 of Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The Financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note-25 (m).

(b) Use of Estimates:

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

(c) Fixed Assets:

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

(d) Depreciation:

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

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

(e) Investments:

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

(f) Inventories:

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

(g) Contingent Liabilities and Provisions:

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

(h) Revenue Recognition:

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

(i) Employee Benefits:

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

(b) Contribution as required under statute is made to Government Provident Fund.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**Note 2:****Significant Accounting Policies (Contd.)****(j) Stores and Tools Consumption:**

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

(k) Government Grants:

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

(l) Borrowing Costs:

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

(m) Taxes on Income:

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

(n) Impairment of Assets:

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

	As at 31st March, 2015 ₹	<i>As at 31st March, 2014 ₹</i>
Note 3:		
Share Capital		
(a) Authorised		
50,000 Equity Shares of ₹ 100/- each	<u>50,00,000</u>	<u>50,00,000</u>
(b) Issued		
47,000 Equity Shares of ₹ 100/- each	<u>47,00,000</u>	<u>47,00,000</u>
(c) Subscribed and fully paid-up		
223 Equity Shares of ₹ 100/- each fully paid-up	22,300	22,300
(d) Subscribed and not fully paid-up		
46,777 Equity Shares of ₹ 100/- each with voting rights, ₹ 70/- per share not paid-up	<u>14,03,310</u>	<u>14,03,310</u>
Total	<u>14,25,610</u>	<u>14,25,610</u>

Notes:

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

Name of the Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Standard Industries Limited	47,000	100	47,000	100

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2015 ₹	₹	As at 31st March, 2014 ₹
Note 4:			
Reserves and Surplus			
(a) Capital Reserve – Cash Subsidy			
As per last Balance Sheet.....	4,13,560		4,13,560
(b) Surplus in Statement of Profit and Loss Balance at the beginning of the year.....	(43,25,81,537)		(25,96,52,408)
Less: Loss for the year.....	<u>(2,65,66,385)</u>		<u>(17,29,29,129)</u>
Closing Balance	<u>(45,91,47,922)</u>		<u>(43,25,81,537)</u>
Total	<u>(45,87,34,362)</u>		<u>(43,21,67,977)</u>

Note 5:

Long Term Borrowings

(Unsecured)

(a) Loan from related party [Refer Note 25 (g)]	39,61,37,222		39,61,37,222
Total	<u>39,61,37,222</u>		<u>39,61,37,222</u>

Notes:

- (i) Loan from related party:
- Interest payable @ 7.50% p.a. on Opening balance of ₹ 7,82,50,000/- and on balance amount @ 8.75% p.a.
 - Principal and accrued interest due after 6 years.

	As at 31st March, 2015 ₹		As at 31st March, 2014 ₹
Note 6:			
Other long-term liabilities			
Others			
Interest accrued but not due on long-term borrowings	6,80,75,954		3,77,60,460
Total	<u>6,80,75,954</u>		<u>3,77,60,460</u>
Note 7:			
Short-term borrowings			
(Unsecured)			
Loan from related party [Refer Note 25 (g)]	96,85,298		1,11,25,027
Total	<u>96,85,298</u>		<u>1,11,25,027</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Note 8:		
Trade Payables		
(a) Total Outstanding dues of Micro Enterprises and Small Enterprises [Refer Note 25(c)]	—	—
(b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	17,97,804	12,99,029
Total	17,97,804	12,99,029
Note 9:		
Other Current Liabilities		
Other Payables		
(i) Statutory Liabilities	33,99,085	22,380
(ii) Advances from customers	1,17,659	6,64,092
(iii) Others	4,31,389	4,40,827
Total	39,48,133	11,27,299
Note 10:		
Short-term Provisions		
(a) Provision for employee benefits – Gratuity	13,01,624	11,43,081
(b) Provision for Income Tax (Net of Advance Tax)	—	55
Total	13,01,624	11,43,136

Note 11:**FIXED ASSETS**

Particulars	Gross Block				Accumulated Depreciation				Net Block
	As at 01/04/2014 ₹	Additions ₹	Deduction ₹	As at 31/03/2015 ₹	As at 01/04/2014 ₹	For the year ₹	Deduction ₹	As at 31/03/2015 ₹	As at 31/03/2015 ₹
Tangible Assets (Owned)									
(a) Freehold Land..... (Previous Year).....	1,40,000 (1,40,000)	—	—	1,40,000 (1,40,000)	—	—	—	—	1,40,000 (1,40,000)
(b) Buildings	22,28,120	—	—	22,28,120	11,52,674	36,542	—	11,89,216	10,38,904
(Previous Year).....	(22,28,120)	—	—	(22,28,120)	(11,10,877)	(41,797)	—	(11,52,674)	(10,75,446)
(c) Plant and Machinery..... (Previous Year).....	59,44,547 (55,15,727)	2,12,815 (4,28,820)	—	61,57,362 (59,44,547)	28,57,534 (26,75,865)	8,48,357 (1,81,669)	—	37,05,891 (28,57,534)	24,51,471 (30,87,013)
(d) Furniture and Fixtures .. (Previous Year).....	52,799 (52,799)	—	—	52,799 (52,799)	36,074 (34,728)	2,290 (1,346)	—	38,364 (36,074)	14,435 (16,725)
(e) Office Equipments	33,100	—	—	33,100	2,852	10,622	—	13,474	19,626
(Previous Year).....	(8,500)	(24,600)	—	(33,100)	(2,020)	(832)	—	(2,852)	(30,248)
(f) Vehicles	18,34,909	—	—	18,34,909	6,74,675	1,88,776	—	8,63,451	9,71,458
(Previous Year).....	(18,34,909)	—	—	(18,34,909)	(5,01,122)	(1,73,553)	—	(6,74,675)	(11,60,234)
(g) Salt Works - Reservoirs, Salt Pans	37,91,23,083	—	—	37,91,23,083	37,91,23,083	—	—	37,91,23,083	—
(Previous Year).....	(37,91,23,083)	—	—	(37,91,23,083)	(24,28,86,238)	(13,62,36,845)	—	(37,91,23,083)	—
Total	38,93,56,558	2,12,815	—	38,95,69,373	38,38,46,892	10,86,587	—	38,49,33,479	46,35,894
Previous year	(38,89,03,138)	(4,53,420)	—	(38,93,56,558)	(24,72,10,850)	(13,66,36,042)	—	(38,38,46,892)	(55,09,666)

Notes:

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
Note 12:		
Long-term loans and advances		
(Unsecured)		
(a) Security Deposits with Government authorities (considered good).....	11,14,459	7,40,000
(b) Advance Tax (Net of Provisions)	9,94,998	12,93,264
Total	21,09,457	20,33,264
Note 13:		
Current Investments		
(unquoted – at cost)		
Investment in Government Securities.....	54,000	54,000
Total	54,000	54,000
Note 14:		
Inventories		
(at lower of cost and net realisable value)		
(a) Finished goods.....	31,66,879	7,87,500
(b) Stock-in-process.....	26,98,440	36,85,261
Total	58,65,319	44,72,761
Note 15:		
Trade Receivables		
(Unsecured)		
(a) Outstanding for a period exceeding six months from the date they were due for payment (considered good).....	2,57,205	4,91,732
(b) Others (considered good).....	19,00,207	6,28,276
Total	21,57,412	11,20,008
Note 16:		
Cash and Cash Equivalents		
(a) Cash on hand.....	6,150	7,205
(b) Balance with banks in current accounts.....	79,28,194	35,87,406
Total	79,34,344	35,94,611
Note 17:		
Short-term loans and advances		
(Unsecured, considered good)		
(a) Loan to Fellow Subsidiary	—	8,00,000
(b) Security deposits.....	1,51,000	1,01,000
(c) Loans and advances to employees	61,470	61,500
(d) Prepaid expense.....	84,613	23,085
(e) Other short-term advances:		
(i) Advance to creditors.....	4,82,995	18,448
(ii) Others.....	—	6,653
Total	7,90,078	10,10,686
Note 18:		
Other current assets		
Accruals		
Interest accrued and due on Government Securities....	54,810	54,810
Interest accrued but not due on Bank Deposits.....	35,969	—
Total	90,779	54,810

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	₹	₹	₹	₹
Note 19:				
Revenue from Operations				
(I) Sale of products – Manufactured goods				
(a) Industrial Salt.....	3,54,78,208		3,10,25,364	
(b) Gypsum Salt.....	13,77,077		20,56,832	
		3,68,55,285		3,30,82,196
(II) Other Operating Income				
Income from weighbridge/quality Bonus.....		1,02,693		1,43,027
Total		3,69,57,978		3,32,25,223
Note 20:				
Other Income				
(a) Interest income:				
(i) Interest from banks on deposits..	3,16,787		77,059	
(ii) Interest on Income-tax refund.....	—		—	
(iii) Interest Income – Others	8,295		47,737	
(b) Other non-operating income:				
(i) Profit on sale of fixed assets	—		—	
(ii) Sundry creditor's balances written back	6,879		—	
(iiii) Excess provision for earlier years	154		66,200	
Total		3,32,115		1,90,996
Note 21:				
Change in inventories of Stock in Trade				
(a) Inventories at the end of the year:				
(i) Finished Goods	31,66,879		7,87,500	
(ii) Work-in-progress.....	26,98,440		36,85,261	
		58,65,319		44,72,761
(b) Inventories at the beginning of the year:				
(i) Finished Goods	7,87,500		86,91,416	
(ii) Work-in-progress.....	36,85,261		35,20,833	
		44,72,761		1,22,12,249
Net (Increase)/Decrease.....		(13,92,558)		77,39,488

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	For the year ended 31st March, 2015		For the year ended 31st March, 2014
	₹	₹	₹
Note 22:			
Employee benefit expenses			
(a) Salaries, Bonus, Exgratia, Leave travel and Gratuity	21,10,432		22,60,496
(b) Contribution to Provident Fund	2,00,278		1,83,665
(c) Workmen and Staff Welfare expenses	1,73,059		1,29,577
Total	24,83,769		25,73,738
Note 23:			
Finance costs			
Interest on borrowings	3,36,83,882		3,38,14,695
Total	3,36,83,882		3,38,14,695
Note 24:			
Other expenses			
(a) Stores and Tools consumed.....	3,56,884		—
(b) Power and Fuel	50,74,954		39,65,667
(c) Labour charges	43,29,864		36,00,746
(d) Rent.....	4,22,268		3,84,000
(e) Repairs:			
To Buildings.....	3,78,735		3,37,254
To Machinery.....	2,32,660		3,35,579
To Salt Works	32,65,628		46,89,350
To Others.....	61,810		980
	39,38,833		53,63,163
(f) Insurance	14,288		55,657
(g) Rates & Taxes	8,47,521		8,29,649
(h) Stationery, Printing, Advertisement, Postage etc..	94,437		80,932
(i) Transport and Freight charges	36,61,629		27,02,401
(j) Legal and Professional fees.....	3,02,516		2,39,643
(k) Directors' Fees.....	2,248		2,251
(l) Travelling and Conveyance expenses.....	8,79,711		1,99,701
(m) Salt – Internal shifting expenses.....	59,81,423		66,84,180
(n) Salt – Washing charges	79,040		1,14,225
(o) Contract Labour expenses.....	11,06,008		8,21,399
(p) Vehicle expenses.....	2,25,098		2,13,311
(q) Miscellaneous expenses	3,85,070		3,24,461
Total	2,77,01,792		2,55,81,385

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	Year ended 31st March, 2015 ₹	Year ended 31st March, 2014 ₹
Note 25:		
Additional information to the financial statements and disclosures under Accounting Standards		
(a) Contingent Liabilities in respect of:		
(i) Claims against the Company not acknowledged as debts:	2,52,26,190	41,17,260
Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The Company has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.		
The Company is confident of success in the matter.		
(ii) Disputed demands of income tax	—	6,30,509
These represent demands raised by Income Tax department on various matters for which disputes are pending before various Appellate authorities. The Company is confident that all these cases can be successfully contested.		
(b) Payments to Auditors:		
(a) As Auditors	50,000	50,000
(b) For Tax Audit	20,000	20,000
(c) As Advisor or in any other capacity in respect of taxation matters	1,50,000	—
(d) In any other manner (Certification work etc.)	—	10,000
(e) For expenses	22,451	32,204
(f) For Service tax	21,012	11,124
	2,63,463	1,23,328
(c) The Company has not received any intimation from the suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosure required under the Act have been given accordingly in Notes – 8(a).		
(d) Segment information:		
The Company is engaged in the business of production and sale of industrial salt. These in the context of Accounting Standard 17 on segment reporting are considered to constitute a single reportable segment.		
(e) Value of Stores and Tools:		Previous year
	Value ₹	Value ₹
	% to total consumption	% to total consumption
Imported	—	—
Indigenous	3,56,884	—
	3,56,884	—
(f) Consumption of Stores & Spares during the year	3,56,884	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 25:

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

(g) Related Party disclosure:

(i)	<u>Name of the related party</u>	Relationship
	Standard Industries Limited	Holding Company
(ii)	<u>Details of transactions with related parties:</u>	
	<u>Nature of transactions</u>	
	Unsecured Loan:	Holding Company
	Received during the year	5,60,271
		(33,19,96,240)
	Unsecured Loan:	
	Repayment during the year	20,00,000
		(80,00,000)
	Interest on unsecured loan	3,36,83,882
		(2,77,02,112)
	Stan Plaza Limited:	Fellow Subsidiary (upto 13.03.15)
	Unsecured Loan given	—
		(8,00,000)
	Interest on unsecured loan	4,932
		(47,737)
	Unsecured Loan	
	Repayment received during the year	8,00,000
		(—)
(iii)	<u>Outstanding Balances – Payables as on 31.03.2015</u>	
	Standard Industries Limited	
	Unsecured Loan.....	40,58,22,520
		(40,72,62,249)
	Interest accrued but not due.....	6,80,75,954
		(3,77,60,460)
	Stan Plaza Limited	
	Unsecured Loan.....	—
		(8,00,000)

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

	Year ended 31st March, 2015 ₹	<i>Year ended 31st March, 2014 ₹</i>
(h) Earnings per Share:		
Earnings per share is calculated by dividing the loss attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period as under:		
(Loss) for the year (₹).....	(2,65,66,385)	(17,29,29,129)
Weighted average number of equity shares outstanding during the year (Nos.)	14,256	14,256
Earnings per share (Basic/Diluted) (₹)	(1,864)	(12,130)
Nominal value per share (₹).....	100	100

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

	As at 31st March, 2015 ₹	<i>As at 31st March, 2014 ₹</i>
(i) Components of deferred tax assets/liabilities are as under:-		
Differences in the tax and books written down value of Fixed Assets.....	(5,09,493)	<i>(7,08,272)</i>
Provision for Gratuity	4,02,202	<i>3,53,212</i>
Disallowances U/s. 43B of the Income-tax Act, 1961	40,928	<i>2,00,097</i>
Carried forward Business loss and Depreciation.....	14,09,83,176	<i>13,35,18,840</i>
Deferred Tax Assets (Net)	14,09,16,813*	<i>13,33,63,877*</i>

* The Net Deferred Tax Asset as at March 31, 2015 has not been recognized in view of the requirements of certainty/virtual certainty as stated in Accounting Standard 22 on "Accounting for Taxes on Income".

(j) Expenditure in Foreign Currency:-		
Travelling	55,580	<i>—</i>
Total	55,580	<i>—</i>

(k) The accumulated losses of the Company as at the year end have eroded the Shareholders' Funds. However, the accounts of the Company have been prepared on a going concern basis in view of the continued availability of finance/financial support from the Holding Company and expected improvement in the economic conditions/scenario. Also the Company is in process of developing more Salt Kyaras which will result in substantial increase in the production of salt.

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

(m) During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company has revised the estimated useful life of assets to align the useful life with those specified in Schedule II.

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be NIL as on April 1, 2014, and has adjusted an amount of ₹ 6.02 lakhs in the Statement of Profit and Loss.

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 6.43 lakhs consequent to the change in the useful life of the asset and loss for the year is higher by the like amount.

(n) The figures of the previous year have been regrouped wherever necessary to correspond with those of current year.

Signatures to Notes 1 to 25

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

D. H. PAREKH *Chairman*

Arunkumar K. Shah
Proprietor
Membership No: 034606

D. M. NADKARNI
R. N. PATEL } *Directors*

Place : Mumbai
Date : May 28, 2015.

Place : Mumbai
Date : May 28, 2015.

PROXY FORM

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

STANDARD SALT WORKS LIMITED

Registered Office:

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

35th ANNUAL GENERAL MEETING

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

I/We, being the member(s) of Standard Salt Works Limited, holding....., shares of the above named company, hereby appoint

Name:.....E-mail Id:

Address:

..... Signature:

or failing him/her

Name:.....E-mail Id:

Address:

..... Signature:

or failing him/her

Name:.....E-mail Id:

Address:

..... Signature:

as my/our proxy to attend and vote for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on Friday, 25th September, 2015 at 9.00 A.M. at 912, Alishan Awaas, Diwali Baug, Athwa Lines, Nanpura, Surat-395 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution
ORDINARY BUSINESS	
1	Adoption of Financial Statements for the year ended 31 st March, 2015.
2	Re-appointment of Shri D. H. Parekh, who retires by rotation.
3	Appointment of M/s. Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, as the Auditors of the Company.

Signed thisday of 2015.

Affix
Revenue
Stamp

Signature of the member

Signature of the proxy holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35th Annual General Meeting.

