STANDARD SALT WORKS LIMITED

39th ANNUAL REPORT 2018-2019

BOARD OF DIRECTORS

SHRI D. H. PAREKH *(Chairman)*

SHRI D. M. NADKARNI

SHRI R. N. PATEL

SHRI K. J. PARDIWALLA

COMPANY SECRETARY

SHRI PRADEEPKUMAR TIWARI

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-NINTH** 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 9th August, 2019 at 9.00 a.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, 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 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri R.N. Patel (holding DIN 03498596), who retires by rotation but, being eligible, offers himself for re-appointment.

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: 29th May, 2019.

DIRECTORS' REPORT

To
The Members,
STANDARD SALT WORKS LIMITED

Your Directors hereby present the 39th Annual Report together with the Audited Statements of Accounts for the Financial Year from 1st April, 2018 to 31st March, 2019.

FINANCIAL RESULTS (AS ADJUSTED UNDER IND AS)

	Current Year 01.04.2018 to 31.03.2019 (₹ in lakhs)	Previous Year 01.04.2017 to 31.03.2018 (₹ in lakhs)
Gross Operating Profit before depreciation and tax	**75.84**	(7.70)
Less: Depreciation	**14.54**	11.55
Profit before Taxes	**61.30**	(19.25)
(Short) provisions for Taxes in respect of earlier years	**—**	—
Profit after Taxes	**61.30**	(19.25)
Other Comprehensive income	**(0.45)**	(0.55)
Total Comprehensive income for the year	**60.85**	(19.80)
Balance brought forward from previous year	**(5212.04)**	(5192.24)
Closing Balance	**(5151.19)**	(5212.04)

The Company has drawn up its Accounts under IND AS.

During the Financial Year under review, the Company has made a profit of ₹ 60.85 Lakhs.

GENERAL

The Salt market this year is better than the last year. There is a good demand for salt by Caustic Soda Industry. We have supplied maximum salt from crystallizers to save loading, transport & stacking cost. All efforts are being made to impove the production. Efforts are also being made to save the power cost and enhance the production by modifying the crystallizers & Brine Circuit.

PRODUCTION

The total production during the year is 59,098 MT. This year the Company has kept a target of 75,000 M.T. of salt.

SALE OF SALT

The value of salt sold during the financial year under review amounted to ₹ 343.48 lakhs.

DESPATCHES

The total sale of salt during the financial year April 2018 to March 2019 under review amounted to 59098 M.T. after taking into account washing losses of 7855 M.T. due to rains and operating washery as against 73396 M.T. during the previous year.

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.

NATURE OF BUSINESS OF THE COMPANY

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

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

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

FIXED DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 and rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts, for the financial year ended 31st March, 2019, 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.

DIRECTORATE

Shri R. N. Patel 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.

MATERIAL CHANGES AND COMMITMENTS

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

SIGNIFICANT AND MATERIAL ORDERS

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

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

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.

AUDITORS OBSERVATIONS & EXPLANATION OR COMMENTS BY THE BOARD

There were no qualifications, reservations or adverse remarks made by the Auditors in their Report.

EXTRACT OF THE ANNUAL RETURN

Please refer Annexure A to the Directors' Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors met 4 times during the Financial Year from 1st April, 2018 to 31st March, 2019 i.e. 28.05.2018, 24.09.2018, 19.01.2019 and 15.03.2019.

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

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

There have been no complaints received during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not provided any loans, guarantees or made any investments pursuant to Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

The Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

PARTICULARS OF EMPLOYEES

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.

BUSINESS RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Directors have to report that they have carried out necessary assessment in this behalf and have to state that the Company has not identified any element of risk which may threaten the existence of the Company.

AUDITORS

M/s. Arunkumar K. Shah & Co., (Firm Registration No. 126935W), Chartered Accountants, Mumbai were appointed as Statutory Auditors of the Company at the 38th AGM of the Company held on 3rd July, 2018 for a period of five (5) consecutive years till 43rd AGM of the Company.

Their appointment was subject to ratification by the members at every subsequent AGM held after the AGM held on 3rd July, 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

D. H. PAREKH
Chairman

Mumbai
Dated: 29th May, 2019.

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: 29th May, 2019.

ANNEXURE A TO THE DIRECTORS' REPORT

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31^{st} March, 2019

[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 (01-04-2018)				No. of Shares held at the end of the year (31-03-2019)				% 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	5,84,000	5,84,000	100.00	0	5,84,000	5,84,000	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**	**5,84,000**	**5,84,000**	**100.00**	**0**	**5,84,000**	**5,84,000**	**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**	**5,84,000**	**5,84,000**	**100.00**	**0**	**5,84,000**	**5,84,000**	**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

Category of Shareholders		No. of Shares held at the beginning of the year (01-04-2018)				No. of Shares held at the end of the year (31-03-2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	(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**	**5,84,000**	**5,84,000**	**100.00**	**0**	**5,84,000**	**5,84,000**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sr. No.	Shareholders' Name	No. of Shares held at the beginning of the year (01-04-2018)			No. of Shares held at the end of the year (31-03-2019)			% 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 (Nominees of Standard Industries Limited)	5,83,993	100.00%	—	5,83,993	100.00%	—	0.00
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	**5,84,000**	**100%**	—	**5,84,000**	**100%**	—	**0.00**

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

Sr. No.	Name	Shareholding at the beginning of the year (01-04-2018)		Remarks	Shareholding at the end of the year (31-03-2019)	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
NOT APPLICABLE						

(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 (01-04-2018)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31-03-2019)	
		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 (01-04-2018)		Increase/ Decrease in share-holding	Remarks	Shareholding at the end of the year (31-03-2019)	
		No. of shares	% of total shares of the company			No. of shares	% of total shares of the Company
NOT APPLICABLE							

V. INDEBTEDNESS

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

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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

B. Remuneration to other Directors:

(In ₹)

Particulars of Remuneration	Name of Directors				Total Amount
	Shri D. H. Parekh	Shri D. M. Nadkarni	Shri R. N. Patel	Shri K. J. Pardiwalla	
(1) Independent Directors					
• Fee for attending board committee meetings	—	—	—	—	—
• Commission	—	—	—	—	—
• Others, please specify	—	—	—	—	—
Total (1)	—	—	—	—	—
(2) Other Non-Executive Directors					
• Fee for attending board committee meetings	—	1,000	1,000	1,000	3,000
• Commission	—	—	—	—	—
• Others, please specify	—	—	—	—	—
Total (2)	—	1,000	1,000	1,000	3,000
Total (B)=(1+2)	—	1,000	1,000	1,000	3,000
Total Managerial Remuneration	—	1,000	1,000	1,000	3,000
Overall ceiling as per the Act					

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Shri. Pradeep Kumar Tiwari Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	NIL			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission — as % of profit — others				
5.	Others				
	Total (A)				
	Ceiling as per Act				

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of penalty/ punishment/ compounding fees imposed	Authority [RD/NCLT/ Court]	Appeal made, if any
A. Company					
Penalty 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

D. H. PAREKH
Chairman

Mumbai
Dated: 29th May, 2019.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF STANDARD SALT WORKS LIMITED

Report on the Standalone IND AS Financial Statements

We have audited the accompanying Standalone Financial Statements of STANDARD SALT WORKS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), 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 (Indain 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, 2019, the profit and total comprehensive income, 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.

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. (3.3) & Note No. (20) 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: • Evaluated the design of internal controls relating to implementation of the new revenue accounting standard. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedure involving enquiry and observations, reperformance and inspection of evidence in respect of operations of this controls. • Tested the relevant information technology systems access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the new revenue accounting standard.

The Key Audit Matters	How the matter was addressed in our Audit
b. Going Concern	
We draw Attention to Note No. (35.2) of financial statements regarding preparation of accounts on going concern basis.	We assessed that in view of the continued support / availability of finance from the Holding Company and expected improvement in economic conditions, the company has prepared the financial statements on Going Concern Basis.

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 inclusion 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 income, 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 scepticism 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 reasonable ness 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 event s 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 income), the statement of Cash Flows and the statement of Changes in Equity 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, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 (29) to the financial statements.

        (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

        (iii) There are no amounts that are 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.

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

Arunkumar K. Shah
Proprietor
Membership No. 34606.

Mumbai
Dated: 29th May, 2019

Annexure "A" to the Independent Auditor's Report of even date on the Standalone Financial Statements of STANDARD SALT WORKS LIMITED

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

I have audited the internal financial controls over financial reporting of **STANDARD SALT WORKS LIMITED** ("the Company") as of March 31, 2019 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over Financial reporting based on my audit. I conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In my opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

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

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Mumbai
Dated: 29th May, 2019

Annexure "B" to the Independent Auditor's Report

Re: Standard Salt Works Limited

The Annexure referred to in our Independent Auditor's Report to the members of the company on the standalone Ind AS financial statements for the year ended 31st March 2019, we report that :-

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.

   (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

2. (a) As per information & explanation given to us, the physical verification of inventory is conducted at reasonable intervals.

   (b) The procedure of physical verification of inventory followed by management is reasonable & adequate in relation to the size of the company & its nature of business.

   (c) The company is maintaining proper records of inventory. The discrepancies noted on verification between physical & book record where not material.

3. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. Hence, the requirements of sub clause (a), (b), & (c) to clause (iii) of paragraph 3 of the said Order are not applicable to the Company.

4. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not granted any Loan to Directors neither given any loans to any person or other body corporate, or guarantee given or security provided in connection with a loan to any other body corporate or person. Also not acquired securities of any other body corporate by way of subscription, purchase or otherwise.

5. The company has not accepted the deposits from public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.

6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act for any activities of the Company.

7. (a) In our opinion and according to explanation given to us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess, GST and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

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

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

8. As per the Information & explanation given to us, the company has not borrowed money from banks/ financial institutions nor issued any debentures and hence the question of default in repayment of dues does not arise. Accordingly, clause (viii) of paragraph 3 of the Order is not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable.

10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

11. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not paid/provided for managerial remuneration.

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

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

14. According to the information and explanations 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.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(Arunkumar K. Shah)
Proprietor
Membership No: 034606

Mumbai
Dated: 29th May, 2019

BALANCE SHEET
AS ON MARCH 31, 2019

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2019	As at March 31, 2018
Assets			
Non-current assets			
a. Property, plant and equipment	5	**116.20**	*136.58*
b. Financial assets			
i. Other financial assets	6	**7.65**	*7.65*
c. Non-current tax assets (net)	7	**5.29**	*5.07*
d. Other non-current assets	8	**5.00**	*5.00*
Total non-current assets		**134.14**	*154.30*
Current assets			
a. Inventories	9	**72.47**	*49.20*
b. Financial assets			
i. Investments	10	**1.09**	*1.09*
ii. Trade receivables	11	**52.15**	*37.77*
iii. Cash and cash equivalents	12	**9.03**	*5.40*
iv. Bank balances other than (iii) above	12	**41.40**	-
v. Loans	13	**0.18**	*0.70*
c. Other current assets	8	**4.38**	*0.59*
Total current assets		**180.70**	*94.75*
Total assets		**314.84**	*249.05*
Equity and liabilities			
Equity			
a. Equity share capital	14	**584.00**	*584.00*
b. Other equity	15	**(314.05)**	*(374.90)*
Total equity		**269.95**	*209.10*
Liabilities			
Current liabilities			
a. Financial liabilities			
i. Trade payables	16	**16.41**	*10.14*
ii. Other financial liabilities	17	**9.85**	*9.85*
b. Provisions	18	**16.31**	*16.39*
c. Other current liabilities	19	**2.32**	*3.57*
Total current liabilities		**44.89**	*39.95*
Total liabilities		**44.89**	*39.95*
Total equity and liabilities		**314.84**	*249.05*

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

Place : Mumbai
Date : 29th May, 2019

PRADEEPKUMAR TIWARI
Company Secretary

D. H. PAREKH *Chairman*

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

Place : Mumbai
Date : 29th May, 2019

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

	Particulars	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue from operations	20	**344.36**	*350.71*
II	Other income	21	**4.69**	*0.84*
III	**Total income (I + II)**		**349.05**	*351.55*
IV	**Expenses**			
	Purchases of stock-in-trade		**—**	*11.49*
	Changes in inventories of stock-in-trade	22	**(23.27)**	*66.28*
	Employee benefits expense	23	**30.22**	*27.42*
	Depreciation and amortisation expense	24	**14.54**	*11.55*
	Other expenses	25	**266.26**	*254.06*
	Total expenses (IV)		**287.75**	*370.80*
V	**Profit/(Loss) before tax (III - IV)**		**61.30**	*(19.25)*
VI	**Tax expenses**			
	Current tax		**—**	—
	Deferred tax		**—**	—
			—	—
VII	**Profit/(Loss) for the year (V - VI)**		**61.30**	*(19.25)*
VIII	**Other comprehensive income**			
	Items that will not be reclassified to profit or loss			
	– Remeasurements of the defined benefit plans		**(0.45)**	*(0.55)*
IX	**Total comprehensive income/(loss) for the year (VII + VIII)**		**60.85**	*(19.80)*
	Earnings per equity share			
	(1) Basic (in ₹)	27	**10.42**	*(3.39)*
	(2) Diluted (in ₹)	27	**10.42**	*(3.39)*

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

Place : Mumbai
Date : 29th May, 2019

PRADEEPKUMAR TIWARI
Company Secretary

D. H. PAREKH — *Chairman*

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

Place : Mumbai
Date : 29th May, 2019

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2019

a. Equity share capital

(₹ in Lakhs)

	Amount
Balance at April 1, 2017	*584.00*
Changes in equity share capital during the year	—
Balance at March 31, 2018	**584.00**
Changes in equity share capital during the year	—
Balance at March 31, 2019	**584.00**

b. Other equity

(₹ in Lakhs)

Particulars	**Reserves & surplus**				**Other comprehensive income**	**Total**
	Securities premium reserve	**Capital reserve - Cash Subsidy**	**Deemed contribution from shareholders**	**Retained earnings**	**Remeasurement of defined benefits plan**	
Balance at April 1, 2017	**4,833.00**	**4.14**	**506.30**	**(5,697.80)**	**(0.74)**	**(355.10)**
Addition on account of right issue of shares	—	—	—	—	—	—
Profit for the year	—	—	—	(19.25)	—	(19.25)
Other comprehensive income for the year	—	—	—	—	(0.55)	(0.55)
Balance at March 31, 2018	**4,833.00**	**4.14**	**506.30**	**(5,717.05)**	**(1.29)**	**(374.90)**
Additions during the year	—	—	—	—	—	—
Profit for the year	—	—	—	61.30	—	61.30
Other comprehensive income for the year	—	—	—	—	(0.45)	(0.45)
Balance at March 31, 2019	**4,833.00**	**4.14**	**506.30**	**(5,655.75)**	**(1.74)**	**(314.05)**

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 : 29th May, 2019

PRADEEPKUMAR TIWARI
Company Secretary

D. H. PAREKH *Chairman*

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

Place : Mumbai
Date : 29th May, 2019

CASH FLOW STATEMENT
FOR THE YEAR ENDED MARCH 31, 2019

(₹ in Lakhs)

		For the year ended March 31, 2019	*For the year ended March 31, 2018*
A.	**Cash flow from operating activities:**		
	Profit/(Loss) before taxes	**61.30**	*(19.25)*
	Adjustments for:		
	Depreciation	**14.54**	*11.55*
	Loss / profit on sale of property, plant and equipments	**6.41**	*0.44*
	Sundry credit balances written back	**(2.32)**	*(0.51)*
	Bonus to employees	**1.62**	*1.53*
	Interest Income on deposits	**(2.18)**	*—*
	Operating profit / (loss) before working capital changes	**79.37**	*(6.24)*
	Decrease / (increase) in trade and other receivables	**(17.65)**	*(6.69)*
	(Increase) / decrease in inventories	**(23.27)**	*66.28*
	(Decrease) / increase in trade and other payables	**5.18**	*(35.45)*
	Cash generated from operations	**43.63**	*17.90*
	Income taxes paid	**(0.22)**	*(0.12)*
	Net cash generated by operating activities	**43.41**	*17.78*
B.	**Cash flows from investing activities**		
	Purchase of property, plant and equipments	**(1.69)**	*(21.90)*
	Sale of property, plant and equipments	**1.13**	*3.40*
	Interest income on fixed deposits with bank	**2.18**	*—*
	Net cash (used in) / generated by investing activities	**1.62**	*(18.50)*
C.	**Net cash used in financing activities**		
	Net increase in cash and cash equivalents	**45.03**	*(0.72)*
	Cash and cash equivalents at the beginning of the year	**5.40**	*6.12*
	Cash and cash equivalents at the end of the year	**50.43**	*5.40*
	See accompanying notes to the 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.

(b) (₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
A. Cash and cash equivalents comprises of		
Balances with banks	**8.33**	*5.28*
Cash on hand	**0.70**	*0.12*
Cash and cash equivalents (Refer Note 12A)	**9.03**	*5.40*
Add: Deposits with bank	**41.40**	—
Cash and cash equivalents as per Statement of Cashflow	**50.43**	*5.40*

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

Place : Mumbai
Date : 29th May, 2019

PRADEEPKUMAR TIWARI
Company Secretary

D. H. PAREKH — *Chairman*

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

Place : Mumbai
Date : 29th May, 2019

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. **General information**

Corporate Identification Number: U24110GJ1979PLC003315

Standard Salt Works Limited ("the Company") is a limited Company incorporated in India in 1979 under the Indian Companies Act, 1882. Its parent and ultimate holding company is Standard Industries Limited. The Company is engaged in manufacture of Common Salt and marketing through various Salt traders to different Chemical Companies.

2. **Application of new and revised Ind ASs**

2.1. Ind AS 116- Leases:

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, 'Leases' as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019. It eliminates the classification of leases as either finance leases or operating leases for a lessee as required by Ind AS 17. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Requirements with regard to lessor accounting are substantially similar to accounting requirements contained in Ind AS 17. Accordingly, a lessor will continue to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

The effective date for adoption of Ind AS 116 is financial periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019. The Company is under the process of evaluating the impact of Ind AS 116.

2.2. Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition –

i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019. . The Company is under the process of evaluating the impact of Ind AS 12 Appendix C.

2.3. Amendment to Ind AS 12 – Income taxes:

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the financial statements.

2.4. Amendment to Ind AS 19 – plan amendment, curtailment or settlement-

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

3. Significant accounting policies:

3.1. 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.

3.2. Basis of preparation and presentation

3.2.1 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.

3.2.2 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

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

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

The Company's Board of Directors approves the financial statements for issue on May 29, 2019. The aforesaid financial statement have been prepared in Indian Rupee (₹) and denominated in Lakhs.

3.3. Revenue Recognition

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. Refer note 3.3 – Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18. The impact of the adoption of the standard on the financial statements of the Company is 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.

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.

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).

3.4. Leasing

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

The Company as lessor:

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

The Company as lessee:

Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

3.5. 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.

3.6. Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets,

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognised in profit or loss in the period in which they become receivable.

3.7. Employee benefits

3.7.1 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 balance sheet 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 balance sheet 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.7.2 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.

3.8. Income Tax

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

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

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

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

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

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

Minimum 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.

3.9. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

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.

3.10. Depreciation

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:

Buildings	30 - 60 years
Plant and machinery	6 - 15 years
Furniture and fixtures	10 years
Office equipments	5 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.

3.11. Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible 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.

3.12. Inventories

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3.13. 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.

3.14. 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.

3.15. 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

The Company classifies its financial assets in the following measurement categories:

I. those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

II. those measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the profit and Loss or in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principle and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit and loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of profit and loss.

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 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.

3.16. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial liabilities

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

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is 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.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

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.

3.17. 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.

3.18. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of directors, they constitute as CODM.

3.19. 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.

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

A. Key sources of estimation uncertainty

i. Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment 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 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Property, plant and equipment and capital work-in-progress

(₹ in Lakhs)

Description of assets	Freehold land	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Building	Salt Works - Reservoirs, Salt Pans	Washery Plant	Total
Cost									
As at April 1, 2017	1.40	26.86	0.12	0.15	7.83	10.02	14.26	—	60.64
Additions	—	3.65	—	0.07	17.69	—	—	76.73	98.14
Disposals/ reclassifications	—	—	—	—	(5.77)	—	—	—	(5.77)
As at March 31, 2018	**1.40**	**30.51**	**0.12**	**0.22**	**19.75**	**10.02**	**14.26**	**76.73**	**153.01**
Additions	—	1.69	—	—	—	—	—	—	1.69
Disposals/ reclassifications	—	(11.50)	—	—	(0.89)	—	—	—	(12.39)
As at March 31, 2019	**1.40**	**20.70**	**0.12**	**0.22**	**18.86**	**10.02**	**14.26**	**76.73**	**142.31**
Depreciation									
As at April 1, 2017	—	3.13	0.03	0.05	1.89	0.36	1.36	—	6.82
Depreciation expense for the year.....	—	3.08	0.03	0.06	2.08	0.36	1.36	4.59	11.56
Eliminated on disposal of assets/ reclassifications..................................	—	—	—	—	(1.95)	—	—	—	(1.95)
As at March 31, 2018	**—**	**6.21**	**0.06**	**0.11**	**2.02**	**0.72**	**2.72**	**4.59**	**16.43**
Depreciation expense for the period	—	3.27	0.03	0.04	2.18	0.36	1.36	7.29	14.53
Eliminated on disposal of assets/ reclassifications..................................	—	(4.13)	—	—	(0.72)	—	—	—	(4.85)
As at March 31, 2019	**—**	**5.35**	**0.09**	**0.15**	**3.48**	**1.08**	**4.08**	**11.88**	**26.11**
As at March 31, 2019	**1.40**	**15.35**	**0.03**	**0.07**	**15.38**	**8.94**	**10.18**	**64.85**	**116.20**
As at March 31, 2018	**1.40**	**24.30**	**0.06**	**0.11**	**17.73**	**9.30**	**11.54**	**72.14**	**136.58**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

6. Other financial assets

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Non-current		
Security deposits	**7.65**	*7.65*
Total	**7.65**	*7.65*

7. Non-current tax assets (net)

Advance Tax (net of provisions)	**5.29**	*5.07*
Total	**5.29**	*5.07*

8. Other assets

Non-current		
Security deposits	**5.00**	*5.00*
Total	**5.00**	*5.00*
Current		
Prepaid expenses	**0.08**	*0.19*
Advance to creditors	**4.00**	*0.10*
Balance with Government authorities	**0.30**	*0.30*
Total	**4.38**	*0.59*

9. Inventories

Inventories (lower of cost and net realisable value)		
– Finished Goods	**31.49**	*9.90*
– Stock-in-trade	**40.98**	*39.30*
Total	**72.47**	*49.20*

10. Other investments

Current		
Unquoted investments carried at amortised cost		
Investments in Government securities	**1.09**	*1.09*
Total current investments	**1.09**	*1.09*
Aggregate book value of quoted investments	**—**	—
Aggregate market value of quoted investments	**—**	—
Aggregate carrying value of unquoted investments	**1.09**	*1.09*
Aggregate amount of impairment in value of investments	**—**	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Trade Receivables

(₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
Current		
Unsecured, considered good		
– Outstanding for a period exceeding six months	**6.53**	*0.32*
– Outstanding for a period less than six months	**45.62**	*37.45*
Total	**52.15**	*37.77*

The average credit period on sales of goods is 45 days.

11.1 Trade Receivables

Age of receivables

Within the credit period	**45.62**	*31.05*
1-30 days past due	—	*0.06*
31-60 days past due	—	*0.26*
61-90 days past due	—	*5.48*
More than 90 days past due	**6.53**	*0.91*

12. Cash and Cash Equivalents

A. Cash and cash equivalents		
Balances with banks	**8.33**	*5.28*
Cash on hand	**0.70**	*0.12*
Total	**9.03**	*5.40*
B. Bank balance other than cash and cash equivalent		
Deposits with bank	**41.40**	—
Total	**41.40**	—

13. Loans

Current		
Loans to employees		
Unsecured considered good	**0.18**	*0.70*
Total	**0.18**	*0.70*

Further information about of these loans is set out in note 32.

14. Equity share capital

Equity share capital	**584.00**	*584.00*
Total	**584.00**	*584.00*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

	As at March 31, 2019	As at March 31, 2018
Authorised Share Capital		
7,50,000 Equity Shares of ₹ 100/- each	**750.00**	*750.00*
Issued		
5,84,000 Equity Shares of ₹ 100/- each	**584.00**	*584.00*
Subscribed		
5,84,000 Equity Shares (Previous Year 5,84,000) of ₹ 100/- each	**584.00**	*584.00*
Total	**584.00**	*584.00*

14.1 Fully paid ordinary equity shares, which have a par value of ₹ 100, carry one vote per share and carry a right to dividends.

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

	As at March 31, 2019	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Standard Industries Limited	**584,000**	**100%**

	As at March 31, 2018	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Standard Industries Limited	*584,000*	*100%*

15. Other equity (₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Capital reserve - cash subsidy	**4.14**	*4.14*
Retained earnings	**(5,655.75)**	*(5,717.05)*
Other comprehensive income	**(1.74)**	*(1.29)*
Deemed contribution from shareholder	**506.30**	*506.30*
Securities premium account	**4,833.00**	*4,833.00*
Total	**(314.05)**	*(374.90)*

(₹ in Lakhs)

15.1 Capital reserve - cash subsidy	As at March 31, 2019	As at March 31, 2018
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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

15.2 Retained earnings	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	**(5,717.05)**	*(5,697.80)*
Profit attributable to owners of the Company	**61.30**	*(19.25)*
Balance at end of year	**(5,655.75)**	*(5,717.05)*

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

(₹ in Lakhs)

15.3 Other comprehensive income	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	**(1.29)**	*(0.74)*
Remeasurement of defined benefits plan	**(0.45)**	*(0.55)*
Balance at end of year	**(1.74)**	*(1.29)*

(₹ in Lakhs)

15.4 Deemed contribution from shareholders	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	**506.30**	*506.30*
Addition during the year	**—**	*—*
Balance at end of year	**506.30**	*506.30*

(₹ in Lakhs)

15.5 Securities premium account	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of year	**4,833.00**	*4,833.00*
Addition on account of right issue of shares	**—**	*—*
Balance at end of year	**4,833.00**	*4,833.00*

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.

16. Trade payables

	As at March 31, 2019	As at March 31, 2018
Trade payables	**16.41**	*10.14*
Total	**16.41**	*10.14*

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Refer note 33 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

17. Other financial liabilities

(₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
Current		
Payable on account of property, plant and equipments	**9.85**	*9.85*
Total	**9.85**	*9.85*

18. Provisions

(₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
Current		
Employee benefits		
- for gratuity	**16.31**	*16.39*
Total	**16.31**	*16.39*

19. Other current liabilities

(₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
Statutory Liabilities	**0.70**	*0.54*
Contract liabilities (Advance from customers)	—	*1.50*
Bonus payable	**1.62**	*1.53*
Total	**2.32**	*3.57*

20. Revenue from operations

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(a) Sale of products		
– Common salt	**343.48**	*343.18*
– Gypsum salt	—	*6.44*
(b) Other operating revenues		
Income from weighbridge/ quality Bonus	**0.88**	*1.09*
Total	**344.36**	*350.71*

20.1 There are no impairment losses on trade receivable recognised in Statement of profit and loss for the year ended March 31, 2019 (refer note 11).

20.2 The Company presently recognises revenue on point in time basis. This is consistent with the revenue information that is disclosed under segment information as per Ind AS 108. (Refer Note 26 on Segment information disclosure).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

20.3 Contract balances

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

	As at March 31, 2019
Closing balances	
Trade receivables - current	**52.15**
Contract liabilities - current	**—**
Opening balances	
Trade receivables - current	**—**
Contract liabilities- current	**1.50**

20.4	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

20.5 The Company 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.

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

21. Other income (₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
(a). Interest Income		
On income-tax refund	—	—
Interest Income on deposits	*2.18*	—
	2.18	—
(b). Other non-operating income (net of expenses directly attributable to such income)		
- Sundry credit balances written back	**2.32**	*0.51*
- Sundry (Scrap Income)	**0.19**	*0.33*
	2.51	*0.84*
Total	**4.69**	*0.84*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

22. Changes in inventories of stock-in-trade

(₹ in Lakhs)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Opening stock:			
Finished stock		**9.90**	*90.77*
Process stock		**39.30**	*24.71*
	A	**49.20**	*115.48*
Closing stock:			
Finished stock		**31.49**	*9.90*
Process stock		**40.98**	*39.30*
	B	**72.47**	*49.20*
	A - B	**(23.27)**	*66.28*

23. Employee benefits expenses

(₹ in Lakhs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	**24.67**	*22.17*
Gratuity	**1.78**	*2.16*
Contribution to provident	**2.47**	*2.05*
Staff Welfare Expenses	**1.30**	*1.04*
	30.22	*27.42*

24. Depreciation and amortisation expense

(₹ in Lakhs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipments	**14.54**	*11.55*
Total depreciation and amortisation expenses	**14.54**	*11.55*

25. Other expenses

(₹ in Lakhs)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Contract labour expenses	**12.22**	*10.80*
Directors' fees	**0.03**	*0.03*
Insurance	**0.17**	*0.47*
Labour charges	**56.37**	*42.87*
Legal and professional fees	**1.04**	*0.50*
Payment to auditors (refer note 25.1)	**0.65**	*0.70*
Power and fuel	**49.20**	*44.68*
Printing and stationery, advertisement, postage and other expenses	**0.82**	*0.84*
Rates & taxes	**18.45**	*19.61*
Rent	**4.67**	*4.67*
Repairs	**37.09**	*16.05*
Salt - internal shifting expenses	**53.71**	*59.45*
Salt - washing charges	**—**	*—*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25. Other expenses

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Stores and tools consumed	**0.02**	*0.14*
Transport and freight charges	**20.99**	*46.75*
Travelling and conveyance expenses	**0.40**	*1.19*
Vehicle expenses	**2.30**	*2.68*
Loss on disposal of property, plant and equipments	**6.41**	*0.43*
Miscellaneous expenses	**1.72**	*2.20*
Total	**266.26**	*254.06*

25.1 Payments to auditors

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
For audit	**0.50**	*0.50*
For taxation matters	**—**	*0.20*
For other services	**0.15**	*—*
For reimbursement of expenses	**—**	*—*
Total	**0.65**	*0.70*

26. Segment information

The principal business of the Company is of manufacturing of common salt and marketing it through various salt traders. All other activities of the Company revolve around its main business. The Board of directors, has been identified as the chief operating decision maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined by Ind AS 108.

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.

Information about major customers

Revenue from operation includes of ₹ 289.35 Lakhs (year ended March 31, 2018: ₹ 264.71 Lakhs) which arose from sales to its three (previous year: three) major customers which accounts for 84.18 percent (year ended March 31, 2018: 76 percent) of the total revenue. No other single customer contributed 10% or more to the Company's revenue for both year ended March 31, 2019 and March 31, 2018.

27. Earnings per share

Particulars	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Basic earnings per share	**10.42**	*(3.39)*
Diluted earnings per share	**10.42**	*(3.39)*

Notes:

i) 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:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Profit/(loss) for the year attributable to owners of the Company	**60.85**	*(19.80)*
Less: Preference dividend and tax thereon	**—**	—
Earnings used in the calculation of basic earnings per share	**60.85**	*(19.80)*
Weighted average number of equity shares	**584,000**	*584,000*

ii) 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, 2019	For the year ended March 31, 2018
Profit/(loss) for the year used in the calculation of basic earnings per share	**60.85**	*(19.80)*
Add: adjustments on account of dilutive potential equity shares	**—**	—
Earnings used in the calculation of diluted earnings per share	**60.85**	*(19.80)*
Weighted average number of equity shares	**584,000**	*584,000*

iii) 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, 2019	For the year ended March 31, 2018
Weighted average number of equity shares used in the calculation of Basic EPS	**584,000**	*584,000*
Add: adjustments on account of dilutive potential equity shares	**—**	—
Weighted average number of equity shares used in the calculation of Diluted EPS	**584,000**	*584,000*

28. Leases

Operating Lease

The Company has applied for Lease renewal and has duly paid the lease renewal fees every year for operating lease arrangement for land at Dandi and Lawcha (Surat). As per notification issued by the Land Revenue Department of Government of Gujarat vide Notification no. 1597/1372A1 dated 9th October, 2017, the Company is entitle to renew the leases for the period of 30 years from the last renewal date.

29. Contingent liabilities and commitments (₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Contingent liabilities (to the extent not provided for)		
Claims against the Company not acknowledged as debts :		
Local and education cess (refer note (i) below)	**252.26**	*252.26*

(i) Amount claimed by Taluka Development Officer towards Local Cess and Education Cess. The Company has contested this claim and has paid an amount of ₹ 5,00,000/- under protest with Gujarat High Court.

(ii) There are no capital commitments

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

30. Employee benefits

i) Defined Contribution Plan

The Company's contribution to Provident fund aggregating during the period ended March 31, 2019 is ₹ 2.47 Lakhs (and during the year ended March 31, 2018: ₹ 2.05 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 (unfunded). The company's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from company as and when it becomes due and is paid as per company scheme for Gratuity.

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 in respect of those employee who are payable as per Act. Change in liability (if any) due to this scheme change is recognised as past service cost.

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

(1) Salary risk:

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

(2) Interest rate risk

A fall in the discount rate which is linked to the Government security rate will increase the present value of the liability requiring higher provision.

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

Particulars	Valuation as at	
	March 31, 2019	*March 31, 2018*
(i) Financial assumptions		
Discount rate (p.a.)	**7.47%**	*7.82%*
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:

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Current service cost	**0.68**	*0.60*
Past service cost and (gains)/losses from settlements	**—**	*—*
Net interest expense	**1.10**	*0.90*
Components of defined benefit costs recognised in profit or loss	**1.78**	*1.50*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Remeasurement on the net defined benefit liability		
Actuarial (gains)/loss arising form changes in financial assumptions	**0.22**	*(0.20)*
Actuarial (gains)/loss arising form changes in demographic assumptions	**—**	—
Actuarial (gains)/loss arising form experience adjustments	**0.23**	*0.75*
Return on plan assets (excluding amount included in net interest expense)	**—**	—
Adjustment to recognise the effect of asset ceiling	**—**	—
Components of defined benefit costs recognised in other comprehensive income	**0.45**	*0.55*
Total	**2.23**	*2.05*

Notes:

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

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

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

(₹ in Lakhs)

	As at March 31, 2019	*As at March 31, 2018*
Present value of benefit obligation at the end of the year	**(16.31)**	*(14.08)*
Fair value of plan assets at the end of the year	**—**	—
Unfunded status (Surplus/ (Deficit)	**(16.31)**	*(14.08)*

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

(₹ in Lakhs)

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening of defined benefit obligation	**14.08**	*12.03*
Current service cost	**0.68**	*0.60*
Past service cost	**—**	—
Interest on defined benefit obligation	**1.10**	*0.90*
Remeasurements due to:		
Actuarial loss/(gain) arising from change in financial assumptions	**0.22**	*(0.20)*
Actuarial loss/(gain) arising from change in demographic assumptions	**—**	—
Actuarial loss/(gain) arising on account of experience changes	**0.23**	*0.75*
Benefits paid	**—**	—
Liabilities extinguished on settlement	**—**	—
Closing of defined benefit obligation	**16.31**	*14.08*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

(₹ in Lakhs)

Particulars	**For the year ended March 31, 2019**	*For the year ended March 31, 2018*
Opening fair value of plan assets	—	—
Employer contribution	—	—
Interest on plan assets	—	—
Administration expenses	—	—
Remeasurement due to:	—	—
Actual return on plan assets less interest on plan assets	—	—
Benefits paid	—	—
Assets distributed on settlement	—	—
Closing of defined benefit obligation	—	—

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

(₹ in Lakhs)

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Equity instruments	—	—
Debt Instruments	—	—
Insurer Managed Funds	—	—
Total	—	—

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%.

	Impact on defined benefit obligation	
Principal assumption	**Increase in assumption**	*Decrease in assumption*
(a) Discount rate		
As at March 31, 2019	**(0.62)**	*0.68*
As at March 31, 2018	**(0.62)**	*0.67*
(b) Salary Escalation Rate		
As at March 31, 2019	**0.69**	*(0.65)*
As at March 31, 2018	**0.69**	*(0.65)*
(c) Employee Turnover Rate		
As at March 31, 2019	**0.11**	*(0.11)*
As at March 31, 2018	**0.11**	*(0.12)*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Notes:

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

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

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

The Company expects to contribute ₹ Nil (as at March 31, 2018: ₹ Nil) to the gratuity trusts during the next financial year.

Maturity profile of defined benefit obligation:
Maturity Analysis of the Benefit Payments: From the Employer

Projected benefits payable in future years from the date of reporting: (₹ in Lakhs)

Particulars	As at March 31, 2019	*As at March 31, 2018*
1st following year	**0.51**	*0.45*
2nd following year	**2.75**	*0.47*
3rd following year	**0.49**	*2.54*
4th following year	**10.04**	*0.45*
5th following year	**0.55**	*9.43*
Sum of years 6 to 10	**4.65**	*4.59*

The weighted average duration of the defined benefit obligation as at March 2019: 6 years (March 2018: 7 years)

31. Related parties transactions

i) Names of the related parties and related party relationships

Particulars	Relationship as at March 31, 2019	*March 31, 2018*
Standard Industries Limited	**Holding company**	*Holding company*
Key Management Personnel		
D. H. Parekh	**Chairman**	*Chairman*
D. M. Nadkarni	**Director**	*Director*
R. N. Patel	**Director**	*Director*
K. J. Pardiwalla	**Director**	*Director*
Pradeepkumar Tiwari	**Company Secretory**	*Company Secretory*

ii) Details of related party transactions

(₹ in Lakhs)

	For the year ended March 31, 2019	*For the year ended March 31, 2018*
Standard Industries Limited		
Transactions during the year		
Advances received during the year	**1.54**	*29.25*
Advances repaid during the year	**1.54**	*29.25*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

iii) Details of related party closing balances

(₹ in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Standard Industries Limited		
Unsecured loan	—	—
Interest accrued but not due	—	—

iv) Compensation of key managerial personnel

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

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	—	—
Post-employment benefits	—	—
Other long-term benefits	—	—
Termination benefits	—	—
Total	—	—
Sitting fee paid to Independent directors	0.03	0.03

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.

32. Financial instruments

I. Capital management policy

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The Company does not have any significant borrowing.

The Company is not subject to any externally imposed capital requirements.

Gearing ratio:

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

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Debt	—	—
Cash and bank balances	50.43	5.40
Net debt	(50.43)	(5.40)
Total equity	269.95	209.10
Net debt to equity ratio	(0.19)	(0.03)

II. Categories of financial instruments:

(₹ in Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Financial assets		
Measured at amortised cost		
Investments	1.09	1.09
Trade receivables	52.15	37.77
Cash and cash equivalent	9.03	5.40
Bank balances other than cash and cash equivalent	41.40	—

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

II. Categories of financial instruments:

(₹ in Lakhs)

Particulars	As at March 31, 2019	*As at March 31, 2018*
Loans	**0.18**	*0.70*
Other financial assets	**7.65**	*7.65*
Financial liabilities		
Measured at amortised cost		
Trade payables	**16.41**	*10.14*
Other financial liabilities	**9.85**	*9.85*

III. Financial risk management objectives

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

Based on prior experience and as assessment of the current economic environment, management believes there is no credit risk provision required. Also the Company does not have any significicate concentration of credit risk.

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:

(₹ in Lakhs)

	Upto One year	1-3 years	Total
March 31, 2019			
Trade payables	**16.41**	**—**	**16.41**
Other financial liabilities	**9.85**	**—**	**9.85**
March 31, 2018			
Trade Payables	*10.14*	—	*10.14*
Other financial liabilities	*9.85*	—	*9.85*

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.

i) Currency risk

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 not borrowed any funds from market and therefore is not exposed to interest rate risk.

IV. Fair Value Measurement

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.

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

(₹ in Lakhs)

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
(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.

34. Deferred tax asset/(liabilities)

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

Particulars	**As at March 31, 2019**	*As at March 31, 2018*
Property, plant and equipments	**(6.53)**	*(7.87)*
Provision for Gratuity	**0.44**	*0.70*
Other Current Liabilities	**0.42**	*0.39*
Carry forward business loss and depreciation	**343.94**	*361.00*
Deferred Tax Assets (Net)	**338.27**	*354.22*

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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35. Other notes

35.1 No provision for income-tax / Minimum Alternate Tax (MAT) has been made in the accounts for the year as it is estimated that there would be no taxable income under the provision of The Income Tax Act, 1961.

35.2 The accumulated losses of the Company as at the year end is more than 50% of 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.

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 : 29th May, 2019

PRADEEPKUMAR TIWARI
Company Secretary

D. H. PAREKH *Chairman*

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

Place : Mumbai
Date : 29th May, 2019

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 : 0261 2462287 • CIN: U24110GJ1979PLC003315

39th 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: ....

P.T.O.

as my/our proxy to attend and vote for me/us and on my/our behalf at the 39th Annual General Meeting of the Company, to be held on Friday, 9th August, 2019 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 31st March, 2019.
2.	Re-appointment of Shri R. N. Patel, who retires by rotation.

Signed this ....day of .... 2019.

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 39th Annual General Meeting.