



**STANDARD INDUSTRIES LTD.**

115th ANNUAL REPORT 2011-2012

# STANDARD INDUSTRIES LTD.

*Registered Office:*

Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Ghansoli, Navi Mumbai, Thane - 400 701.

## NOTICE

Notice is hereby given that the **ONE HUNDRED & FIFTEENTH ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai – 400 614, on Tuesday, the 14th August, 2012, at 3.00 p.m. to transact the following business :

1. To receive, consider and adopt the Directors' Report and Audited Profit and Loss Account of the Company for the Financial Year ended 31st March, 2012 and the Balance Sheet of the Company as on that date.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri V. C. Vaidya, who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Smt. Divya P. Mafatlal, who retires by rotation and is eligible for re-appointment.
5. To appoint Auditors to hold Office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- (b) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 31st July, 2012, to Tuesday, the 14th August, 2012, (both days inclusive) for the purpose of payment of dividend for the Financial Year ended 31st March, 2012. Those Members whose names appear in the Register of Members of the Company as on 30th July, 2012, will be eligible for dividend.

### (c) National Electronic Clearing Service (NECS)

As per directive from Securities and Exchange Board of India (SEBI), the Company has been using the Electronic

Clearing Service (ECS) of the Reserve Bank of India (RBI), at designated locations, for payment of dividend to shareholders holding shares in dematerialized form. This service was extended by the Company also to shareholders holding shares in physical form, who chose to avail of the same. In this system, the investor's bank account is directly credited with the dividend amount.

As per RBI's notification, with effect from 1st October, 2009, the remittance of money through ECS has been replaced by National Electronic Clearing Service (NECS). NECS operates on the new and unique bank account number allotted by banks post implementation of the Core Banking Solutions (CBS). Pursuant to implementation of CBS, your bank account number may have undergone a change, which is required to be communicated by you to your Depository Participant (in case of shareholders holding shares in dematerialized form) or to the Company's Registrar & Share Transfer Agent (in case of shareholders holding shares in physical form, in which case, the communication may be made in the Mandate Form separately enclosed in this Annual Report).

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

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the Depository Participant/Company's Registrar & Share Transfer Agent) and are communicated before 30th July, 2012, to facilitate receipt of dividend. Please note that if your new Core Bank Account number

is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned. Kindly refer to the Mandate Form enclosed in this Annual Report for further details.

- (d) The Dividend as recommended by the Directors when declared at the Annual General Meeting will be paid by dividend warrants drawn on designated Branches of HDFC Bank Limited from Tuesday, the 21st August, 2012, to those shareholders who have not opted for NECS Mandates. For those shareholders who have submitted their NECS Mandates, the dividend will be credited directly to their respective Bank Accounts.
- (e) The Company has already transferred on 27th March, 2012, the unclaimed dividends for the period October, 2003 to September, 2004, to the Investors' Education & Protection Fund (IEPF). The unclaimed dividend for the Accounting Periods ending 30th September, 2005, onwards are to be transferred to the IEPF on the dates given in the table below :

Financial Year	Date of Declaration of Dividend	Date for transfer to IEPF
October, 2004 To September, 2005	21.02.2006	26.03.2013
October, 2005 To March, 2006	28.09.2006	01.11.2013
April, 2006 To September, 2007	25.03.2008	29.04.2015
October, 2007 To March, 2009	26.09.2008 (Interim Dividend)	26.10.2015
October, 2007 To March, 2009	25.08.2009 (Final Dividend)	25.09.2016
April, 2009 To March, 2010	09.08.2010	08.09.2017
April, 2010 To March, 2011	04.08.2011	04.09.2018

Members who have so far not encashed the Dividend Warrants for the financial years ended September, 2005 onwards, are advised to submit their claims to the Company's Registrar and Share Transfer Agents, M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, or the Company's Registered Office at Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Ghansoli, Navi Mumbai, Thane – 400 701.

- (f) Members holding shares in physical form are advised to avail of the nomination facility by filling the prescribed Form No. 2B (in duplicate) with M/s. Sharepro Services (India) Pvt. Ltd., Mumbai, the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialised form are requested to contact their depository participant, for recording their nomination.
- (g) In case of transfers, deletion of name of deceased shareholder, transmission and transposition of names in respect of shares held in physical form, submission of self-certified photocopy of PAN Card of the transferee(s), surviving holder(s), legal heir(s) and joint holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions, is now mandatory.
- (h) The Company's securities are listed on the following Stock Exchanges:

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

The Company has paid Annual Listing fees to the above Stock Exchanges upto 31st March, 2013.

- (i) As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011, respectively, has allowed companies to send official documents through electronic mode.

In the spirit of the above circulars and as part of the Company's Green Initiative, we propose to send documents like Notice convening the general meetings, Financial Statements, Directors' Report, etc. to the e-mail address provided by you.

To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with Sharepro Services (I) Pvt. Ltd. (Unit: Standard Industries Limited), 13 AB, Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (E), Mumbai – 400 072.

- (j) Appointment/Re-appointment of Directors : Details to be furnished in respect of the Directors being proposed for appointment/re-appointment at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement relating to Corporate Governance are given hereunder:

1. Shri V. C. Vaidya holds a degree of LL.B. from Bombay University and is also a Solicitor from Mumbai. He is widely experienced in Legal, Insurance and Investment fields. Shri V. C. Vaidya was Chairman and Managing Director of The New India Assurance Co. Ltd.

He is a Director of various Public Limited Companies viz., Standard Industries Limited, The Industrial & Prudential

Investment Co. Ltd., Victoria Mills Ltd. and New Holding & Trading Co. Ltd. He is the Chairman of the Shareholders'/ Investors' Grievance Committee of Standard Industries Limited; Member of the Audit Committee, Remuneration Committee and Investment Committee of Standard Industries Limited. He is also a Trustee of various Charitable Trusts/Sports Clubs, viz., Mahalaxmi Temple Trust and Pransukhlal Mafatlal Hindu Swimming Bath & Boat Club Trust.

Shri V. C. Vaidya holds 34 Equity Shares of the Company.

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

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

Smt. Divya P. Mafatlal does not hold any shares in the Company.

By Order of the Board  
TANAZ B. PANTHAKI  
Company Secretary

*Registered Office:*

Plot No. 4, TTC Industrial Area,  
Thane Belapur Road,  
P.O. Ghansoli,  
Navi Mumbai,  
Thane - 400 701.

Dated : 24th April, 2012

# STANDARD INDUSTRIES LTD.

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



# STANDARD INDUSTRIES LTD.

## BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL  
*Chairman*

SHRI RUSSI JAL TARAPOREVALA

SHRI V. C. VAIDYA

SHRI M. L. APTE

SHRI F. M. PARDIWALLA

SHRI K. J. PARDIWALLA

SMT. DIVYA P. MAFATLAL

SHRI D. H. PAREKH

*Executive Director*

## REGISTERED OFFICE

PLOT NO. 4, TTC INDUSTRIAL AREA,  
THANE BELAPUR ROAD,  
P.O. GHANSOLI,  
NAVI MUMBAI,  
THANE – 400 701.

## CORPORATE OFFICE

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

## BANKERS

HDFC BANK LIMITED

ICICI BANK LIMITED

IDBI BANK

THE HONGKONG AND SHANGHAI BANKING CORPN. LTD.

UCO BANK

## CITY OFFICE

59, THE ARCADE, 1<sup>ST</sup> FLOOR,  
WORLD TRADE CENTRE,  
CUFFE PARADE, COLABA,  
MUMBAI – 400 005.

## AUDITORS

MESSRS. DELOITTE HASKINS & SELLS,  
*Chartered Accountants*

## ADVOCATES & SOLICITORS

M/S. ALMT LEGAL

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Sharepro Services (India) Pvt. Ltd.,  
13 AB, Samhita Warehousing Complex, 2nd Floor,  
Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road,  
Sakinaka, Andheri (East),  
Mumbai – 400 072.

Tel. Nos. : (022) 67720300/400

Fax No. : (022) 2859 1568

E-mail : [sharepro@shareproservices.com](mailto:sharepro@shareproservices.com)

**MANAGEMENT TEAM**

SHRI D. H. PAREKH

*Executive Director*

SHRI D. M. NADKARNI

*Vice-President (Projects)*

SMT. TANAZ B. PANTHAKI

*Company Secretary*

SHRI V. K. KAPUR

*General Manager*

# STANDARD INDUSTRIES LTD.

## FINANCIAL STATISTICS

	1-4-2001 to 30-9-2002 (18 mths.)	2002/ 2003	2003/ 2004	2004/ 2005
COMPANY OWNED:				
1. Fixed Assets (Net) .....	17043	15656	12766	12760
2. Investments.....	53	72	72	72
3. Net Current Assets .....	4879	(135)	(533)	260
4. Deferred Tax Assets/(Liability) .....	(1198)	—	—	—
5. Miscellaneous Expenditure .....	6387	—	—	—
Total Assets (Net).....	27164	15593	12305	12572
COMPANY OWED:				
1. Loan funds.....	13263	7726	4046	1351
2. Company's Net Worth:				
Equity Share Capital.....	6433	3216	3216	3216
Reserves and Surplus .....	7468	4651	5043	8005
Total Capital Employed .....	27164	15593	12305	12572
Debt/Equity Ratio# .....	0.76:1.00†	0.83:1.00†	0.35:1.00†	0.12:1.00†
Income .....	41206	16366	24071	23763
Raw Materials.....	3646	1728	2216	1584
Salaries and Wages.....	3062	1683	2069	1966
Operation and Other Expenses etc. ....	19523	8801	12198	11879
Interest .....	3397	1319	829	394
Excise duty.....	3472	1994	2531	3184
Profit before Depreciation and Taxes.....	8106	841	4228	4756
Depreciation .....	2031	1318	3180	1047
Profit before extra ordinary item and taxes .....	6075	(477)	1048	3709
Taxes .....	(3)§	(26)	(107)	(321)
Deferred Tax.....	(1198)	1198	—	—
Profit after Taxes .....	4874	695	941	3388
Provision and Refund of Income-tax (Net) .....	60	—	—	—
Transferred from General Reserve .....	2235	—	—	—
Balance brought forward from Previous Year .....	(6466)	703	1398	1861
Amount for Appropriation.....	703*	1398*	2339*	5249*
Dividends .....	—	—	402	402
Tax on Dividends .....	—	—	52	57
Balance retained in business.....	703	1398	1885	4790
Earnings per Equity Share ₹ .....	7.67‡	1.08**	1.46**	5.27**
Dividend paid per Equity Share ₹.....	—	—	0.625**	0.625**

# On Long term borrowings.

\* Includes amount transferred from Investment Allowance (Utilised) Reserve, Debenture Redemption Reserve, General Reserve and balance amount of profit brought forward from previous year.

† Without Revaluation Reserve.

‡ On Equity Shares of ₹ 10/-.

§ Wealth-tax.

\*\* On Equity Shares of ₹ 5/-.



(₹ in lakhs)

1-10-2005 to 31-3-2006 (6 mths.)	1-4-2006 to 30-9-2007 (18 mths.)	1-10-2007 to 31-3-2009 (18 mths.)	1-4-2009 to 31-3-2010	1-4-2010 to 31-3-2011	1-4-2011 to 31-3-2012
12800	1984	1870	3546	1371	2887
425	634	1443	6238	914	293
(238)	6542	12629	6463	12938	11472
—	—	—	—	—	—
—	2296	—	—	—	—
12987	11456	15942	16247	15223	14652
1149	—	—	—	—	—
3216	3216	3216	3216	3216	3216
8622	8240	12726	13031	12007	11436
12987	11456	15942	16247	15223	14652
0.08:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†
8325	12226	24683	3782	1834	2334
670	—	—	—	—	—
696	759	334	242	169	239
4446	9527	15680	2375	1828	2042
64	168	8	—	—	—
963	23	—	—	—	—
1486	1749	8661	1165	(163)	53
527	1489	132	106	133	89
959	260	8529	1059	(296)	(36)
(110)	(67)	(3158)	(193)	—	—
—	—	—	—	—	—
849	193	5371	866	(296)	(36)
—	—	—	7	19	26
—	—	—	—	—	—
4705	5325	4943	9022	9287	8449
5554*	5518*	10314*	9895*	9010*	8439*
201	483	643	482	482	482
28	82	109	80	78	78
5325	4953	9562	9333	8450	7879
1.32**	0.30**	8.35**	1.36**	(0.43)**	(0.02)**
0.3125**	0.75**	1.00**	0.75**	0.75**	0.75**

# STANDARD INDUSTRIES LTD.

## DIRECTORS' REPORT

To

The Members,

Standard Industries Limited.

Your Directors hereby present the 115th Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2012.

## FINANCIAL RESULTS

	<b>Current Year 01.04.2011 to 31.03.2012 (₹ in lakhs)</b>	<i>Previous Year 01.04.2010 to 31.03.2011 (₹ in lakhs)</i>
Gross Operating Profit before depreciation and tax.....	<b>53.08</b>	(162.62)
Add: Amount withdrawn from Revaluation Reserve.....	—	5.58
	<b>53.08</b>	(157.04)
Less: Depreciation.....	<b>88.85</b>	138.87
Profit before Taxes.....	<b>(35.77)</b>	(295.91)
Excess provision for taxes in respect of earlier years.....	<b>25.71</b>	18.87
Profit after Taxes.....	<b>(10.06)</b>	(277.04)
Balance brought forward from previous year.....	<b>8,449.72</b>	9,287.50
Amount available for Appropriation.....	<b>8,439.66</b>	9,010.46
APPROPRIATIONS:		
Proposed Dividend on Equity Shares.....	<b>482.47</b>	482.47
Corporate Tax on Dividend.....	<b>78.27</b>	78.27
Transfer to General Reserve.....	—	—
Balance of Profit & Loss A/c. carried to Balance Sheet.....	<b>7,878.92</b>	8,449.72

Your Directors recommend the following dividend for the Financial Year 1st April, 2011 to 31st March, 2012, which, if approved by the Shareholders at the forthcoming Annual General Meeting to be held on 14th August, 2012, will be paid to those Shareholders whose names appear on the Register of Members of the Company on 30th July, 2012.

	<b>Current Year 01.04.2011 to 31.03.2012 ₹</b>	<i>Previous Year 01.04.2010 to 31.03.2011 ₹</i>
₹0.75 per Equity Share of ₹5/- each on 6,43,28,941 Equity Shares [Previous year ₹0.75 per Equity Share of ₹5/- each on 6,43,28,941 Equity Shares].....	<b>4,82,46,705.75</b>	4,82,46,705.75
	<b>4,82,46,705.75</b>	4,82,46,705.75