

STANDARD INDUSTRIES LTD.

121st ANNUAL REPORT 2017-2018



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.

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STANDARD INDUSTRIES LTD.

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL
Chairman

SHRI M. L. APTE

SHRI K. J. PARDIWALLA

SMT. DIVYA P. MAFATLAL

SHRI SHOBHAN DIWANJI

SHRI D. H. PAREKH

Executive Director

BANKERS

HDFC BANK LIMITED

ICICI BANK LIMITED

IDBI BANK

UCO BANK

KOTAK MAHINDRA BANK LTD.

AUDITORS

M/S. S H R & CO.

Chartered Accountants

ADVOCATES & SOLICITORS

M/S. ALMT LEGAL

REGISTERED OFFICE

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

CIN : L17110MH1892PLC000089

WEBSITE : www.standardindustries.co

EMAIL : standardgrievances@rediffmail.com

CORPORATE OFFICE

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

CITY OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

Corporate Office:

Karvy Computershare Private Limited,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad,
Telangana - 500 032.

Tel. Nos. : +91 40 6716 2222

Fax No. : +91 40 2342 0814

E-mail : einward.ris@karvy.com

Website : www.karvycomputershare.com

Mumbai Front Office:

Karvy Computershare Private Limited,
24-B, Raja Bahadur Mansion,
Ground Floor,
Ambalal Doshi Marg,
Behind BSE, Fort,
Mumbai - 400 023.

Tel. Nos. : +91 22 6623 5454/412/427

MANAGEMENT TEAM

SHRI D. H. PAREKH

*Executive Director
and Key Managerial Personnel*

SHRI D. M. NADKARNI

Vice President (Projects)

SMT. TANAZ B. PANTHAKI

*Vice President (Legal) & Company Secretary
and Key Managerial Personnel*

SHRI J. R. SHAH

*Chief Financial Officer
and Key Managerial Personnel*

FINANCIAL STATISTICS

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

On Long term borrowings.

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

† Without Revaluation Reserve.

** On equity Shares of ₹ 5/-.

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

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

(₹ in lakhs)

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

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTY FIRST ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400614, on Monday, the 20th August, 2018, at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. Audited Balance Sheet as at 31st March, 2018, Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
 - b. Consolidated Audited Balance Sheet as at 31st March, 2018, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and Consolidated Cash Flow Statement for the financial year ended on that date together with the Report of the Auditors thereon.
2. To confirm Interim Equity Dividend declared for the Financial Year 2017-2018 and to approve Final Equity Dividend for the Financial Year 2017-2018.
3. To appoint a Director in place of Smt. Divya P. Mafatlal (DIN 00011525), who retires by rotation and being eligible offers herself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution :

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

till conclusion of the 126th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General Meeting) at a remuneration to be decided by the Board of Directors.”

SPECIAL BUSINESS

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

AS A SPECIAL RESOLUTION

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

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, of the Companies Act, 2013, including any amendment(s) statutory modification(s) or re-enactment(s) thereof, for the time being in force, approval of the Members of the Company be and is hereby granted for continuation of holding office of Non-Executive-Independent Director of the Company by Shri K. J. Pardiwalla (DIN 00015670) who is above the age of 75 (Seventy Five) years as on 1st April, 2019,

upto the expiry of his present term of Office i.e. upto 9th February, 2020, on the existing terms and conditions as mentioned in the letter dated 31st August, 2017 and whose appointment has been made by the Board of Directors with effect from 10th February, 2017 and whose appointment is duly approved by the members through an Ordinary Resolution passed at the Annual General Meeting held on 31st August, 2017.”

NOTES:

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

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

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

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

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

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

A statement pursuant to Section 102(1) of the Companies Act 2013 (“the Act”) relating to

the Special Business to be transacted at the Meeting is annexed to this Report.

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

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

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

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

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

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the Depository Participant/Company’s Registrar & Share Transfer Agent) and are communicated before Saturday, the 4th August, 2018, to facilitate receipt of final dividend. Please note

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

(d) Voting through electronic means

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

- I. 1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 121st Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy.
2. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at AGM.
4. The remote e-voting period commences on Thursday, the 16th August, 2018 (9.00 am) and ends on Sunday, the 19th August, 2018 (5.00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, the 13th August, 2018, may cast their vote by remote e-voting.

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

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

- A. In case a Member receives an e-mail from Karvy [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Launch an internet browser and open <https://evoting.karvy.com>
 - (ii) Enter the login credentials (i.e. User ID and password) and captcha. The Event No., Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering the above details Click on - Login.
 - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
 - (v) On successful login, the system will prompt you to select the E-Voting Event.