

STANDARD INDUSTRIES LTD.

122nd ANNUAL REPORT 2018-2019



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. ARUNKUMAR K. SHAH & CO.

Chartered Accountants

ADVOCATES & SOLICITORS

M/S. ALMT LEGAL

REGISTERED OFFICE

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

CIN : L17110MH1892PLC000089

WEBSITE : www.standardindustries.co

EMAIL : standardgrievances@rediffmail.com

CORPORATE OFFICE

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

CITY OFFICE

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

REGISTRAR & SHARE TRANSFER AGENTS

Corporate Office:

Karvy Fintech Private Limited,
(Formerly known as Karvy Computershare
Private Limited)

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District,
Nanakramguda,
Hyderabad,
Telangana - 500032.

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 Fintech Private Limited,
(Formerly known as 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*

STANDARD INDUSTRIES LTD.

FINANCIAL STATISTICS

As per IGAAP				
	1-4-2009 to 31-3-2010	1-4-2010 to 31-3-2011	1-4-2011 to 31-3-2012	1-4-2012 to 31-3-2013
COMPANY OWNED:				
1. Fixed Assets (Net)	3546	1371	2887	2878
2. Investments.....	6238	914	293	983
3. Net Current/Non-Current Assets	6463	12938	11472	9713
Total Assets (Net).....	16247	15223	14652	13574
COMPANY OWED:				
1. Loan funds.....	—	—	—	—
2. Company's Net Worth:				
Equity Share Capital.....	3216	3216	3216	3216
Reserves and Surplus	13031	12007	11436	10358
Total Capital Employed	16247	15223	14652	13574
Debt/Equity Ratio#	0.00:1.00†	0.00:1.00†	0.00:1.00†	0.00:1.00†
Income	3782	1834	2334	1762
Salaries and Wages.....	242	169	239	195
Operation and Other Expenses etc.	2375	1828	2042	2083
Interest	—	—	—	—
Profit before Depreciation and Taxes.....	1165	(163)	53	(516)
Depreciation.....	106	133	89	95
Profit before extra ordinary item and taxes	1059	(296)	(36)	(611)
Taxes	193	—	—	—
Profit after Taxes	866	(296)	(36)	(611)
Refund of Income-tax	7	19	26	97
Balance brought forward from Previous Year	9022	9287	8449	7879
Transferred from General Reserve	—	—	—	—
Depreciation on account of transitional provision of Schedule II to the Companies Act, 2013.....	—	—	—	—
Amount for Appropriation.....	9895*	9010*	8439*	7365*
Dividends	482	482	482	482
Tax on Dividends	80	78	78	82
Balance retained in business.....	9333	8450	7879	6801
Earnings per Equity Share ₹	1.36**	(0.43)**	(0.02)**	(0.80)**
Dividend paid per Equity Share ₹.....	0.75**	0.75**	0.75**	0.75**

On Long term borrowings.

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

† Without Revaluation Reserve.

** On equity Shares of ₹ 5/-.

(₹ in lakhs)

As per IGAAP			As per Ind AS		
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	1-4-2018 to 31-3-2019
2790	2603	2089	2021	2413	4469
574	164	94	7772	15096	19629
8502	8096	9459	(155)	1647	(4609)
11866	10863	11642	9638	19156	19489
—	—	2500	1868	10823	14341
3216	3216	3216	3216	3216	3216
8650	7647	5926	4554	5117	1932
11866	10863	11642	9638	19156	19489
0.00:1.00†	0.00:1.00†	0.27:1.00†	0.24:1.00†	1.30:1.00†	2.79:1.00†
1432	1581	1063	1466	4900	2236
176	180	188	183	174	160
2305	1652	1802	2525	2347	2523
—	—	94	419	821	1843
(1049)	(251)	(1021)	(1661)	1558	(2290)
95	149	119	83	76	113
(1144)	(400)	(1140)	(1744)	1482	(2403)
—	—	—	—	338	—
(1144)	(400)	(1140)	(1744)	1144	(2403)
—	—	—	14	—	—
6801	5093	4090	3321	1011	1779
—	—	—	—	204	—
—	22	—	—	—	—
5657*	4671*	2950*	1591*	2359*	(624)*
482	482	482	482	482	644
82	98	98	98	98	132
5093	4091	2370	1011	1779	(1400)
(1.78)**	(0.62)**	(1.77)**	(2.69)**	1.78**	(3.75)**
0.75**	0.75**	0.75**	0.75**	0.75**	1.00**

STANDARD INDUSTRIES LTD.

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTY SECOND 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 Tuesday, the 13th August, 2019, 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, 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 together with the Reports of the Directors and Auditors thereon.
 - b. Consolidated Audited Balance Sheet as at 31st March, 2019, Consolidated Statement of Profit and Loss (including Other Comprehensive Income) and Consolidated Cash Flow Statement for the financial year ended on that date together with the Report of the Auditors thereon.
2. To appoint a Director in place of Shri Pradeep R. Mafatlal (DIN 00015361), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015), as amended from time to time the approval of the

Members of the Company be and is hereby accorded for re-appointment of Shri M. L. Apte (DIN 00003656) as Non-Executive Independent Director of the Company whose current period of office is expiring on 13th August, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations, 2015 as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as a Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for three (3) consecutive years on the Board of the Company for a term w.e.f. 14th August 2019 upto 13th August, 2022.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 as amended from time to time and other applicable provisions if any, of the Act and subject to such other approvals as may be necessary in this regard, the approval of the members be and is hereby accorded to Shri. M. L. Apte (DIN 00003656) who has attained the age above 75 (seventy five) years as on 1st April 2019 to hold directorship as Non-Executive Independent Director of the company from 14th August, 2019 till the expiry of his term on 13th August, 2022.

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015), as

amended from time to time the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri Shobhan Diwanji (DIN 01667803) as Non-Executive Independent Director of the Company whose current period of office is expiring on 13th August, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations 2015, as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for five (5) consecutive years on the Board of the Company for a term w.e.f. 14th August 2019 upto 13th August, 2024.

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015) as amended from time to time the approval of the Members of the Company be and is hereby accorded for re-appointment of Shri K. J. Pardiwalla (DIN 00015670) as Non-Executive Independent Director of the Company and who has submitted a declaration confirming the criteria of Independence under Section 149 (6) of the Act read with SEBI (LODR) Regulations, 2015 as amended from time to time and who is eligible for re-appointment for the second term under the provisions of the Act, Rules made thereunder and SEBI (LODR)

Regulations 2015 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director pursuant to Section 160 of the Act, as Non-Executive Independent Director of the Company, whose term shall not be subject to retirement by rotation, to hold office for three (3) consecutive years on the Board of the Company for a term w.e.f. 10th February, 2020 upto 9th February, 2023.

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of SEBI (LODR) Regulations, 2015 as amended from time to time and other applicable provisions if any, of the Companies Act, 2013 and subject to such other approvals as may be necessary in this regard, the approval of the members be and is hereby accorded to Shri. K. J. Pardiwalla (DIN 00015670) who has attained the age above 75 (seventy five) years as on 1st April 2019 to hold directorship as Non-Executive Independent Director of the company from 10th February, 2020 till the expiry of his term on 9th February, 2023.

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

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and other applicable provisions of the Act (including any statutory modifications or amendments thereto) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI (LODR) Regulations, 2015) as amended from time to time and the Company’s policy on Related Party Transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into the following material related party transactions with Shanudeep Private Limited, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI (LODR) Regulations 2015:

- A. Leave & Licence Agreement for use of Office Premises admeasuring 9,000 Sq.ft. or thereabouts, at Vijjalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of 3 years

STANDARD INDUSTRIES LTD.

from 19th August, 2019 to 18th August, 2022, at a licence fee of Rs. 8,10,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

- B. Sharing of Facilities and/or Services at Vijyalaxmi Mafatlal Centre at 57A, Dr. G. Deshmukh Marg, Mumbai-400 026, for a period of 3 years from 21st August, 2019 to 20th August, 2022, at service charges of Rs. 10,89,000/- p.m. excluding applicable taxes, levies and sharing of common expenses.

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.

- (b) 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.

(c) Voting through electronic means

The Company has engaged the services of Karvy Fintech Private Limited (Karvy) (formerly known as Karvy Computershare Private Limited) 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 122nd 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 Friday, the 09th August, 2019 (9.00 am) and ends on Monday, the 12th August, 2019 (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 Tuesday, the 06th August, 2019, may cast their vote by remote e-voting.

The Remote e-voting module shall be disabled by Karvy at 5.00 p.m. on Monday, the 12th August, 2019. 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.
- (vi) Select the EVENT of Standard Industries Limited and click on - Submit.
- (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (x) Once you have voted on the Resolution, you will not be allowed to modify your vote.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at kaushikjhaverics1@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format 'Corporate Name_EVENT NO.'