

Certificate No. SHR/1054/SIL/2018 - 19

Auditor's Report on Quarterly Financial Result and Year to Date Statements of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of **Standard Industries Limited**

1. Introduction

We have audited the accompanying Statement of Standalone Financial Statements of **Standard Industries Limited ('the Company')** for the quarter ended **March 31, 2018** and for the year ended **March 31, 2018**, attached herewith, (the "Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The quarterly standalone Indian Accounting Standard (Ind AS) financial statements are the derived figures between the audited figures in respect of the year ended March 31, 2018 and the published year to date figures upto December 31, 2017, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The standalone Ind AS financial statements for the quarter ended March 31, 2018 and the year ended March 31, 2018 have been prepared on the basis of the standalone Ind AS financial statements for the nine month period ended December 31, 2017, the audited annual Ind AS financial statements as at and for the year ended March 31, 2018 and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the company management and have been approved by the Board of Directors of the company. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our review of the standalone Ind AS financial statements for the nine month period ended December 31, 2017 which was prepared in accordance with the recognition and measurement principles laid down in "Ind AS - 34 Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India; our audit of the annual standalone financial statements as at and for the year ended March 31, 2018; and relevant requirements of the Regulation and the Circular.

2. Scope of Review

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to:

- (a) Attention is invited to note No 4 with respect to profit of Rs. 3503.13 lakhs recognised during the current financial year for assignment of Transferable Developments rights entitlement, pending certain formalities for its ultimate assignment.



- (b) We draw attention to Note 5 to the audited Financial Statement regarding Company's equity investment of Rs. 5,969.82 lakhs in Standard Salts Works Limited, a wholly owned subsidiary company. The company considers no provision for any loss is currently necessary in the financial statements for the reason stated in the note.
- (c) The comparative financial information of the company for the corresponding quarter and year ended March 31, 2017 included in the standalone Ind AS financial statements for the year ended March 31, 2018 were audited by the predecessor auditor, who has expressed an unmodified opinion on those financial statements on May 16, 2017.

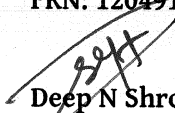
4. Conclusion

In our opinion and to the best of our information and according to the explanations given to us, these quarterly financial statements as well as the year to date statements:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, in this regard; and
- (ii) gives a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India of the profit including other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2018.
5. Further, read with paragraph 1 above, we report that the figures for the quarter ended March 31, 2018 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2018 and the published year-to-date figures up to 31st December, 2017, being the date of the end of the third quarter of the current financial year, which were subjected to limited review, as required under the Regulation and the Circular.

Mumbai, dated May 29, 2018

For S H R & CO.
Chartered Accountants
FRN: 120491W


Deep N Shroff
Partner
Membership No. 122592

SHR & CO.
CHARTERED ACCOUNTANTS
212A, REWA CHAMBERS,
SIR VITHALDAS THACKERSEY MARG
MUMBAI - 400 020

Certificate No. SHR/1055/SIL/2018 - 19

Auditor's Report on Year to Date Consolidated Statements of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
Board of Directors of Standard Industries Limited

1. Introduction

We have audited the accompanying Consolidated Financial Statements of the Company, its subsidiaries (the Company and its subsidiaries constitute the "Group") for the year ended **March 31, 2018**, attached herewith, (the "Statement"), being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, which are the responsibility of the Company Management and have been approved by the Board of Directors of the Company and has been prepared on the basis of the related consolidated financial statements which is in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act"), as applicable, and other accounting principles generally accepted in India. Our responsibility is to express an opinion on these consolidated financial statements based on our review which was prepared in accordance with the recognition and measurement principles laid down in "Ind AS - 34 Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

2. Scope of Review

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India and generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

3. Attention is invited to:

- (a) Attention is invited to note No 4 with respect to profit of Rs. 3503.13 lakhs recognised during the current financial year for assignment of Transferable Developments rights entitlement, pending certain formalities for its ultimate assignment.
- (b) We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 250.39 Lakhs as at March 31, 2018, total revenues of ₹ 351.14 lakhs and total loss after tax of ₹ 20.25 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.
- (c) The comparative financial information of the company for the corresponding year ended March 31, 2017 included in the consolidated financial statements for the year ended March 31, 2018 were audited by the predecessor auditor, who has expressed an unmodified opinion on those financial statements on May 16, 2017.

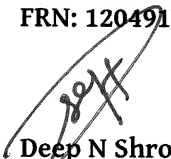


4. Conclusion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consolidation of the reports of the other auditors on separate Ind AS financial statements and other financial information of subsidiaries, referred to in paragraph 3 above, the Statement:

- (i) includes the statements of two subsidiaries viz. Standard Salt Works Limited and Mafatlal Enterprises Limited;
- (ii) is presented in accordance with the requirements of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
- (iii) gives a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2018.

For S H R & CO.
Chartered Accountants
FRN: 120491W


Deep N Shroff
Partner
Membership No. 122592

Mumbai, dated May 29, 2018

SHR & CO.
CHARTERED ACCOUNTANTS
212A, REWA CHAMBERS,
SIR VITHALDAS THACKERSEY MARG,
MUMBAI - 400 020

STANDARD INDUSTRIES LIMITED

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(in Lakhs)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2018

Sr. No.	Particulars	Standalone					Consolidated	
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended	Year ended	Previous Year ended	Year ending	Previous Year ending
		31.03.18 (Audited)	31.12.17 (unaudited)	31.03.17 (Audited)	31.03.18 (Audited)	31.03.17 (Audited)	31.03.18 (Audited)	31.03.17 (Audited)
	Income							
1	Revenue from Operations	366.41	163.62	215.52	1,017.42	735.19	1,368.13	975.49
2	Other Income	3,273.90	349.48	222.45	3,882.47	731.02	3,882.88	223.97
3	Total Income (1+2)	3,640.31	513.10	437.97	4,899.89	1,466.21	5,251.01	1,199.46
4	Expenses							
a	Purchases of Stock-in-Trade (cloths and made-ups)	344.55	151.74	198.66	953.20	677.91	964.69	677.91
b	Changes in inventories of Stock-in-Trade	29.35	0.03	1.87	31.16	8.30	97.44	(21.52)
c	Employee benefits expense	46.50	49.34	36.33	174.36	182.56	201.78	209.05
d	Finance costs	389.24	232.75	102.86	820.80	418.80	820.80	418.80
e	Depreciation and amortisation expense	27.97	20.95	16.38	76.43	83.46	87.98	90.28
f	Other expenses	339.61	506.30	973.80	1,361.67	1,838.89	1,615.76	2,103.93
	Total Expenses (a to f)	1,177.22	961.11	1,329.90	3,417.62	3,209.92	3,788.45	3,478.45
5	(Loss) before exceptional items and tax (3-4)	2,463.09	(448.01)	(891.93)	1,482.27	(1,743.71)	1,462.56	(2,278.99)
6	Exceptional items	-	-	-	-	-	-	-
7	(Loss) before tax (5+6)	2,463.09	(448.01)	(891.93)	1,482.27	(1,743.71)	1,462.56	(2,278.99)
8	Tax expense							
i)	Current tax	338.21	-	-	338.21	(14.26)	338.21	(14.26)
ii)	Deferred tax	-	-	-	-	-	-	-
9	Net Profit / (Loss) for the period (7-8)	2,124.88	(448.01)	(891.93)	1,144.06	(1,729.45)	1,123.80	(2,265.47)
10	Other Comprehensive Income							
	(i) Items that will not be reclassified to profit or loss - Remeasurements of the defined benefit plans	-	-	-	-	-	(0.55)	(0.74)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10)	2,124.88	(448.01)	(891.93)	1,144.06	(1,729.45)	1,123.80	(2,265.47)
12	Paid up Equity Share Capital (Face Value of ` 5/- each)	3,216.45	3,216.45	3,216.45	3,216.45	3,216.45	3,216.45	3,216.45
13	Earning per equity share of ` 5/- each							
(a)	Basic	3.30	(0.70)	(1.39)	1.78	(2.69)	1.75	(3.52)
(b)	Diluted	3.30	(0.70)	(1.39)	1.78	(2.69)	1.75	(3.52)

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sr. NO.	Particulars	Standalone					Consolidated	
		3 Months ended 31.03.2018	Preceding 3 months ended 31.12.17	Corresponding 3 months ended 31.03.17	year ended 31.03.2018	Previous year ended 31.03.2017	year ended 31.03.2018	Previous year ended 31.03.2017
		(Audited)	(unaudited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
1	Goods and Services Provided (Segment Revenue)							
	a. Real Estate *	-	-	-	-	-	-	-
	b. Trading	366.41	163.62	215.52	1,017.42	735.19	1,017.42	735.19
	c. Manufacturing	-	-	-	-	-	349.63	240.30
	d. Others	-	-	-	-	-	-	-
	Total for Operations	366.41	163.62	215.52	1,017.42	735.19	1,367.05	975.49
2	Goods and Services Provided (Segment Profit)							
	(Loss) before tax from each segment							
	a. Real Estate	3,118.41	(253.70)	(839.85)	2,638.40	(1,222.87)	2,638.40	(1,222.87)
	b. Trading	(53.47)	(3.67)	9.86	(28.45)	26.37	(28.45)	26.37
	c. Manufacturing	-	-	-	-	-	(19.79)	(1,042.60)
	d. Others	-	-	-	-	-	(0.46)	(0.50)
	Total	3,064.94	(257.37)	(829.99)	2,609.95	(1,196.50)	2,589.70	(2,239.60)
	Less:							
	i. Interest	-	-	-	-	-	-	-
	ii. Other un-allocable Expenditure net of un-allocable Income	(601.83)	190.64	(61.93)	(1,127.66)	(547.21)	(1,127.69)	(40.14)
	Total Profit / (Loss) before tax	2,463.11	(448.01)	(891.92)	1,482.29	(1,743.71)	1,462.01	(2,279.74)
	SEGMENT ASSETS							
	a. Real estate	11,069.63	23,998.16	7,838.69	11,069.63	7,838.69	11,069.63	7,838.69
	b. Trading	158.58	372.75	193.04	158.58	193.04	158.58	193.04
	c. Manufacturing	-	-	-	-	-	249.06	302.74
	d. Others	-	-	-	-	-	1.33	1.81
	Total Segment Assets	11,228.21	24,370.91	8,031.73	11,228.21	8,031.73	11,478.60	8,336.28
	Unallocable assets	17,223.22	2,232.92	8,279.83	17,223.22	8,279.83	11,298.88	2,355.50
	Total	28,451.43	26,603.83	16,311.56	28,451.43	16,311.56	22,777.48	10,691.78
	SEGMENT LIABILITIES							

a. Real estate	6,893.49	19,395.91	7,842.38	6,893.49	7,842.38	6,893.49	7,842.38
b. Trading	96.41	171.75	3.12	96.41	3.12	96.41	3.12
c. Manufacturing	-	-	-	-	-	39.95	73.83
d. Others	-	-	-	-	-	0.15	0.15
Total Segment Liabilities	6,989.90	19,567.66	7,845.50	6,989.90	7,845.50	7,030.00	7,919.48
Unallocable Liabilities	13,128.05	705.66	695.92	13,128.05	695.92	13,128.05	695.92
Total	20,117.95	20,273.32	8,541.42	20,117.95	8,541.42	20,158.05	8,615.40
CAPITAL EMPLOYED:							
(Segment assets - Segment liabilities)							
a. Real estate	4,176.14	4,602.25	(3.69)	4,176.14	(3.69)	4,176.14	(3.69)
b. Trading	62.17	201.00	189.92	62.17	189.92	62.17	189.92
c. Manufacturing	-	-	-	-	-	209.11	228.91
d. Others	-	-	-	-	-	1.18	1.66
e. Un-allocable	4,095.17	1,527.26	7,583.91	4,095.17	7,583.91	(1,829.17)	1,659.58
3 Total	8,333.48	6,330.51	7,770.14	8,333.48	7,770.14	2,619.43	2,076.38

* The Real Estate Division is engaged in disposal of company's assets which are more than the needs of the business of the company.

STATEMENT OF ASSETS AND LIABILITIES

Particulars	STANDALONE		CONSOLIDATED	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Assets				
1 Non-current assets				
a. Property, plant and equipment	1,334.17	923.53	1,470.75	977.35
b. Capital work in progress	-	-	-	76.25
c. Investment property	1,075.17	1,095.83	1,075.17	1,095.83
d. Goodwill	-	-	50.77	50.77
e. Other intangible assets	4.04	1.80	4.04	1.80
f. Investment in subsidiaries	5,974.82	5,974.82	-	-
g. Financial assets				
i. Other investments	54.06	58.91	54.06	58.91
ii. Loans	197.74	197.74	197.74	197.74
iii. Others financial assets	128.70	128.70	136.35	136.35
h. Non-current tax assets (net)	-	255.57	5.07	260.62
i. Other non-current assets	2,032.62	1,866.23	2,037.62	1,871.23
Total non-current assets	10,801.32	10,503.13	5,031.57	4,726.76
2 Current assets				
a. Inventories	26.68	56.84	74.88	172.32
b. Property under development	4,439.73	3,300.57	4,439.73	3,300.57
c. Financial Assets				
i. Other investments	9,067.10	1,738.42	9,067.64	1,738.96
ii. Trade receivables	3,071.46	116.53	3,109.23	147.86
iii. Cash and cash equivalents	836.02	474.71	842.75	482.64
iv. Bank balances other than (iii) above	46.38	43.63	46.38	43.63
v. Loans	-	-	0.70	0.45
vi. Other financial assets	119.35	17.28	119.62	17.55
d. Other current assets	44.39	60.44	44.98	61.03
Total current assets	17,650.11	5,808.42	17,746.91	5,965.01
Total assets	28,451.43	16,311.55	22,777.48	10,691.76
Equity and liabilities				
Equity				
a. Equity share capital	3,216.45	3,216.45	3,216.45	3,216.45
b. Other equity	5,117.03	4,553.68	(597.02)	(1,140.09)
Total Equity	8,333.48	7,770.13	2,619.43	2,076.36
Liabilities				
1 Non-current liabilities				
a. Financial liabilities				
i. Borrowings	10,823.01	-	10,823.01	-
b. Provisions	583.66	583.66	583.66	583.66
Total non-current liabilities	11,406.67	583.66	11,406.67	583.66
2 Current liabilities				
a. Financial liabilities				
i. Trade payables	229.40	127.93	239.69	170.03
ii. Other financial liabilities	974.83	2,043.68	984.68	2,055.12
b. Provisions	111.72	33.10	128.11	48.22
c. Other current liabilities	7,395.33	5,753.05	7,398.90	5,758.37
Total current liabilities	8,711.28	7,957.76	8,751.38	8,031.74
Total liabilities	20,117.95	8,541.42	20,158.05	8,615.40
Total Equity and Liabilities	28,451.43	16,311.55	22,777.48	10,691.76

NOTES :

- 1 The above results have been reviewed by the Audit Committee and are approved by the Board of Directors of the Company at their meeting held on May 29, 2018.
- 2 The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 and accordingly above standalone financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS.

Reconciliation of Net Loss for the corresponding year ended March 31, 2017 between Indian GAAP & IND AS is as under :

Particulars	Standalone		Consolidated
	For the Quarter Ended March 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2017
Loss as per previous GAAP	(1,023.26)	(1,980.72)	(2,304.45)
Ind AS Adjustments:			
Fair valuation of investments	81.74	57.74	57.74
Loan given to subsidiary measured at amortised cost	53.82	212.33	-
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	(4.23)	(18.80)	(18.76)
Remeasurement of defined benefit obligation recognised in other comprehensive income under Ind AS	-	-	0.74
Profit or loss under Ind AS	(891.93)	(1,729.45)	(2,264.73)
Other comprehensive income (net of tax)	-	-	(0.74)
Total comprehensive income as per Ind AS	(891.93)	(1,729.45)	(2,265.47)

Reconciliation of total equity as at 31st March 2017 and 1st April 2016 between Indian GAAP & IND AS is as under :

Particulars	Standalone		Consolidated	
	As at March 31, 2017	As at April 1, 2016	As at March 31, 2017	As at April 1, 2016
Equity as reported under previous GAAP	7,161.68	9,142.40	1,974.16	4,278.61
Ind AS Adjustments:				
Fair valuation of investments	95.07	37.32	95.13	37.34
Loan given to subsidiary measured at amortised cost	506.30	293.97	-	-
Effect of measurement of financial liabilities at amortised cost as per effective interest rate method	7.09	25.89	7.09	25.89
Dividends not recognised as liability until declared under Ind AS	-	580.70	-	580.70

Total adjustments	608.46	937.88	102.22	643.93
Total equity as per Ind AS	7,770.14	10,080.28	2,076.38	4,922.54

- 3 During the previous year the Company has entered into a Memorandum of Understanding (MOU) dated September 1, 2016 with Feat Properties Private Limited (FPPL) to transfer and assign all its leasehold rights in 62.25 acres of Company's leasehold property situated at Plot No.4, Trans-Thane Creek Industrial Area in the Villages of Ghansoli and Savali, Taluka/Dist-Thane ("Property") for a consideration of ` 35,500 lakhs receivable in instalments. This transfer, assignment and consideration is subject to various conditions precedent getting satisfied (including approval of MIDC) and other terms and conditions specified in the aforesaid MOU. Accordingly, FPPL has paid advance of ` 6,500 lakhs till March 31, 2018.
- 4 During the year, in terms of the agreement / understanding entered with a buyer, the Company has assigned all its rights and interest concerning entitlement of Transferable Development Right (TDR) with respect to its land situated at Sewree, which the Company is entitled to in terms of Notification dated 16.11.2016 under the Development Control Regulations of Greater Mumbai 1991. Considering acknowledgement on the part of the buyer and views of expert, the management has concluded that, pending only certain formalities for entitlement and assignment, there is no uncertainty in respect of its entitlement of TDR and passing of significant risks and rewards in respect the same and its consequential assignment in favour of the buyer. Accordingly the Company has recognised assignment of TDR entitlement in the financial statements of the current year and profit arising therefrom, amounting to Rs. 3503.13 lakhs.
- 5 During the previous year, the unsecured loan of ` 5370.00 lakhs (including accrued interest of ` 1,249.18 lakhs and business advance of ` 159.45 lakhs) given to Standard Salt Works Limited (SSWL) has been converted into 537000 equity shares of Standard Salt Works Limited of ` 100/- each at a premium of ` 900/- per share. Consequently, the total investment in SSWL as at March 31, 2017 aggregates ` 5,969.82 lakhs (previous year ` 60.78 lakhs). The net worth of SSWL as at March 31, 2017 post aforesaid conversion has become positive. Further, in view of the long-term strategic nature of the investment in leasehold rights to salt pans and the growth prospects of the subsidiary which is engaged in the manufacture of salt from the significant leased salt pans that it is holding, no provision for diminution in the value of the investment is considered necessary at this stage.
- 6 The Board of Directors of the Company has declared an Interim Dividend of Re. 0.75 per equity share of ` 5/- each 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 Re. 0.75 per equity share of ` 5/- each)
- 7 The Company has created an e-mail ID viz., standardgrievances@rediffmail.com exclusively for the purpose of registering complaints by investors.
- 8 The figures of the last quarter (standalone) are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- 9 The above is an extract of the detailed format of financial results for Quater Ended & Financial Year ended March 31, 2018, filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the financial results for the Year ended March 31, 2018 is available on the website of the Company i.e. www.standardindustries.co and also on the websites of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com.
- 10 Corresponding figures for previous year/period have been regrouped/rearranged wherever necessary.

By Order of the Board of Directors

(D.H. Parekh)

Executive Director

Dated: May 29, 2018