

**STANROSE MAFATLAL  
INVESTMENTS AND FINANCE LIMITED**



**36<sup>TH</sup>**

**ANNUAL REPORT 2015-2016**

# STANROSE MAFATLAL

## INVESTMENTS AND FINANCE LIMITED

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Proxy Form		<b>CORPORATE OFFICE</b> VIJYALAXMI MAFATLAL CENTRE 57-A, DR. G. DESHMUKH MARG, MUMBAI-400 026
Attendance Slip		<b>SHARE TRANSFER AGENT</b> LINK INTIME (INDIA) PVT. LTD., Unit No. 303, 3rd Floor, Shopper's Plaza V, Opp. Municipal Market, Off. C.G.Road, Ahmedabad - 380 009, Gujarat. Tel. 079 26465179 Email: <a href="mailto:ahmedabad@linkintime.co.in">ahmedabad@linkintime.co.in</a> Web site: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
<b>STATUTORY AUDITORS</b> C. C. CHOKSHI & COMPANY Chartered Accountants		
<b>SECRETARIAL AUDITORS</b> MANOJ HURKAT & ASSOCIATES Company Secretaries		
<b>REGISTERED OFFICE</b> 6TH FLOOR, POPULAR HOUSE, ASHRAM ROAD, AHMEDABAD-380 009, GUJARAT. Email: <a href="mailto:info@stanroseinvest.com">info@stanroseinvest.com</a> Website: <a href="http://www.stanroseinvest.com">www.stanroseinvest.com</a>		
<b>LISTED ON : BSE, CODE : 506105</b> <b>DEMAT CODE : ISIN : INE441L01015</b>		

Shareholders intending to require any information about the accounts to be explained in the Meeting are requested to inform the Company at least ten days in advance of the Annual General Meeting.

Thirty-Sixth Annual General Meeting on 27th July, 2016 at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, Gujarat.

## DIRECTORS' REPORT

To  
The Members,  
**STANROSE MAFATLAL INVESTMENTS AND  
FINANCE LIMITED**

Your Directors have pleasure in presenting the Thirty-Sixth Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2016.

### FINANCIAL RESULTS

	<i>(Rupees in Lacs)</i>	
	<b>Current Year</b>	<i>Previous Year</i>
	<b>Rupees</b>	<i>Rupees</i>
Total Income	<b>1095.07</b>	1071.88
Gross Profit	<b>752.74</b>	735.91
Less: Depreciation	<b>32.44</b>	36.11
Profit before Tax	<b>720.30</b>	699.80
Less: Provision for Taxation	<b>122.58</b>	112.17
<i>Short Provision for taxation in respect of earlier years (Net)</i>	—	107.14
Profit after Tax	<b>597.72</b>	480.49
Add: Profit brought forward from Previous Year	<b>1228.43</b>	1140.75
Balance Available for Appropriations	<b>1826.15</b>	1621.24
Less: Transfer to Reserve u/s. 45 IC of RBI Act, 1934	<b>125.00</b>	96.50
Transfer to General Reserve-I	<b>10.00</b>	5.75
Transfer to General Reserve-II	—	4.02
Proposed Dividend	238.08	238.08
Tax on Dividend	48.46	48.46
Balance carried forward	<b>1404.61</b>	1228.43

### DIVIDEND

Your Directors recommend a Dividend of Rs.6/- per share (Previous Year Rs.6/-) on 39,67,920 Equity Shares of Rs.10 each aggregating to Rs.286.54 Lacs (inclusive of dividend tax) for the financial year ended on 31st March, 2016. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on 27th July, 2016, the said dividend will be paid on 8th August, 2016 or thereafter, to (i) those shareholders whose names appear on the Register of Members of the Company on 20th July, 2016 and (ii) those whose names as beneficial owners are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, for the purpose.

### MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

#### FINANCIAL REVIEW

The total income for the year was Rs.1095.07 Lacs as compared to Rs.1071.88 Lacs in the previous year. Depreciation was Rs.32.44 Lacs (Previous Year Rs.36.11

Lacs). The decrease in depreciation is mainly on account of change in charging provisions under the Companies Act, 2013, based on useful life of asset instead of fixed percentage under the Companies Act, 1956. The Provision for Taxation for the year under report was Rs.122.58 Lacs. Profit after tax was Rs.597.72 Lacs. The total income and the profit for the year are higher, mainly on account of higher booking of profit on sale of non-current investments by Rs.118.14 Lacs.

An amount of Rs.125.00 Lacs was transferred to Statutory Reserve Fund pursuant to Section 45 IC of RBI Act, 1934, an amount of Rs.10.00 Lacs was transferred to General Reserve I, during the year under review.

The Net Worth of the Company as at 31st March, 2016 stood at Rs.5312.38 Lacs as against Rs.5001.20 Lacs on 31st March, 2015.

#### NBFC INDUSTRY

The NBFC (Non-Banking Finance Company) sector has evolved considerably in terms of its size, operations, technological sophistication, and entry into newer areas of financial services and products. NBFCs are now deeply interconnected with the entities in the financial sector, on both sides of their balance sheets.

Being financial entities, they are exposed to risks arising out of counterparty failures, funding and asset concentration, interest rate movement and risks pertaining to liquidity and solvency, as any other financial sector player.

#### Business Review

The Company's operations continue to be mainly focused in the areas of Inter- corporate Investments, Capital Market activities and Financing. Segment-wise brief outline of financial and operational performance during the year under report is as under:

#### (i) Investments

The Company's investment portfolio is reviewed from time to time to buy securities to add to the Portfolio or to sell in order to make Capital gains. Details of the Company's investments are given under Note No. 7 to Financial Statements of the Company for the year ended as at 31st March, 2016. The total worth of Company's Quoted and Unquoted Investments in Shares and Securities (Including Stock-in-trade) as at 31st March, 2016 is Rs. 4741.47 Lacs (Previous Year Rs. 5404.98 Lacs) which is 98.08% (Previous Year 128.82%) higher than related Book Value. The decrease of Book Value from 128.82% to 98.08% is mainly on account of decrease in the market value of some of the shares, purchase of new shares at current-higher rates and sale of old-low cost shares from Non-current Investment portfolio.

During the year under report the Company:

- (a) has made disinvestment of Rs.66.74 Lacs from its Non-current Quoted Equity Investments as against Rs.456.91 Lacs in the Previous Year.
- (b) Booked a net profit of Rs.846.05 Lacs on sale of Non-Current investments as against Rs.727.90 Lacs in the previous year.
- (c) earned income by way of Dividend of Rs.116.63 Lacs against Rs.123.06 Lacs in the previous year which inter alia includes Rs.93.03 Lacs (Previous year Rs.93.03 Lacs) received from Standard Industries Ltd.

After the close of the Financial Year ended on March 31, 2016, the Company has booked Net Capital Gain of Rs. 87.23 Lacs on sale of certain Non-Current Investments in shares of the aggregate book value of Rs. 1.69 Lacs.

## (ii) Finance

### (a) Interest on Inter-corporate Deposit:

During the year under report the Company earned interest income on Inter Corporate Deposits of Rs. 131.31Lacs as against Rs.119.56 Lacs in the previous year.

### b) Interest on Real Estate Exposure:

As reported last year, the Company acquired the remaining 50% stake held by Standard Industries Ltd. (SIL) in Stan Plaza Limited (SPL), a real estate business company and thus became its sole beneficial owner, besides the land owned by SPL at Pune for and on behalf of the Company and SIL equally.

During the year under report, the Company provided an additional amount of Rs.148.00 Lacs (Previous Year Rs.715.47 Lacs) as interest-free Unsecured Loan to SPL, pursuant to the undertaking entered into by the Company and SPL for exposure in real estate as aforesaid.

## Opportunities and Threats

As various factors are posing constant threats and high volatility in the Capital Markets, it appears beneficial to diversify the portfolio to reduce the risk and insulate from the vagaries of stock-market. Mutual Funds help to reduce risk through diversification and professional management and therefore, the Company invests its surplus funds in debt/equity oriented Mutual Funds. One of the biggest advantages of Mutual Fund investment is Liquidity. Open-end funds provide option to redeem on demand, which is beneficial during rising or falling markets. The management is exploring other avenues of

business.

## Outlook

The Company intends to continue focusing on capital market activities including trading in securities and emerging products in derivatives.

## Risk and Concern

The Company is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit and market risk. The Company has quoted investments which are exposed to fluctuations in stock prices. These investments represent a material portion of the Company's business and are vulnerable to fluctuations in the stock markets. Any decline in prices of the Company's quoted investments may affect its financial position and the results of its operations. It continuously monitors its market exposure and tries to manage these risks by following prudent business and risk management practices.

## Adequacy of Internal Control

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 Internal control is supplemented by an effective internal audit being carried out by an external firm of Chartered Accountants.

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

The Audit Committee of the Board of Directors reviews the adequacy of internal controls.

## Human Resources

Relations remained cordial with employees at all levels during the year.

## CORPORATE GOVERNANCE

During the year under Report Securities & Exchange Board of India (SEBI) introduced new Listing Regulations, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from December 1, 2015. The Company has complied with applicable provisions of Corporate Governance of the new Listing Regulations. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

## FIXED DEPOSITS

Your Company has not accepted any public deposits during the year under review.

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors confirm that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable accounting standards have been followed and that there are no material departures from the same;
2. Accounting policies selected were applied consistently. Reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit for the year ended on that date;
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The annual Accounts for the Financial Year ended 31st March, 2016 have been prepared on a 'going concern' basis.
5. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. Proper systems devised to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### SUBSIDIARY COMPANIES

The Company's wholly owned subsidiary, Stan Plaza Limited (SPL) is a Non-listed Company, having its Registered Office at Mumbai. As reported last year, it was a material subsidiary of the Company under the then Listing Agreement. As on March 31, 2016, in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it will be termed as a Non-Material Subsidiary of the Company.

Stanrose Mafatlal Lubechem Limited - In Liquidation, a substantially owned subsidiary of the Company was ordered to wind-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties with all powers under the then provisions of the Companies Act, 1956.

In compliance with the requirements of the provisions of Section 129(3) read with Rule 5 of Companies (Accounts) Rules, 2014, a Statement in Form AOC-1 containing the

salient features of financial statements in respect of Stan Plaza Limited, a wholly owned subsidiary of the Company has been included as a part of this Annual Report. Stanrose Mafatlal Lubechem Limited being inoperative, its details are not disclosed in Form AOC-1.

The Company has framed a 'Policy for Determining Material Subsidiaries' for identifying material subsidiaries and to provide governance framework for such material subsidiaries. The policy is available on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com).

### CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements (CFS) of the Company and its wholly owned subsidiary Company viz. Stan Plaza Limited (SPL) are prepared in accordance with the provisions of Schedule III of the Companies Act, 2013 and relevant Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable to the Company and form part of this Annual Report. These Statements have been prepared on the basis of audited financial statements received from SPL as approved by its Board. Stanrose Mafatlal Lubechem Ltd., a substantially owned subsidiary Company being inoperative, its financial statements are not considered in preparation of CFS.

### DIRECTORATE

In terms of Section 152 of the Companies Act, 2013, Shri Pradeep R. Mafatlal, a Non-Independent, Non-Executive Director of the Company is retiring by rotation and being eligible offers himself for re-appointment.

Brief resume of Shri Mafatlal, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is covered in the notes of the Notice of the 36th AGM of the Company.

All Independent Directors have given their declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

None of the Directors of the Company is disqualified from being appointed or re-appointed as a Director as specified under Section 164 of the Companies Act, 2013.

### KEY MANAGERIAL PERSONNEL

As reported last year, the Company had appointed three Key Managerial Personnel, viz. Shri Bharat N. Dave, Chief Executive Officer, Shri Girish R. Shah, Vice President (Legal) & Company Secretary and Shri Harshad V. Mehta, Chief Financial Officer, to inter alia shoulder the responsibilities in their respective fields as envisaged under the provisions of the Companies Act, 2013.

During the year, Shri Girish R. Shah, tendered his resignation from the services of the Company, effective from the close of March 31, 2016. Accordingly the Board of Directors at its Meeting held on February 12, 2016,

## **STANROSE MAFATLAL**

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has appointed Shri Soham A. Dave, as Company Secretary, with effect from April 1, 2016.

### **FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS**

The Board of Directors has adopted a Familiarization Programme for Independent Directors of the Company and posted the same on the website of the Company viz. [www.stanroseinvest.com](http://www.stanroseinvest.com). The Programme aims to provide insights into the Company to enable the Independent Directors to understand and significantly contribute to its business

### **AUDITORS AND AUDITORS' REPORT**

#### **Statutory Auditors**

At the 34th Annual General Meeting, M/s. C. C. Chokshi & Co., Chartered Accountants, were reappointed as the Statutory Auditors of the Company to hold office from the conclusion of that Meeting to the conclusion of the fourth consecutive AGM (subject to ratification of its appointment by the members at every AGM held after that AGM). The Company has received a letter from them to the effect that their appointment, if ratified, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 141 of the Companies Act, 2013.

#### **Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Manoj Hurkat & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as "*Annexure A*".

The Report confirms that the Company has complied with all the applicable provisions of the Companies Act, 2013, Reserve Bank of India Act, 1934, Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, Equity Listing Agreement/SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956, SEBI (Prohibition of Insider Trading) Regulations, 1992/2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and various Regulations and Guidelines as applicable to the Company.

### **CORPORATE SOCIAL RESPONSIBILITY**

In accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder, the Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to review the CSR activities of the Company periodically

and recommend the Board the amount of expenditure to be incurred on the CSR activities annually.

Annual Report on CSR activities carried out by the Company during F.Y. 2015-16 is enclosed as "*Annexure B*" to this report.

### **NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors has constituted a Nomination and Remuneration Committee comprising of Shri Framroz M. Pardiwalla, Chairman, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla, members. The role and responsibilities, Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other related matters are in conformity with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **AUDIT COMMITTEE**

The information relating to the composition of the Committee, scope & term of reference, no. of meetings held and attendance, etc. during the year under report, are provided in the Corporate Governance Report.

### **EVALUATION OF BOARD, COMMITTEES AND DIRECTORS**

A detailed exercise for evaluation of the performance of the Board, its various Committees, viz. Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Share Transfer Committee as also the performance of individual Directors was carried out by the Board. The performance of the Board and that of its Committees was evaluated on the basis of various parameters like adequacy of its Composition, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance, etc. The evaluation of individual Directors and that of the Chairman of the Board was on the basis of various factors like their attendance, level of their engagement and contribution, independency of judgment, their contribution in safeguarding the interest of the Company, etc. The Board recorded its satisfaction over the performance of its various Committees, its directors individually as well as the collective efforts put in by the Board in enhancing and safeguarding the interest of the Company as a whole.

### **DISCLOSURE OF RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES' REMUNERATION, ETC.**

The particulars of ratio of remuneration of each director to median remuneration of the employees of the Company for the financial year under report, percentage increase in remuneration to each Director and KMP, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of The Companies

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

(Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in "Annexure C" to this Report.

(c) Outgo under Foreign Exchange - Rs.15.18 Lacs.

### PARTICULARS OF LOANS AND INVESTMENTS

The Company being a Non-Banking Financial Company registered with Reserve Bank of India with the principal business, inter alia, of Inter-Corporate Financing, the provisions of Section 186 except sub-section (1) are not applicable to it. Hence no particulars thereof as envisaged under Section 134(3)(g) are covered in this Report.

### RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements entered by the Company with related parties which are subsisting during the year under Report are provided under "Annexure D" in Form AOC - 2. The Company has framed a 'Policy on Related Party Transactions' for determining related parties, transactions on arm's length basis and procedures to be followed for obtaining various approvals, etc. The policy is available on the website of the company [www.stanroseinvest.com](http://www.stanroseinvest.com). As regards justification for entering into related party transactions, it may be noted that the same are entered into due to business exigencies and are in the best interest of the Company.

### ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Pursuant to the requirement under Section 134(3) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014:

- (a) The Company has no activity involving conservation of energy or technology absorption.
- (b) The Company does not have any Foreign Exchange Earnings.

### SEXUAL HARASSMENT

Entire staff in the Company is working in a most congenial manner and there are no occurrences of any incidents of sexual harassment during the year.

### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Board has approved and adopted "Vigil Mechanism/ Whistle Blower Policy" in the Company. The Brief details of establishment of this Policy are provided in the Corporate Governance Report.

### RISK MANAGEMENT POLICY

The Company has formalized risk management system by formulating and adopting Risk Management Policy to identify, evaluate, monitor and minimize the identifiable business risks in the Organisation.

### EXTRACT OF ANNUAL RETURN

The extract of the Annual Return in Form MGT-9 is provided in "Annexure E" to this Report.

### PARTICULARS OF EMPLOYEES

The Company has not employed any individual whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### ACKNOWLEDGEMENTS

Your Directors sincerely express their deep appreciation to employees at all levels, bankers, customers and shareholders for their sustained support and co-operation and hope that the same will continue in future.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
Chairman

Place: Mumbai

Dated: April 27, 2016.

## **ANNEXURE 'A' TO DIRECTORS' REPORT**

### **SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members of

#### **STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380009

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange

Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (up to 14th May, 2015) and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (with effect from 15th May, 2015);
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits), Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Equity Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 notified on 2nd September, 2015.

We hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

VI. We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- (a) The Reserve Bank of India Act, 1934 and applicable NBFC Regulations.



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

(b) The Prevention of Money Laundering Act, 2002.

We further report that:

(a) The Board of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

(b) Adequate notice is given to all Directors to schedule the Board Meetings at least seven days in advance. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the

meeting and for meaningful participation at the meeting.

(c) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there is no event/action taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For **MANOJ HURKAT AND ASSOCIATES**  
Practicing Company Secretaries

Place: Ahmedabad

MANOJ R HURKAT

Date: 27th April, 2016

Partner

FCS No. 4287, C P No.: 2574

### Note:

This Report is to be read with our letter of even date which is annexed as "Annexure A" and form an integral part of this Report.

## ANNEXURE 'A' to Secretarial Audit Report

To,

The Members of

### STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380009

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification

was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **MANOJ HURKAT AND ASSOCIATES**  
Practicing Company Secretaries

Place: Ahmedabad

MANOJ R HURKAT

Date: 27th April, 2016

Partner

FCS No. 4287, C P No. 2574

## ANNEXURE 'B' TO DIRECTORS' REPORT

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. Brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs -
  - The CSR Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare and sustainable development of the community at large. The policy is available on Company's website, [www.stanroseinvest.com](http://www.stanroseinvest.com).
  - On recommendation of CSR Committee, the Board of Directors approved the CSR spending by providing financial assistance to a charitable Institute, which runs a hospital for treating the economically weaker people.
2. The Composition of the CSR Committee-
  - The Company's CSR Committee comprises of two Non-Independent Directors and one Independent Director. Its composition is as under:
    - (a) Shri Madhusudan J. Mehta, Chairman,
    - (b) Shri Framroz M. Pardiwalla, Member
    - (c) Smt. Datta B. Dave, Member.
3. Average net profit of the company for last three financial years- Rs.442.46 Lacs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) - Rs.8.85 Lacs.
5. Details of CSR spent during the financial year:
  - (a) Total amount spent during the financial year - Rs.9.00 Lacs.
  - (b) Amount unspent, if any - NIL
  - (c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8
Sr. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) overheads	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
01.	Healthcare	Promoting healthcare including preventive healthcare	Halol-Kalol, Panchmahal District, Gujarat		Rs.9.00 Lacs		Through a Registered Trust viz. Navinchandra Mafatlal Medical Trust

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. - Not Applicable
7. The CSR Committee hereby confirms that the implementation and monitoring of CSR activities is in compliance with the CSR objectives and the CSR Policy of the Company.

*For and on behalf of the Board*  
 (B. N. DAVE)  
 CHIEF EXECUTIVE OFFICER

Place: Ahmedabad  
 Date: 27th April, 2016.

(M. J. MEHTA)  
 CHAIRMAN (CSR COMMITTEE)

Place: Mumbai  
 Date: 27th April, 2016.

## ANNEXURE 'C' TO DIRECTORS' REPORT

Disclosure of Ratio of Remuneration of each Director to the Median Employee's Remuneration, the Percentage increase in Remuneration of each Director, Chief Executive Officer, Company Secretary and Chief Financial Officer, etc. for the Financial Year ended 31st March, 2016.

Names and Positions	[A] Ratio of Directors' Remuneration to the median Remuneration of Employees	[B] Percentage (%) increase in Remuneration
(i) Shri Pradeep R. Mafatlal, Chairman	5.52 : 1	142.40
(ii) Shri Russi Jal Taraporevala, Director	0.38 : 1	10.53
(iii) Shri Arun P. Patel, Director	0.40 : 1	4.76
(iv) Shri Rajesh Jaykrishna, Director	0.40 : 1	4.76
(v) Shri Kersi J. Pardiwalla, Director	0.36 : 1	(9.09)
(vi) Shri Madhusudan J. Mehta, Director	0.35 : 1	(13.64)
(vii) Shri Framroz M. Pardiwalla, Director	0.47 : 1	(3.70)
(viii) Smt. Datta Bharat Dave, Director (w.e.f. 1st November, 2014)	0.35 : 1	-
(ix) Shri Bharat N. Dave, CEO		13.07
(x) Shri Girish R. Shah, CS		(7.54)
(xi) Shri Harshad V. Mehta, CFO		6.68

[C] Percentage increase in the median Remuneration of Employees - 3.63%

[D] Number of permanent Employees on the rolls of Company - 18

[E] The performance of the Company increased by 24.40% as compared to last year against the average increase in remuneration by 3.41 %. A substantial part of Directors' Remuneration viz. Commission is based on the performance viz. Net Profits of the Company, as provided under the Companies Act. The nature of Company's business activities are as such that it is very difficult to establish direct nexus to evaluate the performance of the Company with that of the remuneration of its Employee. Hence they are paid fixed remuneration as per their respective terms of employment.

[F] The Net Profit of the Company as at 31st March, 2016 was Rs.597.72 Lacs as against the total Remuneration of Key Managerial Personnel for F.Y. 2015-16 of Rs.27.46 Lacs.

[G] The Market Capitalisation of the Company as at 31st March, 2016 was Rs.4979.74 Lacs as against Rs.4761.50 Lacs as at 31st March, 2015. There was variation of Rs.218.24 Lacs.

[H] Price Earning Ratio as at 31st March, 2016 was 8.33 as against 9.91 as at 31st March, 2015.

[I] Percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer - The Market quotation of the share of the Company as at 31st March, 2016 was Rs.125.50. The Company never came out with a Public Offer. However, as compared to the Rights Issue made @ Rs.60/- per share in the year 1994-95 the current quotation is higher by 109 %.

[J] Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof - The Company is a Board Managed Company. The Managerial positions viz. Managing Director, Whole-time Director or Manager under the Companies Act are not created in the organisation. Here by the term Managerial Personnel we considered the Non-Executive Directors (NEDs) and KMP and by the term managerial Remuneration, we considered Remuneration of NEDs and KMP. The average

## **STANROSE MAFATLAL**

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percentage increase in salaries of employees other than NEDs and KMP made in the year 2015-16 is 3.27% against 13.48% increase in Managerial Remuneration. Managerial Remuneration, inter alia, consist of commission and Sitting Fees paid to NEDs and Remuneration of KMP.

Increase in Commission is due to increase in Net Profits. Remuneration of all Employees including KMP are structured on the basis of their role and responsibilities in the Organisation. NEDs and KMP are shouldering much more responsibilities than others, hence their percentage increase in Remuneration is higher.

- [K]** Comparison of the each KMP Remuneration vis-a-vis the performance of the Company - The remuneration of Shri Bharat N. Dave, CEO, Shri Girish R. Shah, CS and Shri Harshad V. Mehta, CFO - KMP is Rs.11,01,600, Rs.8,62,070, and

Rs.7,82,237 respectively as against the Net Profit of the Company of Rs.5,97,71,888/-.

- [L]** The key parameters for any variable component of remuneration availed by the directors -Directors are paid sitting fee and commission. Both components are variable. Sitting fee depends upon ones attendance and Commission depends upon the Net Profits of the Company. The Key parameters therefore are as envisaged under the Companies Act.

- [M]** The ratio of the remuneration of the highest paid Director to that of the Employees who are not Directors but receive remuneration in excess of the highest paid Director during the year -Not Applicable.

The Company affirms that the remuneration is as per the remuneration policy of the company.

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
*Chairman*

**Place:** Mumbai

**Dated:** 27th April, 2016

**ANNEXURE 'D' TO DIRECTORS' REPORT****FORM NO. AOC - 2**

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain Arm's length transactions under third proviso thereto.**

**[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]**

**Note :**

There are no contracts or arrangements or transactions with related parties which are not at arm's length basis or which are material contract or arrangement or transaction at arm's length basis entered into by the Company or prevailing during the F.Y. 2015-16. However, for better disclosure, the details of non-material contracts or arrangements or transactions at arm's length basis is given hereunder :

<b>1. Details of contracts or arrangements or transactions at Arm's length basis</b>	
(a) Name(s) of the related party	Shanudeep Private Limited (Shanudeep)
(b) Nature of relationship	Shanudeep is holding 24.70% stake in the Company. Further the Chairman of the Company Shri Pradeep R. Mafatlal is also the Chairman of Shanudeep.
(c) Nature of contracts / arrangements / transactions	(i) Use of office premises on Lease (ii) Availing facilities and amenities
(d) Duration of the contracts / arrangements / transactions	(i) From 19th August, 2015 to 18th August, 2016 (ii) From 19th August, 2015 to 18th August, 2016
(e) Salient terms of the contracts or arrangements or transactions including the value, if any:	(i) Use of office premises admeasuring 2000 sq. ft. at 2nd Floor, Vijyalaxmi Mafatlal Centre, 57-A, Dr. G. Desmukh Marg, Mumbai on lease by paying Rs. 1,80,000 p.m. as License fee. (ii) Availing Facilities and Amenities at the aforesaid premises by paying Rs. 2,42,000 p.m. as service charges
(f) Date(s) of approval by the Board, if any:	11th August, 2015 (for both the transactions)
(g) Amount paid as advances, if any:	Nil

*For and on behalf of the Board*  
Pradeep R. Mafatlal  
*Chairman*

**Place:** Mumbai

**Dated:** 27th April, 2016.

**ANNEXURE 'E' TO DIRECTORS' REPORT****FORM NO. MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2016**  
**[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 :	L65910GJ1980PLC003731
ii.	Registration Date:	18th April, 1980
iii.	Name of the Company:	Stanrose Mafatlal Investments and Finance Limited
iv.	Category / Sub-Category of the Company:	Company Limited by Shares/ Indian Non-government Company
v.	Address of the Registered Office and contact details:	6th Floor, Popular House, Ashram Road, Ahmedabad-380009, Gujarat. Ph. No. (079) 26580067-96
vi.	Whether Listed Company:	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime (India) Pvt. Ltd. 303, 3rd Floor, Shopper's Plaza V, Opp. Municipal Market, off. C.G. Road, Navrangpura, Ahmedabad- 380009, Gujarat. Ph. No. (079) 26465179

**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	% to total turnover of the company
1	Intercorporate Investment, Financing and Capital Market Related Activites	65993	88 % from Investment activity & 12 % from financing activity

**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	Stan Plaza Limited Reg. Off. - 59, The Arcade, 1st Floor, Worldtrade Centre, Cuffe Parade, Colaba, Mumbai-400005.	U24100MH1996PLC098394	SUBSIDIARY	100%	Section 2(87) of Companies Act, 2013
2	Stanrose Mafatlal Lubechem Limited - In Liquidation Reg. Off. - 59, The Arcade, 1st Floor, Worldtrade Centre, Cuffe Parade, Colaba, Mumbai-400005.	L15140MH1993PLC073460	SUBSIDIARY	86.25%	Section 2(87) of Companies Act, 2013

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held as on 01/04/2015				No. of Shares held as on 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters:</b>									
<b>(1) Indian:</b>									
<b>(a) Individual/HUF</b>	14,976	-	14,976	0.38%	14,976	-	14,976	0.38%	-
<b>(b) Central Govt.</b>	-	-	-	-	-	-	-	-	-
<b>(c) State Govt.</b>	-	-	-	-	-	-	-	-	-
<b>(d) Bodies Corp.</b>	18,71,100	-	18,71,100	47.16%	18,71,100	-	18,71,100	47.16%	-
<b>(e) Banks/FI</b>	-	-	-	-	-	-	-	-	-
<b>(f) Any other</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (A) (1)</b>	18,86,076	-	18,86,076	47.54%	18,86,076	-	18,86,076	47.54%	-
<b>(2) Foreign:</b>									
<b>(a) NRIs-Individuals</b>	33,094	-	33,094	0.83%	33,094	-	33,094	0.83%	-
<b>(b) Others-Individuals</b>	-	-	-	-	-	-	-	-	-
<b>(c) Bodies Corp.</b>	-	-	-	-	-	-	-	-	-
<b>(d) Banks/FI</b>	-	-	-	-	-	-	-	-	-
<b>(e) Any other</b>	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held as on 01/04/2015				No. of Shares held as on 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (A) (2)	33,094	-	33,094	0.83%	33,094	-	33,094	0.83%	-
Total shareholding of Promoter (A) = (A) (1) + (A) (2)	19,19,170	-	19,19,170	48.37%	19,19,170	-	19,19,170	48.37%	0.00%
<b>B. Public Shareholding</b>									
<b>1. Institutions:</b>									
(a) Mutual Funds	32	1,850	1,882	0.05%	32	1,850	1,882	0.05%	-
(b) Banks/FI	-	616	616	0.02%	-	616	616	0.02%	-
(c) Central Govt.	-	-	-	-	-	-	-	-	-
(d) State Govt.	-	-	-	-	-	-	-	-	-
(e) Venture Capital funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	3,99,310	-	3,99,310	10.06%	3,97,738	-	3,97,738	10.02%	(0.04%)
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others - Trust	-	-	-	-	180	-	180	0.00	0.00
Sub-total (B) (1)	3,99,342	2,466	4,01,808	10.13%	3,97,950	2,466	4,00,416	10.09%	(0.04%)



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Category of Shareholders	No. of Shares held as on 01/04/2015				No. of Shares held as on 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions:</b>									
<b>(a) Bodies Corp.</b>									
<b>(i) Indian</b>	1,24,918	1,10,508	2,35,426	5.93%	1,33,150	1,10,508	2,43,658	6.14%	0.21%
<b>(ii) Overseas</b>	-	-	-	-	-	-	-	-	-
<b>(b) Individuals</b>									
<b>(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh</b>	4,46,438	6,72,024	11,18,462	28.19%	4,86,768	6,35,333	11,22,101	28.28%	0.09%
<b>(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh</b>	1,62,060	1,30,994	2,93,054	7.39%	1,58,736	1,23,839	2,82,575	7.12%	(0.27%)
<b>(c) Others (specify)</b>	-	-	-	-	-	-	-	-	-
<b>Sub-total (B) (2)</b>	7,33,416	9,13,526	16,46,942	41.51%	7,78,654	8,69,680	16,48,334	41.54%	0.03%
<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	11,32,758	9,15,992	20,48,750	51.63%	11,76,604	8,72,146	20,48,750	51.63%	0.00%
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	30,51,928	9,15,992	39,67,920	100%	30,95,774	8,72,146	39,67,920	100%	0.00%

**(ii) Shareholding of Promoters**

Sr. No.	Shareholders' Name	Shareholding as at 01/04/2015			Shareholding as at 31/03/2016			% Change in share holding 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.	Shanudeep Private Limited	9,80,078	24.70	0.00	9,80,078	24.70	0.00	-
2.	Vinadeep Investments Private Limited	4,19,870	10.58	0.00	4,19,870	10.58	0.00	-
3.	Sheiladeep Investments Private Limited	3,90,297	9.84	0.00	3,90,297	9.84	0.00	-
4.	Gagalbhai Investments Private Limited	43,726	1.10	0.00	43,726	1.10	0.00	-
5.	Pradeep Investments Private Limited	18,120	0.46	0.00	18,120	0.46	0.00	-
6.	Standard Industries Limited	19,009	0.48	0.00	19,009	0.48	0.00	-
7.	Sheilaja Chetan Parikh	19,054	0.48	0.00	19,054	0.48	0.00	-
8.	Pravina Rasesh Mafatlal & Pradeep R. Mafatlal	14,802	0.37	0.00	14,802	0.37	0.00	-
9.	Pradeep R. Mafatlal & Divya P. Mafatlal	13,186	0.33	0.00	13,186	0.33	0.00	-
10.	Pradeep R. Mafatlal & Pravina R. Mafatlal	854	0.02	0.00	854	0.02	0.00	-
11.	Rajanya Pradeep Mafatlal	174	0.00	0.00	174	0.00	0.00	-
	<b>TOTAL</b>	19,19,170	48.37	0.00	19,19,170	48.37	0.00	-

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
As at 01/04/2015	NO CHANGE DURING THE YEAR			
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease				
As at 31/03/2016				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Top ten Shareholders and their Shareholding as at 01/04/2015				Top ten Shareholders and their Shareholding as at 31/03/2016			
No.	Name of Shareholder	No. of Shares	% of total shares of the Company	No.	Name of Shareholder	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India	1,65,949	4.18%	1.	Life Insurance Corporation of India	1,64,377	4.14%
2.	The New India Assurance Company Limited	89,593	2.26%	2.	The New India Assurance Company Limited	89,593	2.26%
3.	The Oriental Insurance Company Limited	81,836	2.06%	3.	The Oriental Insurance Company Limited	81,836	2.06%
4.	Mafatal Industries Limited	79,920	2.01%	4.	Mafatal Industries Limited	79,920	2.01%
5.	Man Made Fibres Private Limited	62,000	1.56%	5.	Man Made Fibres Private Limited	62,000	1.56%
6.	Shashank S Khade	45,582	1.15%	6.	Shashank S Khade	45,582	1.15%
7.	General Insurance Corporation Of India	42,616	1.07%	7.	General Insurance Corporation Of India	42,616	1.07%
8.	Panna Hemant Mafatal	38,216	0.96%	8.	Panna Hemant Mafatal	38,216	0.96%
9.	Integrated Financial Services Ltd.	30,100	0.76%	9.	Integrated Financial Services Ltd.	30,100	0.76%
10.	Vallur Gopalraghava Sundararaman	26,518	0.67%	10.	Miheer Hemant Mafatal	25,620	0.65%

**STANROSE MAFATLAL****(v) Shareholding of Directors and Key Managerial Personnel:**

	Shareholding as at 01/04/2015		Shareholding as at 31/03/2016	
	No. of Shares #	% of total shares of the Company	No. of Shares #	% of total shares of the Company
Shri Pradeep R. Mafatlal	28,842	0.73%	28,842	0.73%
Shri Russi Jal Taraporevala	32	0.00%	32	0.00%
Shri Arun P. Patel	175	0.00%	175	0.00%
Shri Rajesh Jaykrishna	156	0.00%	156	0.00%
Shri Kersi J. Pardiwalla	300	0.00%	300	0.00%
Shri Madhusudan J. Mehta	434	0.00%	434	0.00%
Shri Framroz M. Pardiwalla	14	0.00%	14	0.00%
Smt. Datta B. Dave	18	0.00%	18	0.00%
Shri Bharat N. Dave	814	0.02%	814	0.02%
Shri Girish R. Shah	847	0.02%	847	0.02%
Shri Harshad V. Mehta	50	0.00%	50	0.00%

# Including Joint Holding

**V. INDEBTEDNESS**

Indebtedness of the Company including Interest outstanding / accrued but not due for Payment :  
NIL

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Director and/or Manager:**

There is No Managing Director, Whole Time Director and/or Manager in the Company.

**B. Remuneration to other Directors :****(I) Independent & Non-Executive**

Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
	Shri Russi Jal Taraporevala	Shri Arun P. Patel	Shri Rajesh Jaykrishna	Shri Framroz M. Pardiwalla	
Fee for attending Board / Committee meetings (Rs.)	25,000	30,000	30,000	50,000	1,35,000
Commission (Rs.)	80,000	80,000	80,000	80,000	3,20,000
Others, please specify	-	-	-	-	-
<b>Total (B)(1) (Rs.)</b>	<b>1,05,000</b>	<b>1,10,000</b>	<b>1,10,000</b>	<b>1,30,000</b>	<b>4,55,000</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(II) Other Non-Executive Directors**

Particulars of Remuneration	Name of Directors				Total Amount (Rs.)
	Shri Pradeep R. Mafatlal	Shri Kersi J. Pardiwalla	Shri Madhusudan J. Mehta	Smt. Datta B. Dave	
Fee for attending Board / Committee meetings (Rs.)	15,000	20,000	15,000	15,000	65,000
Commission (Rs.)	15,00,000	80,000	80,000	80,000	17,40,000
Others, please specify	-	-	-	-	-
<b>Total (B)(2) (Rs.)</b>	15,15,000	1,00,000	95,000	95,000	18,05,000
<b>Total Managerial Remuneration (all Directors) (Rs.)</b>	-	-	-	-	20,60,000*
<b>Overall Ceiling as per the Act (Rs.)</b>					21,60,902

\* excluding Sitting Fees

**C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD (Rs. In Lacs)**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Chief Executive Officer	Company Secretary	Chief Financial Officer	
1.	<b>Gross Salary :</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.80	8.38	7.82	27.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.22	0.24	-	0.46
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-	-
2.	<b>Stock Option</b>	-	-	-	-
3.	<b>Sweat Equity</b>	-	-	-	-
4.	<b>Commission</b>				
	- As % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	<b>Others, please specify</b>	-	-	-	-
	<b>Total (A)</b>	11.02	8.62	7.82	27.46

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :**

NONE

**REPORT ON CORPORATE GOVERNANCE 1. BOARD OF DIRECTORS:**

[As required by Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance standards for listed companies vide Point C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company furnishes its report on the Corporate Governance as under:

**Company's Philosophy on Corporate Governance**

Corporate Governance is a combination of voluntary practices and compliance with Laws and Regulations leading to effective control and management of the organization. Good Corporate Governance leads to long-term shareholder value and enhances interest of other stakeholders. It brings into focus the fiduciary and trusteeship role of the Board to align and direct the actions of the organization towards creating wealth and shareholder value.

**(A) Composition of the Board:**

The Company's Board consists of Directors having varied experience in different areas with some eminent personalities who have made a mark in their respective fields. The composition of the Board is in conformity with the provisions of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Shri Pradeep R. Mafatlal, a Non-Executive Promoter Director, is the Chairman of the Company, heading the Board. The Board comprises of 8 Non-Executive Directors, of whom 4 Directors are Independent and 4 are Non-Independent (including one Woman Director).

**(B) Category of Directors, their attendance at the Board and AGM, etc.**

The category of Directors, their attendance at the Board Meetings during the year 2015-16 and the last Annual General Meeting, the particulars of no. of other Directorships and Committee Memberships held are as follows: (See Table 1)

**TABLE : 1 [Reference : Para 1(B)]**

Name of Director	Category of Director	Attendance		No. of Directorships *	No. of Committee Memberships / Chairmanship**
		No. of Board Mtgs.	Last AGM		
1. Shri Pradeep R. Mafatlal Chairman	Non-Independent Non-Executive	2	No	9 (Chairman of 6)	2
2. Shri Russi Jal Taraporevala	Independent Non-Executive	1	No	3	4 (Chairman of 1)
3. Shri Arun P. Patel	Independent Non-Executive	2	No	3	1
4. Shri Rajesh Jaykrishna	Independent Non-Executive	2	No	7	1
5. Shri Kersi J. Pardiwalla	Non-Independent Non-Executive	3	Yes	4	1
6. Shri Madhusudan J. Mehta	Non-Independent Non-Executive	2	Yes	10	1
7. Shri Framroz M. Pardiwalla	Independent Non-Executive	3	Yes	2	4 (Chairman of 2)
8. Smt. Datta Bharat Dave	Non-Independent Non-Executive	2	Yes	1	—

\* Includes Stanrose Mafatlal Investments and Finance Limited and excludes Foreign Companies.

\*\* Represents Chairmanship/Membership of Audit Committees and Stakeholders' Relationship Committees of Public Limited Companies including Stanrose Mafatlal Investments and Finance Limited. .

**(C) Number of Board Meetings held and the dates on which such Meetings were held, etc.:**

Four Board Meetings were held during the year on 29.05.2015, 11.08.2015, 04.11.2015 and 12.02.2016.

All the relevant information such as statement of investments, finance, financial results, capital expenditure proposals, etc. as a matter of routine, was placed before the Board for its appraisal, review and approval.

**2. CODE OF CONDUCT:**

The Board of Directors has adopted a Code of Conduct for Board Members and Senior Management Personnel of the Company. The said Code has been communicated to all the Directors and members of the Senior Management, who have affirmed their compliance with it, as approved and adopted by the Board. The CEO has given declaration to this effect to the Board and the Board has taken the same on its record. The Code is placed on the website of the Company, [www.stanroseinvest.com](http://www.stanroseinvest.com).

**3. POLICY ON PROHIBITION OF INSIDER TRADING**

The Market Regulator, SEBI with the objective of bringing the basic framework governing the regime of Insider Trading practices in line with the dynamic global scenario and to tighten the gap of existing norms, notified the new Insider Trading Regulations to be renowned as SEBI (Prohibition of Insider Trading) Regulations, 2015 effective from 15th May, 2015.

The new Regulations seem to be more promising and equipped to ensure better compliance and enforcement. SEBI, via new norms has enhanced the role and responsibilities of the Compliance Officer for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservice of Unpublished Price Sensitive Information and implementation of codes specified in the Regulations.

Accordingly, the Company substituted its 'Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices' by a new 'Code of Practices And Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and a 'Code of Conduct to Regulate, Monitor and Report Trading by Insiders' in tandem with the aforesaid new Regulations.

**4. CEO AND CFO CERTIFICATION :**

The CEO and CFO have given a Certificate about the correctness of the Annual Financial Statements, etc. to the Board and the Board has taken the same on its record.

**5. COMMITTEES OF THE BOARD:**

**(a) Audit Committee:**

The Board of Directors has constituted the Audit Committee comprising of four Independent Non-Executive Directors, viz. Shri Framroz M. Pardiwalla, Chairman, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Russi Jal Taraporevala. The Company Secretary acts as the Secretary to the Committee.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to the Company.

During the year the Committee met four times. Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Framroz M. Pardiwalla, attended three meetings and Shri Russi Jal Taraporevala attended one.

**(b) Nomination and Remuneration Committee**

The Board of Directors has constituted a Nomination and Remuneration Committee comprising of Shri Framroz M. Pardiwalla, Chairman, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla. The Board at its meeting held on 12th February, 2016 has approved and adopted a fresh Nomination and Remuneration Policy, on recommendation made by the Committee in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The role, term of reference, authority and powers of this Committee are in conformity with the requirements of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to the Company.

During the year the Committee met once. Shri Framroz M. Pardiwalla, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla attended the Meeting.

**(c) Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee deals with the matter of redressal of Shareholders and Investors complaints for transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.:

- i) Name of Non-executive Director heading the Committee: Shri Russi Jal Taraporevala
- ii) Name and Designation of Compliance Officer: Up to 29th May, 2015 Shri Girish R. Shah, Vice

## STANROSE MAFATLAL

President (Legal) & Company Secretary and thereafter Shri Soham A. Dave, Assistant Company Secretary to act as Compliance Officer.

iii) Number of shareholders' complaints received: During the year 2015-16, the Company received 5 complaints in the aggregate and all of them have been resolved by furnishing requisite information/documents.

iv) Number of complaints not solved to the satisfaction of shareholders: NIL

v) Number of pending complaints: NIL

During the year the Committee met once. Shri Russi Jal Taraporevala, Shri Pradeep R. Mafatlal, Shri Madhusudan J. Mehta and Shri F. M. Pardiwalla attended the Meeting.

### 6. INDEPENDENT DIRECTORS' MEETING:

During the year, the Independent Directors met twice and evaluated :

- ❖ performance of Non-Independent Directors and the Board of Directors as a whole;
- ❖ performance of Chairman of the Company, taking into account the views of other Non-Executive Directors.
- ❖ the quality, content and timeliness of flow of information between the Management and the Board, necessary for the Board to effectively and reasonably perform its duties.

Shri Russi Jal Taraporevala, Shri Arun P. Patel, Shri Rajesh Jaykrishna and Shri Framroz M. Pardiwalla have attended one Meeting.

### 7. RISK MANAGEMENT:

During the financial year under review, a detailed exercise on Business Risk Management was carried out covering the entire spectrum of business operations and the Board has been informed about

the risk assessment and risk minimization procedures as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Business risk evaluation and management is an ongoing process with the Company.

### 8. DIRECTORS' REMUNERATION DURING 2015-16:

The Non-Executive Directors are paid Sitting Fees of Rs.5,000/- for attending each of the Meetings of the Board/Committees/Independent Directors (except the Share Transfer Committee) and a commission upto 3% of the net profit as determined under Section 198 of the Companies Act, 2013 for the financial year ended 31st March, 2016, in pursuance of General Body Resolution. Within the overall limit, the extent and proportion in which the Commission to be distributed amongst the Directors is determined by the Board.

The details of remuneration paid for the year 2015-16 to the Directors are given below (Table No. 2) :

### 9. GENERAL BODY MEETINGS:

- i) Location and time, where last three AGMs were held:
  - On 12-08-2015 at 10.30 A.M.
  - On 02-08-2014 at 10.30 A.M.
  - On 30-07-2013 at 10.30 A.M.
  - At: Banquet Hall, Karnavati Club Ltd., S. G. Highway, Ahmedabad - 380058, Gujarat.
- ii) Whether any Special Resolutions passed in the previous 3 AGMs: No
- iii) Whether the Special Resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise: No postal ballot had been conducted.
- iv) Whether Special Resolutions are proposed to be conducted through postal ballot: No
- v) Procedure for postal ballot: Not applicable

**TABLE NO. 2 (Reference : Para 8)**

Name of Director	Remuneration paid For the F.Y. 2015-2016			No. of Shares held as on 31.3.2016#
	Sitting Fee Rs.	Commission (For 2015-16) Rs.	Total Rs.	
Shri Pradeep R. Mafatlal	15,000	15,00,000	15,15,000	28,842
Shri Russi Jal Taraporevala	25,000	80,000	1,05,000	32
Shri Arun P. Patel	30,000	80,000	1,10,000	175
Shri Rajesh Jaykrishna	30,000	80,000	1,10,000	156
Shri Kersi J. Pardiwalla	20,000	80,000	1,00,000	300
Shri Madhusudan J. Mehta	15,000	80,000	95,000	434
Shri Framroz M. Pardiwalla	50,000	80,000	1,30,000	14
Smt. Datta B. Dave	15,000	80,000	95,000	18

# Including Joint Holding.



**10. DISCLOSURES**

- (a) Disclosures on materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of company at large:

During the year 2015-16, the Company had no materially significant related party transactions having potential conflict with the interest of the Company at large. The transactions with the related parties are disclosed in the Notes to Financial Statements in the Annual Report.

- (b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital market, during the last three years:

None.

- (c) Vigil Mechanism / Whistle Blower Policy:

The Company has adopted a "Vigil Mechanism/ Whistle Blower Policy" on 2nd August, 2014, through which it has institutionalized a mechanism for the directors and the employees to disclose to the Audit Committee, any unethical behavior, improper practice and wrongful conduct taking place in the Company, for suitable action. The Policy, by design, provides access to the Chairman of the Audit Committee, in exceptional cases. Up to 11th August, 2015 Shri Girish R. Shah, Vice President (Legal) & Company Secretary and thereafter Shri Soham A. Dave, Assistant Company Secretary acts as Vigilance Officer of the Company to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the whistle blower the result thereof. The detailed Policy describing the objectives, scope, eligibility, procedure, etc. is also posted on the website of the Company. We further affirm that no employee has been denied access to the Audit Committee during the financial year 2015-16.

- (d) Compliance of Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company has complied with all mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to it. The Company has adopted some of the non-mandatory requirements as mentioned under Part E of Schedule II such as separate posts of Chairperson and Chief Executive Officer, reporting by internal auditor directly to the Audit Committee, etc.

**11. MEANS OF COMMUNICATION**

- 1) Half-yearly report sent to each household of shareholders: No
- 2) Quarterly Results:  
Quarterly Results are published in Economic Times (English and Gujarati), Nav Gujarat Times (Gujarati) and are displayed on Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). The website contains a separate dedicated section 'Investor Relations', where shareholders' information is available.
- 3) Whether it also displays official news releases and the presentations made to institutional investors or to the Analysts : No
- 4) Whether MD & A is a part of the Annual Report or not: Yes.

**12. GENERAL SHAREHOLDERS INFORMATION**

The Company is registered in the State of Gujarat. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1980PLC003731.

**(a) 36th Annual General Meeting**

**Date & Time:** 27th July, 2016 at 10.30 A.M.

**Venue** : Banquet Hall,  
Karnavati Club Ltd.,  
S. G. Highway,  
Ahmedabad - 380058, Gujarat.

**(b) Financial Calendar :**

**Financial Year :**

1st April to 31st March

**Financial Reporting (tentative) for:**

**Quarter ending 30-6-2016:**

By 14th August, 2016

**Quarter ending 30-9-2016:**

By 14th November, 2016

**Quarter ending 31-12-2016:**

By 14th February, 2017

**Year ending 31-3-2017:**

Audited Results by 30th May, 2017.

**(c) Book Closure Dates for AGM & Dividend :**

21st July, 2016 to 27th July, 2016

(both days inclusive)

**(d) Dividend Payment Date:**

From 8th August, 2016 and onwards but within 30 days from the date of AGM.

**(e) Unpaid Dividend :**

- a. The Company has transferred unclaimed dividends for and upto the Financial Year ended on 30th September, 1994 to the General Revenue Account of the Central Government and thereafter upto the financial year ended on 31st March, 2008 to the

Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the Companies Act, 1956, within the prescribed time limit. Till the provisions of Companies Act, 2013, relating to Unpaid Dividend are notified, no claim shall lie in respect of dividend transferred to IEPF. The members, therefore, may submit their claims, if any, for unclaimed dividends for and upto the financial year ended 30th September, 1994, to the Registrar of Companies, Gujarat, at C.G.O. Complex, Opp. Rupal Park, Behind Ankur Bus Stand, Naranpura, Ahmedabad - 380 013.

The aggregate amount lying in Unpaid Dividend Accounts as at 31st March, 2016 is Rs.55,39,014/-.

During the year under review, the Company has credited Rs.3,14,496/- lying in unpaid/unclaimed dividend account for the year ended 31st March, 2008 to the IEPF. The cumulative amount transferred to IEPF upto 31st March, 2016 is Rs.20,95,393/-.

- b. Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, dividend for the financial year ended on 31st March, 2009 and thereafter which remains unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education & Protection Fund' of the Central Government. The likely schedule indicating the deadline for claiming the unclaimed dividends before its transfer to IEPF is given hereunder:

**TABLE NO. : 3**

Dividend No.	For the Year ended	Date of Declaration	Last Date for Claiming Unpaid Dividend
28th	31-03-2009	12-09-2009	11-09-2016
29th	31-03-2010	13-08-2010	12-08-2017
30th	31-03-2011	03-09-2011	02-09-2018
31st	31-03-2012	16-08-2012	15-08-2019
32nd	31-03-2013	30-07-2013	29-07-2020
33rd	31-03-2014	02-08-2014	01-08-2021
34th	31-03-2015	12-08-2015	11-08-2022

The Ministry of Corporate Affairs has on May 10, 2012, notified the Investor Education and Protection Fund (uploading of information regarding Unpaid and Unclaimed amounts lying with companies) Rules, 2012 ("IEPF Rules") with the objective of enabling shareholders to use the information provided

by the companies on their websites and the website of IEPF, to verify the status of unclaimed dividends, if any. The Shareholder can view the aforesaid information on the website of IEPF viz. '[www.iepf.gov.in](http://www.iepf.gov.in)' and under "Investor Relations" on the website of the Company, viz. '[www.stanroseinvest.com](http://www.stanroseinvest.com)'. The data of Unclaimed Dividends is uploaded as aforesaid on the websites by the Company. The concerned members are requested to verify the details of their unclaimed dividend, if any, from the said websites and lodge their claim with the Company at its Registered Office or with its Registrar and Transfer Agent viz. Link Intime (India) Pvt. Ltd., before the same is due for transfer to IEPF. The Unclaimed Dividend Claim Form - Letter of Indemnity can be downloaded from [www.stanroseinvest.com](http://www.stanroseinvest.com).

**(f) Dividends:**

**(i) Receipt of Dividend through Electronic Mode**

Securities and Exchange Board of India (SEBI) has vide Circular No. CIR/MID/DP/10/2013 dated March 21, 2013 directed that listed companies shall mandatorily make all payments to investors, including dividend to shareholders, by using any Reserve Bank of India (RBI) approved electronic mode of payment viz. ECS, LECS (Local ECS), RECS (Regional ECS), NECS (National ECS) and NEFT, etc.

In order to receive the dividend without loss of time, all eligible shareholders holding shares in demat mode are requested to update with their respective Depository Participants, their correct Bank Account Number including nine digit MICR Code and eleven digit IFSC Code, E-Mail ID and Mobile No(s). This will facilitate the remittance of dividend amount as directed by RBI in the Bank Account electronically. Updation of Email Ids and Mobile Nos.(s) will enable sending communication relating to credit of dividend, unencashed dividend, etc.

Shareholders holding shares in physical form are requested to provide the following details along with an authorization letter allowing the Company to directly credit the dividend in their bank accounts: Name of the first account holder (as appearing in the Bank Account records), Bank Name, Branch Name, Branch Address, Account Type, Account Number, Nine Digit MICR Code, Eleven digit IFSC Code, Email Id and Mobile No.(s) to the Company at

its Registered Office or its Registrar and Transfer Agent Link Intime (India) Pvt. Ltd. at: Unit No. 303, 3rd Floor, Shoppers' Plaza V, Opp. Municipal Market, B/h. Shoppers' Plaza II, Off. C. G. Road, Ahmedabad 380 009, by quoting reference folio number and attaching a photocopy of the cheque leaf of their active Bank Account and a Self-attested copy of their PAN Card.

**(ii) Various Electronic modes for making payment of Dividend**

In case the shareholder has updated the complete and correct bank account details (including nine digit MICR Code and eleven digit IFSC Code) before the deadlines given hereinabove, the Company shall make the payment of dividend to such shareholders under any one of the following modes:

1. National Electronic Clearing Service (NECS)
2. Electronic Clearing Service (ECS)
3. National Electronic Fund Transfer (NEFT)

In case dividend payment by electronic mode is returned or rejected by the corresponding bank due to some reason, then the Company will issue a Dividend Warrant/Demand Draft/Cheque and print the bank account details available on its records on the said dividend warrant to avoid fraudulent encashment of warrants.

**(g) Rationalisation of Shareholding Pattern**

Most of the Members are still holding shares of the Company in physical form and that too in very small numbers. The Company continues its endeavor to assist them in disposal of such small number even without demat at or near the full market value by absorbing some costs associated with its administration. Members desirous of availing the assistance may write or contact Shri Soham A. Dave, Assistant Company Secretary at the Registered Office at Ahmedabad. Members having multiple folios, either in identical name(s) or in different pattern of name(s) at common address or otherwise may approach the Registrar & Transfer Agent of the Company for transfer/consolidation of all such shareholding into one folio to facilitate better service. Members who have lost their original Share Certificate(s) are also requested to contact or write to them for issue of duplicate Share Certificate(s).

**(h) Nomination Facility**

Members holding shares in single name in physical form are advised to make nomination

in respect of their shareholding in the Company. The Nomination Form SH-13 can be downloaded from the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com). Members holding shares in dematerialized form may contact their DP for recording their nomination.

**(i) Share Transfer System**

All the share related work is undertaken by our Registrar & Share Transfer Agent, Link Intime (India) Pvt. Ltd., Ahmedabad. The Share Transfer Committee of the Directors approves the share transfer, transmission, Splitting and consolidation of shares among others. The share transfers are registered and returned within 15 days from the date of receipt, if relevant documents are complete in all respects.

**(j) PAN Requirement for every Participant in Securities Market**

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), transferor(s), surviving holder(s) respectively, along with necessary documents at the time of lodgement of request for these transactions is mandatory.

**(k) Registration of Email ID for receipt of Notices of General Meetings, Annual Report, etc. in e-form**

The Ministry of Corporate Affairs has taken 'Green Initiative in Corporate Governance' by allowing paperless compliances by the Company and has issued circulars allowing service of notices/documents including Annual Report by email to its members. To support this green initiative of the Government in full measure, members who have not registered their email addresses so far, are requested to register the same in respect of electronic holdings with the Depository through their Depository Participants. Members holding shares in physical form are requested to get their email addresses registered with the Company/its Registrar & Share Transfer Agent.

**ADVANTAGES OF REGISTERING FOR E-COMMUNICATION:**

- \* Receive communication promptly
- \* Reduce paper consumption and save trees
- \* Eliminate wastage of papers
- \* Avoid loss of documents in postal transit
- \* Save costs on papers and on postage

## STANROSE MAFATLAL

### (l) Address for Correspondence:

6th Floor, Popular House, Ashram Road,  
Ahmedabad - 380 009, Gujarat.  
Phone No. 079 66310887, 26580067  
Fax: 079 26589557  
E-mail : [Investorcare@stanroseinvest.com](mailto:Investorcare@stanroseinvest.com).

Email: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in).

All correspondence for transfer of shares, demat requests and other communication in relation thereto be addressed to them.

### (m) Registrar and Share Transfer Agent:

The Company's Registrar and Share Transfer Agent is Link Intime (India) Pvt. Ltd., Unit No. 303, 3rd Floor, Shopper's Plaza-V, Opp. Municipal Market, Behind Shopper's Plaza II, Off. C. G. Road, Ahmedabad - 380009, Gujarat. Tel. 079 26465179.

### (n) Listing on the Stock Exchange and Stock Code:

Listed on Bombay Stock Exchange. Listing fee for 2016-17 of BSE has been paid and the Security Code No. is 506105, [Security ID STANROS] under XD Group.

The Company has established connectivity with NSDL and CDSL for demat and the ISIN allotted to its Equity Shares is INE441L01015.

### (o) Recommendation to get the shares dematerialized

We strongly recommend all the members holding shares in physical form to promptly get their shares dematerialized for the following:

❖ Execution of trades in demat in market lot of ONE equity share is available on BSE.	❖ Elimination of bad deliveries.
❖ To improve the liquidity in terms of number of transactions and volume of shares on the Exchange.	❖ No stamp duty on transfer.
❖ For better discovery of price on the Exchange.	❖ Periodic Status Report and information available on internet.
❖ Faster settlement cycle, making the transactions of sale, purchase and transfer much simpler and faster.	❖ Ease related to change of address of investor.
❖ Faster disbursement of Non-cash corporate benefits like Rights, Bonus, etc.	❖ Elimination of problems related to transmission.
❖ To lower the transaction cost. Lower brokerage is charged by many brokers for trading in dematerialised securities.	❖ Ease in portfolio monitoring.
	❖ Ease in pledging the shares.
	❖ SMS alert facility.
	❖ No risk of loss on account of fire, theft or mutilation.
	❖ Reduced paper work

### (p) (i) Distribution of Shareholding by size as on 31st March, 2016 :

TABLE NO. 4

Sr. No.	Number or range of Shares held	Shareholders			Shares held		
		Number	% to total Number	Cumulative %	Number	% to total Number	Cumulative %
01.	1	903	2.68	2.68	903	0.02	0.02
02.	2	8,640	25.60	28.28	17,280	0.44	0.46
03.	3	277	0.82	29.10	831	0.02	0.48
04.	4	10,354	30.67	59.77	41,416	1.04	1.52
05.	5	98	0.29	60.06	490	0.01	1.53
06.	6 to 10	2,947	8.73	68.79	21,277	0.54	2.07
07.	11 to 20	4,457	13.20	81.99	67,694	1.71	3.78
08.	21 to 49	2,405	7.13	89.12	77,355	1.95	5.73
09.	50	574	1.70	90.82	28,700	0.72	6.45
10.	51 to 100	1,447	4.29	95.11	1,12,841	2.84	9.29
11.	101 to 500	1,307	3.87	98.98	2,98,671	7.53	16.82
12.	501 to 1,000	170	0.50	99.48	1,22,911	3.10	19.92
13.	1,001 & more	174	0.52	100.00	31,77,551	80.08	100.00
		33,753	100.00		39,67,920	100.00	

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**(p) (ii) Shareholding Pattern as at 31st March, 2016 :**

**TABLE NO. 5**

Category	No. of Share-holders	No. of Shares held	% of Share-holding
<b>A) PROMOTERS' HOLDING :</b>			
- Indian	8	18,86,076	47.53
- Foreign	2	33,094	0.84
<b>SUB - TOTAL A</b>	<b>10</b>	<b>19,19,170</b>	<b>48.37</b>
<b>B) PUBLIC HOLDING :</b>			
(i) Institutions	16	4,00,416	10.09
(ii) Non Institutions			
(a) Private Corporate Bodies	87	2,43,658	6.14
(b) Individuals	33,640	14,04,676	35.40
<b>SUB-TOTAL B</b>	<b>33,743</b>	<b>20,48,750</b>	<b>51.63</b>
<b>GRAND TOTAL (A + B)</b>	<b>33,753</b>	<b>39,67,920</b>	<b>100.00</b>

**(q) Stock Market Data :**

(i) The particulars of High-Low prices and the volume during each month of 2015-16 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

Month 2015	High Rs.	Low Rs.	Volume (Nos.)
April	149.00	111.00	4,391
May	127.70	103.10	2,058
June	126.90	110.50	4,157
July	132.00	114.30	6,391
August	129.00	107.80	9,484
September	126.50	103.50	3,612
October	133.90	108.70	5,016
November	138.00	116.90	7,829
December	148.20	121.50	43,836
<b>2016</b>			
January	138.80	116.10	16,452
February	138.00	100.10	6,633
March	130.90	113.30	18,825
<b>Fiscal-2015-16</b>	<b>149.00</b>	<b>100.10</b>	<b>1,28,684</b>

(ii) Share Price Performance in comparison to broad based indices - BSE Sensex

During the Financial Year 2015-16, the Company's share price over performed the benchmark indice. The Company's share price increased by 4.58% as compared to a decrease of 9.36% in BSE Sensex.

**(r) Dematerialisation of Shares**

78.02% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2016.

Sr. No.	Electronic / Physical	No. of Folios	No. of Shares	%
1.	NSDL	2,556	28,08,782	70.79%
2.	CDSL	823	2,86,992	7.23%
3.	Physical	30,374	8,72,146	21.98%
	<b>TOTAL</b>	<b>33,753</b>	<b>39,67,920</b>	<b>100.00 %</b>

Mumbai,  
Dated: 27th April, 2016

For and on behalf of the Board  
Pradeep R. Mafatlal  
Chairman

## **STANROSE MAFATLAL**

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### **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To The Members of  
**Stanrose Mafatlal Investments and Finance  
Limited**

6th Floor, Popular House,  
Ashram Road, Ahmedabad - 380009

We have examined all relevant records of **STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED** ("Company") for the purpose of certifying compliance of the conditions of Corporate Governance as prescribed under Clause 49 of the Listing Agreement entered into by the Company with Bombay Stock Exchange Limited (for the period up to 30th November, 2015) and under Regulation 17 to 27 and Clauses (b) to (l) of sub regulation (2) of Regulation 46 and Para C, D & E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified on 2nd September, 2015 ("the said Regulations") for the financial

year ended 31st March, 2016. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with all the mandatory conditions of the said Regulations (or the relevant corresponding conditions of the Corporate Governance as laid down in Clause 49 of the listing agreement as was applicable before the said Regulations came into effect).

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*For* **MANOJ HURKAT & ASSOCIATES**  
*Practicing Company Secretaries*

**Place:** Ahmedabad  
**Date:** 27th April, 2016

**MANOJ R HURKAT**  
*Partner*  
*Membership No. : FCS 4287*  
*Certificate of Practice No. : 2574*

**INDEPENDENT AUDITORS' REPORT**  
TO THE MEMBERS OF  
**STANROSE MAFATLAL INVESTMENTS**  
**AND FINANCE LIMITED**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable.

This responsibility also includes 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 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143 (11) of the Act.

We conducted our audit of the standalone financial statements in accordance with the Standards on

Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

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.

**Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit and its cash flows for the year ended on that date.

**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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the

## **STANROSE MAFATLAL**

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- Accounting Standards prescribed under section 133 of the Act, as applicable.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 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 operating 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 litigations on its financial position in its financial statements - Refer Note 15 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 has been no delay in transferring amounts, 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 matters specified in paragraphs 3 and 4 of the Order

*For C. C. CHOKSHI & CO.*  
*Chartered Accountants*  
*(Firm's Registration No. 101876W)*

**GAURAV J. SHAH**  
*Partner*  
*[Membership No. 35701]*

*Ahmedabad,*  
*Dated : 27th April, 2016*



## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED ("the Company") as of 31st March, 2016 in conjunction with our audit of the standalone 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we 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.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 our opinion, to the best of our information and according to the explanations given to us, 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

31st March, 2016, 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.

For **C. C. CHOKSHI & CO.**  
Chartered Accountants  
(Firm's Registration No. 101876W)

**GAURAV J. SHAH**  
Partner  
[Membership No. 35701]

Ahmedabad,

Dated : 27th April, 2016

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no discrepancies were noticed on physical verification of fixed assets.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds, comprising all the immovable properties of buildings which are freehold, are held in the name of the Company as at the balance sheet date.
2. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 is not applicable.
3. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. The Company has not granted any loans, made investments or provide guarantees and hence reporting under clause (iv) of the CARO 2016 is not applicable.

5. According to the information and explanations given to us, the Company has not accepted any deposit during the year.
6. Having regard to the nature of the Company's business / activities, reporting under clause (vi) CARO 2016 is not applicable.
7. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
  - (c) Details of dues of Income-tax which have not been deposited as on 31st March, 2016 on account of disputes are given below:

Name of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (Rs.)
Income Tax Act, 1961	Income Tax	ITAT	2002-03	89,680
	Income Tax	ITAT	2007-08	5,239
	Income Tax	Asstt. Comm.	2008-09	30,786
	Income Tax	Asstt. Comm.	2009-10	1,81,890

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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause (viii) of CARO 2016 is not applicable to the Company.
9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the CARO 2016 Order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
12. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
13. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
14. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
15. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
16. The Company is required to be registered under section 45-I of the Reserve Bank of India Act, 1934 and it has obtained the registration.

*For C. C. CHOKSHI & CO.*

*Chartered Accountants*

*(Firm's Registration No.101876W)*

**GAURAV J. SHAH**

*Ahmedabad,*

*Partner*

*Dated : 27th April, 2016 [Membership No. 35701]*

**STANROSE MAFATLAL****BALANCE SHEET as at 31st March, 2016**

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2016	As at 31-3-2015
<b>I Equity and Liabilities :</b>			
<b>Shareholders' Funds :</b>			
Share Capital .....	2	3,96,79,200	3,96,79,200
Reserves and Surplus .....	3	49,15,58,451	46,04,40,818
		<u>53,12,37,651</u>	<u>50,01,20,018</u>
<b>Non-current Liabilities :</b>			
Long Term Provisions .....	4	13,13,217	12,78,217
		<u>13,13,217</u>	<u>12,78,217</u>
<b>Current Liabilities : .....</b> 5			
Trade Payables			
Due to Micro and Small Enterprises .....		-	-
Due to Others .....		15,90,846	6,96,993
Other Current Liabilities .....		75,99,014	70,26,846
Short-term Provisions .....		2,96,51,639	3,07,00,498
		<u>3,88,41,499</u>	<u>3,84,24,337</u>
Total .....		<u>57,13,92,367</u>	<u>53,98,22,572</u>
<b>II ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets : .....</b> 6			
Tangible Assets .....		1,27,82,175	1,34,09,913
<b>Non-current Investments .....</b> 7		23,99,24,879	23,69,02,982
<b>Deferred Tax Assets (Net) .....</b> 8		21,30,933	17,89,124
<b>Long Term Loans and Advances .....</b> 9		15,11,15,290	13,64,72,422
		<u>40,59,53,277</u>	<u>38,85,74,441</u>
<b>Current Assets : .....</b> 10			
Stock-in Trade .....		17,00,830	15,54,438
Trade Receivables .....		6,15,449	9,88,328
Cash and Cash Equivalents .....		72,52,928	72,01,414
Short Term Loans and Advances .....		14,56,84,157	13,16,37,455
Other Current Assets .....		1,01,85,726	98,66,496
		<u>16,54,39,090</u>	<u>15,12,48,131</u>
Total .....		<u>57,13,92,367</u>	<u>53,98,22,572</u>

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> Chartered Accountants <b>GAURAV J. SHAH</b> Partner Ahmedabad, Dated : 27th April, 2016</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: center;"><b>K. J. PARDIWALLA</b>      <b>M. J. MEHTA</b> Director                      Director</p> <p style="text-align: center;">Mumbai,                      <b>S. A. DAVE</b>      <b>H. V. MEHTA</b> Dated : 27th April, 2016      Company Secretary      Chief Financial Officer</p>
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## STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2016

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2016	Year ended 31-03-2015
<b>Revenues :</b>			
Revenue from Operations .....	11	<b>10,93,99,007</b>	10,70,06,586
Other Income .....	12	<b>1,07,542</b>	1,81,220
Total Revenue		<b><u>10,95,06,549</u></b>	<u>10,71,87,806</u>
<b>Expenses :</b>			
Employee benefit expenses .....	13	<b>92,04,557</b>	78,84,289
Depreciation and amortisation expenses .....		<b>32,43,928</b>	36,11,241
Other Expenses .....	14	<b>2,50,27,985</b>	2,57,12,381
Total Expenses		<b><u>3,74,76,470</u></b>	<u>3,72,07,911</u>
<b>Profit before Taxes .....</b>		<b>7,20,30,079</b>	6,99,79,895
<b>Tax Expense :</b>			
Current Tax .....		<b>1,26,00,000</b>	1,18,00,000
Deferred Tax .....		<b>(3,41,809)</b>	(5,83,604)
		<b><u>5,97,71,888</u></b>	<u>5,87,63,499</u>
<i>Short/Excess Provision of Taxation in respect of earlier Years [Net]</i>		—	1,07,14,252
<b>Profit for the year .....</b>		<b><u>5,97,71,888</u></b>	<u>4,80,49,247</u>
<b>Earnings per equity share (of Rs. 10/- each) .....</b>			
Basic .....	21	<b>15.06</b>	12.11
Diluted .....		<b>15.06</b>	12.11

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i> <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 27th April, 2016</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: center;"><b>K. J. PARDIWALLA</b>      <b>M. J. MEHTA</b> <i>Director</i>                      <i>Director</i></p> <p style="text-align: center;">Mumbai,                      <b>S. A. DAVE</b>      <b>H. V. MEHTA</b> Dated : 27th April, 2016      <i>Company Secretary</i>      <i>Chief Financial Officer</i></p>
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**CASH FLOW STATEMENT for the year ended on 31st March, 2016**

(Amount in Rupees)

	Year ended 31-3-2016	Year ended 31-3-2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	7,20,30,079	6,99,79,895
Adjustments for :		
Depreciation and Amortisation Expenses .....	32,43,928	36,11,241
Contingent Provision against Standard Assets .....	85,000	1,75,000
Income from Investments .....	(8,46,04,561)	(7,27,90,229)
Profit on Assets Sold .....	(1,906)	(18,611)
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES .....</b>	<b>(92,47,460)</b>	<b>9,57,296</b>
Changes in Working Capital Adjustments for :		
Trade Receivables .....	3,72,879	4,51,329
Purchase of Investments .....	(96,95,496)	-
Sale of Investments .....	9,12,78,160	11,85,11,107
Inventories - Stock in trade .....	(1,46,392)	(63,552)
Long-term Loans and Advances .....	1,57,132	(1,15,579)
Short-term Loans and Advances .....	(3,46,702)	17,90,419
Other Current Assets .....	(3,19,230)	(98,66,496)
Trade Payables .....	8,93,853	74,460
Other Current Liabilities .....	5,72,168	24,69,794
Long-term Provisions .....	-	47,591
Short-term Provisions .....	2,75,502	(1,40,782)
<b>CASH GENERATED FROM / (USED IN) OPERATIONS .....</b>	<b>7,37,94,413</b>	<b>11,41,15,587</b>
Direct Taxes (Paid) .....	(1,39,74,361)	(1,01,89,742)
<b>CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A) .....</b>	<b>5,98,20,052</b>	<b>10,39,25,845</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets .....	(26,29,284)	(21,64,831)
Sale of Fixed Assets .....	15,000	66,184
Loans given to subsidiary Company .....	(1,48,00,000)	(7,15,46,629)
Inter-Corporate Deposits given .....	(1,37,00,000)	(55,00,000)
Investment in Subsidiary Company .....	-	(10,03,006)
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) .....</b>	<b>(3,11,14,284)</b>	<b>(8,01,48,282)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid .....	(2,86,54,255)	(2,78,53,608)
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) .....</b>	<b>(2,86,54,255)</b>	<b>(2,78,53,608)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>51,514</b>	<b>(40,76,045)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>72,01,414</b>	<b>1,12,77,459</b>
<b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>	<b>72,52,928</b>	<b>72,01,414</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

**Notes :**

- 1) Cash and cash equivalents as at the end of the Year:
- |   |                  |           |
|---|------------------|-----------|
| Cash on hand .....                            | <b>3,26,200</b>  | 2,76,119  |
| Balances with Banks in Current Accounts ..... | <b>69,26,728</b> | 69,25,295 |
| <b>Total</b>                                  | <b>72,52,928</b> | 72,01,414 |
- 2) Previous Year's figures have been regrouped wherever necessary, to confirm to this year's classification.
- 3) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as prescribed under Companies (Accounting Standards) Rules, 2006.

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p align="center"><b>For C. C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p align="center"><b>GAURAV J. SHAH</b> <i>Partner</i></p> <p align="center">Ahmedabad, Dated : 27th April, 2016</p>	<p align="center">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table border="0" style="width: 100%; margin: 10px auto;"> <tr> <td align="center" style="width: 50%;"><b>K. J. PARDIWALLA</b> <i>Director</i></td> <td align="center" style="width: 50%;"><b>M. J. MEHTA</b> <i>Director</i></td> </tr> <tr> <td align="center"><b>S. A. DAVE</b> <i>Company Secretary</i></td> <td align="center"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></td> </tr> </table> <p align="center">Mumbai, Dated : 27th April, 2016</p>	<b>K. J. PARDIWALLA</b> <i>Director</i>	<b>M. J. MEHTA</b> <i>Director</i>	<b>S. A. DAVE</b> <i>Company Secretary</i>	<b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
<b>K. J. PARDIWALLA</b> <i>Director</i>	<b>M. J. MEHTA</b> <i>Director</i>				
<b>S. A. DAVE</b> <i>Company Secretary</i>	<b>H. V. MEHTA</b> <i>Chief Financial Officer</i>				

**NOTES TO FINANCIAL STATEMENTS**

for the year ended 31st March, 2016

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a. BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statement have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the Financial Statements are consistent with those followed in the previous year.

**b. USE OF ESTIMATES:**

The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/materialize.

**c. REVENUE RECOGNITION:**

- i. Revenue is recognized when no

significant uncertainty as to the measurability or collectability exists.

- ii. Dividend income is accounted for when the right to receive payment is established.
- iii. Interest income is accounted on accrual basis.

**d. INVESTMENTS:**

Non-current Investments are stated at cost less any provision for diminution in value other than temporary.

**e. STOCK-IN-TRADE:**

Current Investments in Shares and Securities, etc., acquired in the ordinary course of business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.

**f. FIXED ASSETS:**

Fixed Assets are stated at historical cost less accumulated depreciation.

**g. IMPAIRMENT OF FIXED ASSETS:**

Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

**h. DEPRECIATION:**

Depreciation on fixed assets is provided on Written Down Value (WDV) method as per the useful life prescribed in Schedule II of the Companies Act, 2013.

**i. RETIREMENT BENEFITS:**

**Gratuity :**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Company. The Company Accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.

**Provident Fund :**

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.

**Leave Encashment :**

Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.

**j. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.

Contingent assets are neither recognized nor disclosed in financial statements.

**k. GENERAL RESERVE II:**

The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.

**l. TAXATION:**

Provision for Current Income tax is made on the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**m. OPERATING LEASE:**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

**n. FOREIGN EXCHANGE TRANSACTIONS :**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.

**o. EARNING PER SHARE :**

Basic earning per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit / (loss) after tax as adjusted for the effects dividend, interest and other charges relating to the dilutive potential equity shares.

**2. SHARE CAPITAL :**

Particulars	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
<b>AUTHORISED SHARE CAPITAL :</b>		
<b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights	<u><b>5,00,00,000</b></u>	<u>5,00,00,000</u>
<b>Issued, Subscribed and Paid-up :</b>		
<b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights	<u><b>3,96,79,200</b></u>	<u>3,96,79,200</u>
Total	<u><b>3,96,79,200</b></u>	<u>3,96,79,200</u>

**Notes :**

- (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :
- |   |                         |                  |
|---|-------------------------|------------------|
| Outstanding at the beginning of the year  | <b>39,67,920</b>        | 39,67,920        |
| Add : Issued During the year              | -                       | -                |
| <i>Outstanding at the end of the year</i> | <u><b>39,67,920</b></u> | <u>39,67,920</u> |
- (ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Particulars	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
(iii) Details of Shareholders holding more than 5 percent equity shares:		
1. Shanudeep Pvt. Ltd.	Nos. <b>9,80,078</b>	9,80,078
	% holding <b>24.70 %</b>	24.70 %
2. Vinadeep Investments Pvt. Ltd.	Nos. <b>4,19,870</b>	4,19,870
	% holding <b>10.58 %</b>	10.58 %
3. Sheiladeep Investments Pvt. Ltd.	Nos. <b>3,90,297</b>	3,90,297
	% holding <b>9.84 %</b>	9.84 %
<b>3. RESERVES AND SURPLUS :</b>		
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet.	<b>9,91,98,000</b>	9,91,98,000
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>		
Balance as per last Balance Sheet.	<b>11,34,00,000</b>	10,37,50,000
Add : Amount transferred from Statement of Profit and Loss.	<b>1,25,00,000</b>	96,50,000
	<b>12,59,00,000</b>	11,34,00,000
<b>General Reserve No. I :</b>		
Balance as per last Balance Sheet.	<b>12,30,00,000</b>	12,24,25,000
Add : Transferred from Statement of Profit and Loss	<b>10,00,000</b>	5,75,000
	<b>12,40,00,000</b>	12,30,00,000
<b>General Reserve No. II :</b>		
Balance as per last Balance Sheet.	<b>20,00,000</b>	15,97,977
Add: Transfer from Statement of Profit and Loss	-	4,02,023
	<b>20,00,000</b>	20,00,000
<b>Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	<b>12,28,42,818</b>	11,40,74,849
Add : Profit for the year Available for Appropriations	<b>5,97,71,888</b>	4,80,49,247
	<b>18,26,14,706</b>	16,21,24,096
Less: Appropriations:		
Transfer to Reserve u/s 45 IC of RBI Act,1934	<b>1,25,00,000</b>	96,50,000
Proposed Dividend	<b>2,38,07,520</b>	2,38,07,520
Distribution tax on proposed dividend	<b>48,46,735</b>	48,46,735
Transfer to General Reserve No. I	<b>10,00,000</b>	5,75,000
Transfer to General Reserve No. II	-	4,02,023
	<b>14,04,60,451</b>	12,28,42,818
Total	<b>49,15,58,451</b>	46,04,40,818

Particulars	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
<b>4. NON CURRENT LIABILITIES</b>		
LONG TERM PROVISIONS		
Provision for Employee Benefits	<b>9,33,217</b>	9,33,217
Contingent Provisions against Standard Assets	<b>3,80,000</b>	3,45,000
Total	<b>13,13,217</b>	12,78,217

**5. CURRENT LIABILITIES**

TRADE PAYABLES		
Due to Micro and small enterprises (Refer Note 18)	-	-
Due to Others	<b>15,90,846</b>	6,96,993
	<b>15,90,846</b>	6,96,993
OTHER CURRENT LIABILITIES		
Statutory Liabilities	-	-
Unclaimed dividend	<b>55,39,014</b>	49,66,846
Other payables	<b>20,60,000</b>	20,60,000
	<b>75,99,014</b>	70,26,846
SHORT TERM PROVISIONS		
Provision for Employee Benefits	<b>5,44,000</b>	2,68,498
Contingent Provisions against Standard Assets	<b>3,80,000</b>	3,30,000
Proposed Dividend *	<b>2,38,07,520</b>	2,38,07,520
Provision for Tax on Proposed Dividend	<b>48,46,735</b>	48,46,735
Provision for Taxation (Net of advance tax)	<b>73,384</b>	14,47,745
	<b>2,96,51,639</b>	3,07,00,498
	<b>3,88,41,499</b>	3,84,24,337

\* Note : Dividend proposed at Rs. 6.00 per share (Previous Year Rs. 6.00 per share)

# STANROSE MAFATLAL

(Amount in Rupees)

6. FIXED ASSETS :	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2015	Additions during year	Deductions/ Adjustments during the year	As at 31-3-2016	As at 1-4-2015	For the year	Deductions during the year	As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
Tangible Assets										
Buildings (Refer Note)	1,25,06,883	—	—	1,25,06,883	54,48,137	8,69,176	—	63,17,313	61,89,570	70,58,746
Furniture & Fixtures .....	59,97,361	13,08,263	—	73,05,624	50,03,399	6,52,067	—	56,55,466	16,50,158	9,93,962
Office Equipment .....	45,36,277	13,21,021	57,750	57,99,548	25,10,455	6,78,653	44,656	31,44,452	26,55,096	20,25,822
Vehicles .....	1,44,68,794	—	—	1,44,68,794	1,11,37,411	10,44,032	—	1,21,81,443	22,87,351	33,31,383
<b>TOTAL .....</b>	<b>3,75,09,315</b>	<b>26,29,284</b>	<b>57,750</b>	<b>4,00,80,849</b>	<b>2,40,99,402</b>	<b>32,43,928</b>	<b>44,656</b>	<b>2,72,98,674</b>	<b>1,27,82,175</b>	<b>1,34,09,913</b>
Previous Year .....	3,62,83,244	21,64,831	9,38,760	3,75,09,315	2,13,79,349	36,11,241	8,91,188	2,40,99,402	1,34,09,913	

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250 (Previous Year Rs. 250).

## 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. No	Particulars	Face Value per Share	As at 31-3-2016		As at 31-3-2015	
			Qty.	At Cost or Book Value	Qty.	At Cost or Book Value

### (A) In Equity Shares of a Subsidiary Company (At Cost) (Unquoted) :

1. Stanrose Mafatlal Lubechem Limited .....						
-In Liquidation .....	5	43,98,216	-	43,98,216	-	-
2. Stan Plaza Limited .....	10	50,007	10,03,006	50,007	10,03,006	
<b>Total (A)</b>			<b>10,03,006</b>		<b>10,03,006</b>	

### (B) In Shares of other Companies (At Cost) :

#### I. In Equity Shares :

##### (i) Quoted (Fully paid) (Non-Traded) :

1. BASF India Ltd. ....	10	-	-	8,000	16,97,081	
2. Bajaj Finserv Limited .....	5	5,000	96,95,496	-	-	
3. Eicher Motors Limited .....	10	1,000	3,84,770	1,000	3,84,770	
4. Housing Development Finance Corp. Ltd.	2	50,000	10,56,970	1,05,000	22,19,637	
5. HDFC Bank Limited. ....	2	70,000	3,66,38,905	70,000	3,66,38,905	
6. Innovassynth Investments Limited .....	10	25,962	-	25,962	-	
7. ITC Limited .....	1	30,000	26,27,555	30,000	26,27,555	
8. Reliance Industries Limited .....	10	-	-	10,000	22,55,581	
9. Sintex Industries Limited .....	1	-	-	2,775	6,26,937	
10. Standard Industries Limited .....	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871	
11. State Bank of India .....	1	20,000	22,35,147	20,000	22,35,147	
12. Tata Steel Limited .....	10	5,000	13,49,369	5,000	13,49,369	
13. Virat Industries Limited. ....	10	34,250	3,42,500	34,250	3,42,500	
14. Wipro Ltd. ....	2	-	-	7,000	7,47,902	
<b>Total B(i)</b>			<b>23,65,21,583</b>		<b>23,33,16,255</b>	

##### (ii) Unquoted (Fully Paid) :

(1) Asian Electronics Limited .....	5	1,600	-	1,600	-	
(2) Federal-Mogul Bearings India Limited .....	10	582	55,290	582	55,290	
(3) Futura Polyesters Limited .....	10	78,300	-	78,300	-	
(4) Sarju International Limited .....	10	25,000	-	25,000	-	

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

(Amount in Rupees)

Sr. No.	Particulars	Face Value per Share	As at 31-3-2016		As at 31-3-2015	
			Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
(5)	SIP Technologies and Exports Ltd. ....	10	3,000	-	3,000	-
(6)	Stanrose Fund Management Services Limited .....	100	950	95,000	950	95,000
(7)	Wipro enterprises Limited .....	10	-	-	1,633	1,83,431
	<b>Total B(ii)</b>			<b>1,50,290</b>		<b>3,33,721</b>
	<b>Total B</b>			<b>23,66,71,873</b>		<b>23,36,49,976</b>
<b>(C) In Other Investments</b>						
	Farewell - Painting .....			<b>22,50,000</b>		<b>22,50,000</b>
	<b>Total C</b>			<b>22,50,000</b>		<b>22,50,000</b>
	<b>Total. (A + B + C)</b>			<b>23,99,24,879</b>		<b>23,69,02,982</b>

**NOTES :**

(a) Aggregate Value of Quoted Investments:		
Cost/Book Value .....		23,65,21,583
Market Value .....		47,24,46,557
(b) Aggregate Value of Unquoted Investments: ...		
Cost/Book Value .....		34,03,296

Particulars	As at		Particulars	As at	
	31-3-2016	31-3-2015		31-3-2016	31-3-2015
	Rupees	Rupees		Rupees	Rupees

**8. DEFERRED TAX ASSETS**

Deferred Tax Assets / (Liabilities) as at year end : on difference between book balance and tax balance of Fixed Assets	15,81,569	12,67,338
On account of Provisions for : -- Standard Assets	2,46,582	2,19,004
-- Leave Encashment	3,02,782	3,02,782
<b>Total</b>	<b>21,30,933</b>	<b>17,89,124</b>

**9. LONG TERM LOANS & ADVANCES**

(Unsecured Considered Good) Unsecured Loan to Related Party*	15,04,43,187	13,56,43,187
Loans to Staff	5,53,588	7,26,947
Accrued Interest on staff loans	1,18,515	1,02,288
<b>Total</b>	<b>15,11,15,290</b>	<b>13,64,72,422</b>

\* Note : Unsecured Loan given to Stan Plaza Ltd. (SPL) is pursuant to the understanding entered into between the Company, Standard Industries Ltd. (SIL) & SPL. According to the same, SPL has taken exposure in a Real Estate Business company, and also purchased Land admeasuring around 104 acres at Pune. SPL will be facilitating on behalf of the Company & SIL as the case may be, for which it will charge a lump sum fee @ 5% of the benefits to be received. Further the benefits and losses as the case may be, from the exposure in real estate business company will be solely belong to the company and for that of land at pune equally by the Company & SIL.

**10. CURRENT ASSETS :**

Particulars	As at	
	31-3-2016	31-3-2015
	Rupees	Rupees
<b>STOCK IN TRADE</b> (At lower of cost or net realisable value)	<b>17,00,830</b>	<b>15,54,438</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

## STANROSE MAFATLAL

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
			As at 31-3-2016	As at 31-3-2015		
<b>(A) Equity Shares (Quoted) :</b>						
1.	Amttek India Limited	2	-	500	-	29,201
2.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
3.	Delta Corporation Limited	1	500	500	33,050	45,560
4.	Escorts Limited	10	-	500	-	65,253
5.	Great Offshore Limited	10	-	500	-	41,024
6.	Helios & Matheson Info. Tech. Ltd.	10	300	500	3,135	28,554
7.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	3,24,326
8.	Jain Irrigation Systems Limited	2	-	500	-	33,113
9.	JK Tyre & Industries Limited	2	300	-	25,260	-
10.	KPIT Technologies Ltd	2	800	-	1,17,920	-
11.	NCC Ltd.	2	700	-	53,095	-
12.	Nestle India Limited	10	147	147	8,48,036	7,36,198
13.	Raymond Ltd	10	300	-	1,21,890	-
14.	Tata Power Limited	1	700	-	45,255	-
15.	Tata Steel Limited	10	400	400	1,27,800	1,40,360
<b>Total (A)</b>					<b>15,91,160</b>	<b>14,44,768</b>
Market Value					<b>15,91,160</b>	16,10,273
Cost					<b>15,91,160</b>	14,44,768
<b>(B) In other Investments :</b>						
1.	10% ICICI Bank Bond - 2017 A/c	10,000	11	11	1,09,670	1,10,935
<b>Total (B)</b>					<b>1,09,670</b>	<b>1,10,935</b>
Market Value					<b>1,09,670</b>	1,09,670
Cost					<b>1,09,670</b>	1,10,935
<b>Total [ A+B ]</b>					<b>17,00,830</b>	<b>15,55,703</b>
Total Market Value					<b>17,00,830</b>	17,19,943
Total Cost					<b>17,00,830</b>	15,55,703
Lower of cost or net realisable value / Market Value					<b>17,00,830</b>	15,54,438

	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees		As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
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### TRADE RECEIVABLES

(Unsecured Considered good unless otherwise stated)

Outstanding for a period exceeding six months from the Due date .....	-	-
Others .....	6,15,449	9,88,328
	<b>6,15,449</b>	<b>9,88,328</b>

### CASH AND BANK BALANCES

Cash and Cash Equivalent :

(As per AS3 Cash Flow Statement)

Cash on hand	3,26,200	2,76,119
Balance with Banks in Current Accounts	13,87,714	19,58,449
Other Bank Balance		
In earmarked accounts unpaid dividend accounts	55,39,014	49,66,846
	<b>72,52,928</b>	<b>72,01,414</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

	<b>As at 31-3-2016 Rupees</b>	<b>As at 31-3-2015 Rupees</b>		<b>Year ended 31-3-2016 Rupees</b>	<b>Year ended 31-3-2015 Rupees</b>
<b>SHORT-TERM LOANS AND ADVANCES</b>			<b>13. EMPLOYEE BENEFIT EXPENSES</b>		
(Unsecured, considered good)			Salaries, Wages and		
Sundry Deposits	1,26,475	1,26,475	Allowances .....	68,70,123	63,23,280
Intercorporate Deposits	14,37,00,000	13,00,00,000	Bonus .....	2,16,545	1,09,900
Other advances	9,72,640	10,38,746	Contribution to Provident &		
Current Maturity of Loan and			Other Funds .....	13,53,372	8,07,902
Advances to Staff	5,53,139	2,70,000	Staff Welfare Expenses ....	7,64,517	6,43,207
Prepaid Expenses	3,31,903	2,02,234	Total .....	92,04,557	78,84,289
	<u>14,56,84,157</u>	<u>13,16,37,455</u>			
<b>OTHER CURRENT ASSETS</b>			<b>14. OTHER EXPENSES</b>		
Interest Receivable	1,01,85,726	98,66,496	<b>Rent :</b>		
	<u>1,01,85,726</u>	<u>98,66,496</u>	Service and Amenities		
Total	<u>16,54,39,090</u>	<u>15,12,48,131</u>	charge .....	29,74,750	24,47,200
			Leave and License fees	22,72,119	19,75,316
			Rates & Taxes .....	91,406	4,14,502
			<b>Repairs &amp; Maintenance :</b>		
			-- Building .....	2,100	1,600
			-- Others .....	6,47,589	11,87,495
			Insurance .....	1,68,094	1,39,532
			Printing & Stationery .....	4,38,493	4,59,839
			Postage and Telephone ....	5,44,156	6,99,081
			Advertisement .....	87,881	65,607
			Payment to Auditors .....	3,35,808	3,32,612
			Directors' Fees .....	2,00,000	2,05,000
			Commission to Directors ....	20,60,000	20,60,000
			<b>Legal &amp; Professional Charges :</b>		
			Legal & Professional		
			Charges .....	10,57,771	7,55,569
			Retainership fees .....	5,08,800	6,33,639
			General Charges .....	10,85,514	6,15,133
			Presentation Articles .....	58,891	3,10,415
			Electricity Charges .....	8,97,249	7,78,674
			Computer Expenses .....	2,79,169	3,68,727
			Motor Car expenses .....	14,80,222	18,33,238
			<b>Travelling &amp; Conveyance :</b>		
			Travelling .....	13,46,884	25,72,881
			Foreign Travel .....	50,90,135	31,64,123
			Membership & Subscription	2,61,545	1,50,343
			Loss on Trading in Shares		
			and Securities .....		
			[Refer Note 11 - A] .....	3,02,689	-
			Miscellaneous Expenses ...	11,51,720	36,51,855
			Donation .....	7,00,000	7,15,000
			Provision for Standard		
			Assets .....	85,000	1,75,000
			Contribution to corporate ..		
			social responsibility .....	9,00,000	-
			Total	<u>2,50,27,985</u>	<u>2,57,12,381</u>
<b>11. REVENUE FROM OPERATIONS</b>					
Interest on ICD & Loan .....	1,31,31,681	1,98,89,911			
Dividend Income .....	1,16,62,765	1,23,06,361			
Profit from Trading of Shares .	-	20,20,085			
and Securities (Refer Note A)					
Profit on Sale of Investments ..	8,46,04,561	7,27,90,229			
(Net)					
Total	<u>10,93,99,007</u>	<u>10,70,06,586</u>			
Note A :					
Details of profit from Trading in					
Shares and Securities are as under :					
Sales .....	4,16,73,859	10,79,51,798			
Closing Stock .....	17,00,830	15,54,438			
Total (A) .....	4,33,74,689	10,95,06,236			
Less : Opening Stock .....	15,54,438	14,90,886			
Purchases .....	4,21,22,940	10,59,95,265			
Total (B)	4,36,77,378	10,74,86,151			
Total (A-B)	<u>(3,02,689)</u>	<u>20,20,085</u>			
<b>12. OTHER INCOME</b>					
Interest on Loan to					
Employees .....	40,597	48,546			
Interest on Income Tax .....	-	1,03,044			
Profit on Sale of Fixed Assets	1,906	18,611			
Miscellaneous Income .....	65,039	11,019			
Total	<u>1,07,542</u>	<u>1,81,220</u>			

## STANROSE MAFATLAL

	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees
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Note : Payment to Auditors

(Including Service-tax) :

Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :

(a) As Auditors .....	2,72,298	2,66,855
(b) For Tax Audit .....	28,625	28,090
(c) For Certification Work	34,885	37,667
<b>Total</b>	<b>3,35,808</b>	<b>3,32,612</b>

### 15. CONTINGENT LIABILITIES :

Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Company is either in appeal or the effect of the Orders in appeal awaited is of Rs. 3,07,595/- (Previous Year Rs. 4,99,090/-)

16. The Company is not holding and accepting deposits. Further, the total assets of the Company being less than Rs. 500 Crores, the Prudential Norms on Credit and Investment Concentration and Capital Adequacy are not applicable to it. The Company has complied with all other norms on Income Recognition, Accounting Standards, Assets Classification, Provisioning for Bad and Doubtful Debts & Standard Assets and other related matters as prescribed under the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 as amended.

### 17. SEGMENT INFORMATION :

The Company is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.

18. There are no Micro, Small and Medium Enterprises to whom the Company owes dues which are outstanding as at the Balance Sheet date.

### 19. LEASES :

The Company has an operating Lease rented facility at Mumbai with lock-in-period of 12 months from the date of its commencement. The future rent payments for the facility are as under:

Minimum future lease payments		
Not later than one year	8,24,516	6,80,226
Later than one year and not later than five years	-	-
	<b>8,24,516</b>	<b>6,80,226</b>

	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees
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### 20. EMPLOYEE BENEFITS :

(a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 "Employee benefits", prescribed under the Companies (Accounts) Rules, 2014.

Status of the Gratuity as required under AS 15 :

I. Components of Employers' Expense recognised in Statement of Profit and Loss		
(a) Current Service Cost	1,89,000	1,46,641
(b) Interest Cost	2,83,000	2,75,750
(c) Expected Return on Plan Assets	(2,93,000)	(2,83,863)
(d) Net Actuarial Loss / (Gain) recognised in year.	3,65,000	1,29,970
<b>Total Expense recognised in Statement of Profit and Loss</b>	<b>5,44,000</b>	<b>2,68,498</b>

### II. Net (Asset) / Liability recognised in Balance Sheet:

(a) Present value of Obligation	44,89,000	36,23,186
(b) Fair Value of Plan Assets	43,29,000	37,49,763
(c) Present value of Unfunded Obligation	1,60,000	(1,26,577)
<b>Net (Asset) / Liability recognised in Balance Sheet</b>	<b>1,60,000</b>	<b>(1,26,577)</b>

### III. Changes in Defined Benefit Obligations (DBO) during the year :

(a) Opening Present Value of Obligation	36,23,000	30,53,712
(b) Current Service Cost	1,89,000	1,46,641
(c) Interest Cost	2,83,000	2,75,750
(d) Actuarial (Gain) / Loss	3,94,000	1,47,083
(e) Benefit Paid	-	-
<b>Present Value of Obligation at the year end</b>	<b>44,89,000</b>	<b>36,23,186</b>

### IV. Changes in the fair value of plan assets during the year :

(a) Opening fair value of plan assets	37,50,000	30,39,507
(b) Expected return	2,93,000	2,83,863
(c) Actuarial Gain / (Loss)	29,000	17,113
(d) Contributions by employer	2,57,000	4,09,280
(e) Benefit Paid	-	-
<b>Fair Value of Plan Assets at the year end</b>	<b>43,29,000</b>	<b>37,49,763</b>

### V. Actuarial Assumptions

(a) Discount Rate (per annum)	7.60%	7.80%
(b) Annual Increase in Salary Cost	6.00%	6.00%
(c) Expected Return on Plan Assets	7.80%	8.75%

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

### Past five years data for Defined benefit obligations and fair value of plan asset :

(Amount in Rupees)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	26,85,777	30,94,860	34,48,787	36,23,186	<b>44,89,000</b>
Fair Value of Plan assets at the end of the year	26,07,123	29,03,794	30,39,507	37,49,763	<b>43,29,000</b>
Net (Asset) / Liability at the end of the year	78,654	1,91,066	4,09,280	(1,26,577)	<b>1,60,000</b>

To fund the obligations under the gratuity plan Contributions are made to the Gratuity Fund created by the Company which invests the funds in following manner.

No.	Particulars	% Investments
1.	Insurer Managed Funds	99.75%
2.	CBI Special Deposit Scheme	0.25%
	Total	<u>100.00 %</u>

(b) The liability for leave encashment and compensated absences as at the year end is Rs. 9,33,217 (Previous Year Rs. 9,33,217).

### 21. EARNING PER SHARE :

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year ended <u>31-3-2016</u>	Year ended <u>31-3-2015</u>
Profit after tax (Rs.) .....	<b>5,97,71,888</b>	4,80,49,247
No. of Equity Shares .....	<b>39,67,920</b>	39,67,920
Basic & Diluted Earnings per Share (Rs.) .....	<b>15.06</b>	12.11
Nominal Value of each Equity Share (Rs.) .....	<b>10.00</b>	10.00

### 22. AMOUNT REMITTED DURING THE YEAR IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS:

The Company has not made any remittance in foreign currencies on account of dividends and does not have information as to the extent to which remittance in foreign currencies on account of dividends may have been made by or on behalf of non-resident shareholders. The Particulars of dividends paid during the year to non-resident shareholders are as under:

Year to which Dividend relates .....	2014-15	2013-14
Number of Non-Resident Shareholders .....	<b>26</b>	26
Number of Equity Shares held by them on which Dividend was due .....	<b>7,031</b>	6,781
Amount in rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders .....	<b>Rs. 42,186</b>	Rs. 40,686

### 23. Related Party Transactions :

#### (A) Name of related parties and description of relationship :

(1) Subsidiary Company Stanrose Mafatlal Lubechem Limited - In Liquidation Stan Plaza Limited [Wholly owned Subsidiary from 13/03/2015]	(4) Enterprises Controlled by SMIFL SMIFL Officers' Superannuation Scheme SMIFL Officers' Provident Fund SMIFL Employees' Provident Fund SMIFL Employees' Gratuity Fund
(2) Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL) Standard Industries Limited (SIL) Stanrose Fund Management Services Limited	(5) Entities in which Directors are interested Navinchandra Mafatlal Medical Trust
(3) Controlling Companies having significant holding in SMIFL Shanudeep Pvt. Ltd. Sheiladeep Investments Pvt. Ltd. Vinadeep Investments Pvt. Ltd. Gagalbhai Investments Pvt. Ltd. Pradeep Investments Pvt. Ltd.	(6) Key Managerial Personnel Shri Bharat N. Dave - Chief Executive Officer Shri Girish R. Shah - Vice President (Legal) & Company Secretary (Upto 31-03-2016) Shri Harshad V. Mehta - Chief Financial Officer





**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

<b>24. Foreign Currency Transactions :</b>	<b>Year ended 31-3-2016</b>	<b>Year ended 31-3-2015</b>
Travelling Expenses	Rs. <u>15,17,578</u>	Rs. <u>11,86,329</u>
Total	Rs. <u>15,17,578</u>	Rs. <u>11,86,329</u>
<b>25. Disclosure about Loans /Advances and Investments in own shares by the Company in its Subsidiaries and Associates etc</b>	<b>Outstanding Balance as on 31-3-2016</b>	<b>Maximum Balance Outstanding during the year</b>
Loans to Subsidiaries :		
Stan Plaza Limited	15,04,43,187	15,04,43,187
Loans and Advances in the nature of loan where there is:		
(a) No Interest or interest below Section 186 of the Companies Act,2013	—	—
(b) Loans to Employees (in ordinary course of business)	11,06,727	11,29,857
Notes :		
None of the Loanees named hereinabove has made any investment in the Equity Capital of the Company or its Subsidiary except negligible holding with some of the employees.		
<b>26. DISCLOSURE OF DETAILS AS REQUIRED UNDER PARA 13 OF NON-SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS, 2015.</b>	<i>Amount in Rupees</i>	
	<b>As at 31-03-2016</b>	
<b>Particulars</b>	<b>Amount Overdue</b>	<b>Amount Outstanding</b>
<b>LIABILITIES SIDE</b>		
(1) Loans and Advances availed by the Company (Inclusive of interest accrued thereon but not paid) :	—	—
<b>ASSETS SIDE</b>		
(2) Break-up of Loans and Advances (Including bills receivable) (Other than those included in (4) below) :		
(a) Secured	—	—
(b) Unsecured	—	29,41,43,187
(3) Break-up of Leased Assets, Stock on hire and other assets counting towards AFC activities :		
(a) Leased Assets	—	—
(b) Stock on hire	—	—
(c) Other Loans counting towards AFC activities	—	—
(4) Break-up of Investments:		
(a) <b>Current Investments:</b>		
Quoted :		
Equity Shares	N.A.	15,91,160
Government Securities	N.A.	—
Other Securities	N.A.	1,09,670
(b) <b>Long Term investments :</b>		
Quoted :		
Equity Shares	N.A.	23,65,21,583
Other Investment	—	—
Unquoted :		
Equity Shares	N.A.	11,53,296
Other Investments [Paintings]	—	22,50,000
(5) Borrower group-wise classification of assets, financed as in (2) & (3) above :		
	<i>Amount in Rupees</i>	
<b>Category</b>	<b>Amount net of provisions As at 31-03-2016</b>	
	Secured	Unsecured
	Total	
(a) Related Parties :		
(i) Subsidiaries	—	15,04,43,187
(ii) Companies in the same group	—	—
(iii) Other related parties	—	—
(b) Other than related parties	—	14,37,00,000
<b>Total</b>	<b>29,41,43,187</b>	<b>29,41,43,187</b>
(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	<i>Amount in Rupees</i>	
	<b>At at 31-03-2016</b>	
<b>Category</b>	<b>Market Value / Break up or Fair Value or NAV</b>	<b>Book Value (Net of Provisions)</b>
(a) Related Parties :		
Subsidiary Companies	10,03,006	10,03,006
Companies in the same group	—	—
Other related parties	29,52,26,791	18,21,90,871
(b) Other than related parties	17,79,17,590	5,61,81,832
<b>Total</b>	<b>47,41,47,387</b>	<b>23,93,75,709</b>

## **STANROSE MAFATLAL**

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27. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

<p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p><b>GAURAV J. SHAH</b> <i>Partner</i></p> <p>Ahmedabad, Dated : 27th April, 2016</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p><b>K. J. PARDIWALLA</b>      <b>M. J. MEHTA</b> <i>Director</i>                      <i>Director</i></p> <p>Mumbai,                      <b>S. A. DAVE</b>                      <b>H. V. MEHTA</b> Dated : 27th April, 2016      <i>Company Secretary</i>      <i>Chief Financial Officer</i></p>
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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, as applicable. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the

accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in subparagraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

#### Other matters

We did not audit the financial statement of one subsidiary, whose financial statements reflect total assets of Rs. 17,13,14,764 as at 31st March, 2016, total revenues of Rs. 36,229 and net cash flows amounting to Rs.1,97,499 for the year ended on that date, as considered in the consolidated financial statements. These financial statement have been audited by other auditors whose reports have been

furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, as applicable.
  - (e) On the basis of the written representations received from the directors of the Holding

Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, is disqualified as on 31st March, 2016 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 and the operating effectiveness of such controls, refer to our Report in "Annexure A", which is based on the auditors' reports of the Holding company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's/subsidiary company's incorporated in India 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.- Refer Note 16 to the consolidated financial statement;
  - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

*For C. C. CHOKSHI & CO.  
Chartered Accountants  
(Firm's Registration No. 101876W)*

**GAURAV J. SHAH**  
*Partner  
[Membership No. 35701]*

Ahmedabad,  
Dated : 27th April, 2016

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary company, which is a company incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company, which is a company incorporated in India, are 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 (ICAI)". 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 the respective 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.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we 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.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company which is company incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

## **STANROSE MAFATLAL**

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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 our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company which is a company incorporated in India, have, 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, 2016, 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.

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company, which is company incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

*For C. C. CHOKSHI & CO.*

*Chartered Accountants*

*(Firm's Registration No.101876W)*

**GAURAV J. SHAH**

*Ahmedabad,*

*Dated : 27th April, 2016*

*Partner*

*[Membership No. 35701]*

**CONSOLIDATED BALANCE SHEET** as at 31st March, 2016

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2016	As at 31-3-2015
<b>I Equity and Liabilities :</b>			
<b>Shareholders' Funds :</b>			
Share Capital .....	2	3,96,79,200	3,96,79,200
Reserves and Surplus .....	3	49,14,08,665	46,03,63,533
		<u>53,10,87,865</u>	<u>50,00,42,733</u>
<b>Non-current Liabilities : .....</b>			
Long Term Borrowings .....	4	1,97,73,986	1,97,73,986
Long Term Provisions .....		13,13,217	12,78,217
		<u>2,10,87,203</u>	<u>2,10,52,203</u>
<b>Current Liabilities : .....</b>			
Trade Payables			
Due to Micro and Small Enterprises .....		-	-
Due to Others .....		16,05,846	16,81,228
Other Current Liabilities .....		83,26,321	78,60,730
Short-term Provisions .....		2,96,56,639	2,98,22,785
		<u>3,95,88,806</u>	<u>3,93,64,743</u>
Total .....		<u>59,17,63,874</u>	<u>56,04,59,679</u>
<b>II ASSETS :</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets : .....</b>			
Tangible Assets .....	6	3,80,72,625	3,87,00,363
Intangible Assets .....		70,66,060	70,66,060
Goodwill on Consolidation .....		5,02,936	5,02,936
<b>Non-current Investments .....</b>	7	<b>37,57,95,310</b>	<b>27,42,68,441</b>
<b>Deferred Tax Assets (Net) .....</b>	8	<b>21,30,933</b>	<b>17,89,124</b>
<b>Long Term Loans and Advances .....</b>	9	<b>6,72,103</b>	<b>8,53,95,731</b>
		<u>42,42,39,967</u>	<u>40,77,22,655</u>
<b>Current Assets : .....</b>			
Stock-in Trade .....		17,00,830	15,54,438
Trade Receivables .....		6,15,449	9,88,328
Cash and Cash Equivalents .....		74,90,132	76,36,117
Short Term Loans and Advances .....		14,56,84,157	13,16,37,455
Other Current Assets .....		1,20,33,339	1,09,20,686
		<u>16,75,23,907</u>	<u>15,27,37,024</u>
Total .....		<u>59,17,63,874</u>	<u>56,04,59,679</u>

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i> <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 27th April, 2016</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p style="text-align: center;"><b>K. J. PARDIWALLA</b>      <b>M. J. MEHTA</b> <i>Director</i>                      <i>Director</i></p> <p style="text-align: center;">Mumbai,                      <b>S. A. DAVE</b>      <b>H. V. MEHTA</b> Dated : 27th April, 2016      <i>Company Secretary</i>      <i>Chief Financial Officer</i></p>
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**STANROSE MAFATLAL****CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2016**

(Amount in Rupees )

Particulars	Note No.	Year ended 31-03-2016	Year ended 31-03-2015
<b>Revenues :</b>			
Revenue from Operations .....	11	<b>10,93,99,007</b>	10,90,59,489
Other Income .....	12	<b>1,43,771</b>	2,14,970
Total Revenue		<b><u>10,95,42,778</u></b>	<u>10,92,74,459</u>
<b>Expenses :</b>			
Employee benefit expenses .....	13	<b>92,04,557</b>	78,84,289
Depreciation and amortisation expenses .....		<b>32,43,928</b>	36,11,241
Other Expenses .....	14	<b>2,50,54,093</b>	2,57,69,393
Finance Costs .....	15	—	15,58,784
Total Expenses		<b><u>3,75,02,578</u></b>	<u>3,88,23,707</u>
<b>Profit before Taxes</b> .....		<b>7,20,40,200</b>	7,04,50,752
<b>Tax Expense :</b>			
Current Tax .....		<b>1,26,05,000</b>	1,19,21,000
Deferred Tax .....		<b>(3,41,809)</b>	(5,83,604)
		<b>5,97,77,009</b>	5,91,13,356
Short/Excess Provision of Taxation in respect of earlier Years [Net]		<b>72,622</b>	1,07,14,252
<b>Profit for the year</b> .....		<b><u>5,97,04,387</u></b>	<u>4,83,99,104</u>
<b>Earnings per equity share</b> (of Rs. 10/- each) .....			
Basic .....	21	<b>15.05</b>	12.20
Diluted .....		<b>15.05</b>	12.20

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;"><b>For C.C. CHOKSHI &amp; CO.</b> Chartered Accountants <b>GAURAV J. SHAH</b> Partner Ahmedabad, Dated : 27th April, 2016</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table style="width: 100%; border: none;"> <tr> <td style="text-align: center; width: 50%;"><b>K. J. PARDIWALLA</b> Director</td> <td style="text-align: center; width: 50%;"><b>M. J. MEHTA</b> Director</td> </tr> <tr> <td style="text-align: center;"><b>S. A. DAVE</b> Company Secretary</td> <td style="text-align: center;"><b>H. V. MEHTA</b> Chief Financial Officer</td> </tr> </table> <p>Mumbai, Dated : 27th April, 2016</p>	<b>K. J. PARDIWALLA</b> Director	<b>M. J. MEHTA</b> Director	<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer
<b>K. J. PARDIWALLA</b> Director	<b>M. J. MEHTA</b> Director				
<b>S. A. DAVE</b> Company Secretary	<b>H. V. MEHTA</b> Chief Financial Officer				



## CONSOLIDATED CASH FLOW STATEMENT for the year ended on 31st March, 2016

(Amount in Rupees)

	Year ended 31-3-2016	Year ended 31-3-2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	7,20,40,200	7,04,50,752
Adjustments for :		
Depreciation and amortisation expenses .....	32,43,928	36,11,241
Income from Investments .....	(8,46,04,561)	(7,27,90,229)
Contingent Provision against Standard Assets .....	85,000	1,75,000
Profit on Fixed Assets Sold .....	(1,906)	(18,611)
<b>OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES ....</b>	<b>(92,37,339)</b>	<b>14,28,153</b>
<b>Changes in Working Capital</b>		
Adjustments for :		
Trade Receivables .....	3,72,879	(84,14,800)
Purchase of Investments .....	(96,95,496)	(1,24,46,296)
Sale of Investments .....	9,12,78,160	11,85,11,107
Inventories - Stock in trade .....	(1,46,392)	(63,552)
Long-term Loans and Advances .....	1,57,132	(1,15,579)
Short-term Loans and Advances .....	(3,46,702)	(37,09,581)
Other current assets .....	(11,12,653)	(98,66,496)
Trade Payables .....	(75,382)	93,72,655
Other Current Liabilities .....	4,65,591	17,50,396
Long-term Provisions .....	-	7,71,989
Short-term Provisions .....	2,75,502	(1,45,782)
<b>CASH GENERATED FROM OPERATIONS .....</b>	<b>7,19,35,300</b>	<b>9,70,72,214</b>
Direct Taxes (Paid) .....	(1,31,74,270)	(1,01,89,742)
<b>CASH FLOW FROM OPERATING ACTIVITIES (A) .....</b>	<b>5,87,61,030</b>	<b>8,68,82,472</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets .....	(26,29,284)	(21,64,831)
Sale of Fixed Assets .....	15,000	66,184
Investing in Project (Net of Long Term Loans and Advances) .....	(1,39,38,476)	-
Intercompany Deposits given .....	(1,37,00,000)	(77,12,000)
Goodwill on Consolidation .....	-	(10,03,006)
<b>CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B) .....</b>	<b>(3,02,52,760)</b>	<b>(1,08,13,653)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment for Long Term Borrowings .....	-	(5,21,88,632)
Dividend Paid .....	(2,86,54,255)	(2,78,53,608)
<b>CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C) .....</b>	<b>(2,86,54,255)</b>	<b>(8,00,42,240)</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) .....</b>	<b>(1,45,985)</b>	<b>(39,73,421)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR .....</b>	<b>76,36,117</b>	<b>1,16,09,538</b>
<b>CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR .....</b>	<b>74,90,132</b>	<b>76,36,117</b>

## STANROSE MAFATLAL

### Notes :

- 1) Cash and cash equivalents as at the end of the Year:
- |   |                  |           |
|---|------------------|-----------|
| Cash on hand .....                            | <b>3,26,200</b>  | 2,76,119  |
| Balances with Banks in Current Accounts ..... | <b>71,63,932</b> | 73,59,998 |
| <b>Total</b>                                  | <b>74,90,132</b> | 76,36,117 |
- 2) Previous Year's figures have been regrouped wherever necessary, to confirm to this year's classification.
- 3) The above cash flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement as prescribed under Companies (Accounting Standards) Rules, 2006.
- See accompanying notes forming part of the financial statement.

<p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i></p> <p><b>GAURAV J. SHAH</b> <i>Partner</i></p> <p>Ahmedabad, Dated : 27th April, 2016</p>	<p style="text-align: center;">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <table border="0" style="width: 100%;"> <tr> <td style="text-align: center;"><b>K. J. PARDIWALLA</b> <i>Director</i></td> <td style="text-align: center;"><b>M. J. MEHTA</b> <i>Director</i></td> </tr> <tr> <td style="text-align: center;"><b>S. A. DAVE</b> <i>Company Secretary</i></td> <td style="text-align: center;"><b>H. V. MEHTA</b> <i>Chief Financial Officer</i></td> </tr> </table> <p>Mumbai, Dated : 27th April, 2016</p>	<b>K. J. PARDIWALLA</b> <i>Director</i>	<b>M. J. MEHTA</b> <i>Director</i>	<b>S. A. DAVE</b> <i>Company Secretary</i>	<b>H. V. MEHTA</b> <i>Chief Financial Officer</i>
<b>K. J. PARDIWALLA</b> <i>Director</i>	<b>M. J. MEHTA</b> <i>Director</i>				
<b>S. A. DAVE</b> <i>Company Secretary</i>	<b>H. V. MEHTA</b> <i>Chief Financial Officer</i>				

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2016

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS:

The consolidated financial statements have been prepared by consolidating financial statements of the subsidiary Stanplaza Limited with Stanrose Mafatlal Investments and Finance Limited (together referred to as 'the Group'), in accordance with generally accepted accounting principles and in accordance with Accounting Standard 21 (Consolidated Financial Statements). The consolidated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

#### b. PRINCIPAL OF CONSOLIDATION:

- (i) The consolidated financial statements comprise the financial statements of Stanrose

Mafatlal Investments and Finance Limited and its subsidiary.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of items like assets, liabilities, income and expenses after eliminating intra-group balances/transactions.

These consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements are presented, in the same format as that adopted by holding company for its separate financial statements.

The difference between the cost to the Company of its investments in subsidiary and its proportionate share in the equity of the subsidiary is recognized in the consolidated financial statements as Goodwill or Capital reserve, as the case may be.

Minority interest in the net assets of consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiary company and further movements in their share in equity, subsequent to the date of investment.

- (ii) The financial statements of following subsidiary have been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.

#### Name of the Subsidiary Proportion of effective ownership interest

Stan Plaza Limited	100% Effective from 13th March, 2015
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- (iii) Stanrose Mafatlal Lubechem Limited (SMLL) - In Liquidation, a substantially owned subsidiary of Stanrose Mafatlal Investments and Finance Limited has been ordered to be wound-up by the High Court of Mumbai vide its order dated 10th June, 2011 and has appointed official liquidator to take charge of its assets, bank accounts, books of account, affairs, business and properties with all the powers under the provisions of the then prevailing Companies Act, 1956. Accordingly, financial statements of SMLL have not been consolidated as per Accounting Standard 21 on 'Consolidated Financial Statements' as notified under the Companies (Accounts) Rules, 2014.
- c. USE OF ESTIMATES:**  
The presentation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amount of assets and liabilities ( including Contingent Liabilities ) and the reported income and expense during the year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/materialize.
- d. REVENUE RECOGNITION:**
- (i) Revenue is recognized when no significant uncertainty as to the measurability or collectability exists.
- (ii) Dividend income is accounted for when the right to receive payment is established.
- (iii) Interest income is accounted on accrual basis.
- e. INVESTMENTS:**  
Non-current Investments are stated at cost less any provision for diminution in value other than temporary.
- f. STOCK-IN-TRADE:**  
Current Investments in Shares and Securities, etc., acquired in the ordinary course of business are stated as Stock-in-trade. Stock-in-trade for each category is valued at cost or Fair Value / Net Asset Value (NAV) whichever is lower.
- g. FIXED ASSETS (Tangible and Intangible) :**  
Fixed Assets are stated at historical cost less accumulated depreciation.
- h. IMPAIRMENT OF FIXED ASSETS :**  
Fixed Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.
- i. DEPRECIATION AND AMORTISATION :**  
Depreciation on fixed assets is provided on Written Down Value (WDV) method as per the useful life prescribed in Schedule II of the Companies Act, 2013.
- j. RETIREMENT BENEFITS :**
- Gratuity:**  
The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Gratuity Trust Fund created by the Group. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting Rate relevant to Government Securities at the Balance Sheet Date.
- Provident Fund:**  
Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined contribution schemes, are charged to the Statement of Profit and Loss for the period, in which the contributions to the respective funds accrue.
- Leave Encashment:**  
Cost of earned leave of the employee is estimated at the end of every year and expensed to the Statement of Profit and Loss for the period in which such leave were earned as Personnel Costs.
- k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :**  
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- Liabilities which are of contingent nature are not provided but disclosed at their estimated amount in the Notes to the Financial Statements.
- Contingent assets are neither recognized nor disclosed in financial statements.
- l. GENERAL RESERVE II:**  
The Company sets apart adequate amount for contingencies for doubtful debts and advances as also for the diminution in the value of long-term investments and such amount is credited to General Reserve II.
- m. TAXATION:**  
Provision for Current Income tax is made on

## STANROSE MAFATLAL

the basis of estimated taxable income for the period. Deferred Tax is recognized, subject to consideration of prudence, on timing differences between taxable income and accounting income for the period that originates in one period and is capable of reversal in one or more subsequent periods.

**n. OPERATING LEASE :**

Lease where significant portion of risk and reward of ownership are retained by the Lessor are classified as Operating Lease and rentals thereon are charged to the Statement of Profit and Loss.

**o. FOREIGN EXCHANGE TRANSACTIONS :**

Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing on the date of the transaction.

**p. EARNING PER SHARE :**

Basic earning per share is computed by dividing the profit / loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed by dividing the profit / (loss) after tax as adjusted for the effects dividend, interest and other charges relating to the dilutive potential equity shares.

### 2. SHARE CAPITAL :

Particulars	As at	As at
	31-3-2016	31-3-2015
	Rupees	Rupees
<b>AUTHORISED SHARE CAPITAL :</b>		
<b>50,00,000</b> (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>Issued, Subscribed and Paid-up :</b>		
<b>39,67,920</b> (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights	<b>3,96,79,200</b>	<b>3,96,79,200</b>
Total	<b>3,96,79,200</b>	<b>3,96,79,200</b>

**Notes :**

- (i) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :
- |  |                  |                  |
|--|------------------|------------------|
| Outstanding at the beginning of the year | 39,67,920        | 39,67,920        |
| Add : Issued During the year             | -                | -                |
| Outstanding at the end of the year       | <b>39,67,920</b> | <b>39,67,920</b> |
- (ii) Terms/rights attached to equity shares : The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share.
- (iii) Details of Shareholders holding more than 5 percent equity shares:
- | Particulars                         | Nos.     | % holding | Nos.     | % holding |
|-------------------------------------|----------|-----------|----------|-----------|
| 1. Shanudeep Pvt. Ltd.              | 9,80,078 | 24.70 %   | 9,80,078 | 24.70 %   |
| 2. Vinadeep Investments Pvt. Ltd.   | 4,19,870 | 10.58 %   | 4,19,870 | 10.58 %   |
| 3. Sheiladeep Investments Pvt. Ltd. | 3,90,297 | 9.84 %    | 3,90,297 | 9.84 %    |

### 3. RESERVES AND SURPLUS :

Particulars	As at	As at
	31-3-2016	31-3-2015
	Rupees	Rupees
<b>Securities Premium Reserve</b>		
Balance as per last Balance Sheet.	<b>9,91,98,000</b>	<b>9,91,98,000</b>
<b>Reserve U/S.45 IC of RBI Act, 1934:</b>		
Balance as per last Balance Sheet.	<b>11,34,00,000</b>	<b>10,37,50,000</b>
Add : Amount transferred from Statement of Profit and Loss.	<b>1,25,00,000</b>	<b>96,50,000</b>
	<b>12,59,00,000</b>	<b>11,34,00,000</b>
<b>General Reserve No. I :</b>		
Balance as per last Balance Sheet.	<b>12,30,00,000</b>	<b>12,24,25,000</b>
Add : Amount Transferred from Statement of Profit and Loss	<b>10,00,000</b>	<b>5,75,000</b>
	<b>12,40,00,000</b>	<b>12,30,00,000</b>
<b>General Reserve No. II :</b>		
Balance as per last Balance Sheet.	<b>20,00,000</b>	<b>15,97,977</b>
Add: Amount Transferred from Statement of Profit and Loss	<b>-</b>	<b>4,02,023</b>
	<b>20,00,000</b>	<b>20,00,000</b>
<b>Statement of Profit and Loss</b>		
Balance as per last Balance Sheet	<b>12,27,60,533</b>	<b>11,36,47,707</b>
Add : Profit for the year	<b>5,97,04,387</b>	<b>4,83,99,104</b>
Available for Appropriations	<b>18,24,64,920</b>	<b>16,20,46,811</b>
Less: Appropriations:		
Transfer to Reserve u/s 45 IC of RBI Act,1934	<b>1,25,00,000</b>	<b>96,50,000</b>
Proposed Dividend	<b>2,38,07,520</b>	<b>2,38,07,520</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Particulars	As at	As at	Particulars	As at	As at
	31-3-2016	31-3-2015		31-3-2016	31-3-2015
	Rupees	Rupees		Rupees	Rupees
Distribution tax on proposed dividend	48,46,735	48,46,735	<b>5. CURRENT LIABILITIES</b>		
Transfer to General Reserve No. I	10,00,000	5,75,000	TRADE PAYABLES		
Transfer to General Reserve No. II	-	4,02,023	Sundry Creditors		
	<u>14,03,10,665</u>	<u>12,27,65,533</u>	Due to Micro and small enterprises (Refer Note 18)	-	-
Total	<u>49,14,08,665</u>	<u>46,03,63,533</u>	Due to Others	<u>16,05,846</u>	<u>16,81,228</u>
				<u>16,05,846</u>	<u>16,81,228</u>
<b>4. NON CURRENT LIABILITIES</b>			<b>OTHER CURRENT LIABILITIES</b>		
<b>LONG TERM BORROWINGS</b>			Other payables	20,60,000	20,60,000
Unsecured			Interest (payable) Accrued and Due	7,27,307	8,33,884
(a) Loans and advances from Holding Company Stanrose Mafatlal Inv. & Fin.Ltd.	-	-	Unclaimed dividend	<u>55,39,014</u>	<u>49,66,846</u>
Loan and advances from related parties:				<u>83,26,321</u>	<u>78,60,730</u>
Standard Industries Ltd.	1,97,73,986	1,97,73,986	<b>SHORT TERM PROVISIONS</b>		
	<u>1,97,73,986</u>	<u>1,97,73,986</u>	Provision for Employee Benefits	5,44,000	2,68,498
<b>LONG TERM PROVISIONS</b>			Contingent Provisions against Standard Assets	3,80,000	3,30,000
Provision for Employee Benefits	9,33,217	9,33,217	Proposed Dividend *	2,38,07,520	2,38,07,520
Contingent Provisions against Standard Assets	3,80,000	3,45,000	Provision for Tax on Proposed Dividend	48,46,735	48,46,735
	<u>13,13,217</u>	<u>12,78,217</u>	Provision for Taxation (Net of advance tax)	<u>78,384</u>	<u>5,70,032</u>
Total	<u>2,10,87,203</u>	<u>2,10,52,203</u>		<u>2,96,56,639</u>	<u>2,98,22,785</u>
			Total	<u>3,95,88,806</u>	<u>3,93,64,743</u>

\* Note : Dividend proposed Rs. 6/- per Share (Previous Year Rs. 6/- per Share)

(Amount in Rupees)

6. FIXED ASSETS :	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2015	Additions during year	Deductions/ Adjustments during the year	As at 31-3-2016	As at 1-4-2015	For the year	Deductions during the year	As at 31-3-2016	As at 31-3-2016	As at 31-3-2015
<b>Tangible Assets</b>										
Free-hold Land # .....	2,52,90,450	-	-	2,52,90,450	-	-	-	-	2,52,90,450	2,52,90,450
Building (refer note) ....	1,25,06,883	-	-	1,25,06,883	54,48,137	8,69,176	-	63,17,313	61,89,570	70,58,746
Furniture & Fixtures .....	59,97,361	13,08,263	-	73,05,624	50,03,399	6,52,067	-	56,55,466	16,50,158	9,93,962
Office Equipment .....	45,36,277	13,21,021	57,750	57,99,548	25,10,455	6,78,653	44,656	31,44,452	26,55,096	20,25,822
Vehicles .....	1,44,68,794	-	-	1,44,68,794	1,11,37,411	10,44,032	-	1,21,81,443	22,87,351	33,31,383
<b>Intangible Assets</b>										
Tenancy Rights .....	70,66,060	-	-	70,66,060	-	-	-	-	70,66,060	70,66,060
<b>TOTAL .....</b>	6,98,65,825	26,29,284	57,750	7,24,37,359	2,40,99,402	32,43,928	44,656	2,72,98,674	4,51,38,685	4,57,66,423
Previous Year .....	6,86,39,754	21,64,831	9,38,760	6,98,65,825	2,13,79,349	36,11,241	8,91,188	2,40,99,402	4,57,66,423	-

Note : Cost of ownership Tenement in Co-operative Society is grouped under the head 'Buildings' and it includes Cost of Shares of the said Society of the face value of Rs. 250. (Previous Year Rs. 250)

# Land at Pune is subject to execution of conveyance deed.

## STANROSE MAFATLAL

### 7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. Particulars No.	Face Value per Share	As at 31-3-2016		As at 31-3-2015		
		Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value	
<b>(A). In Shares of other Companies (At Cost) :</b>						
<b>I. In Equity Shares :</b>						
<b>(i) Quoted (Fully paid) (Non-Traded) :</b>						
1.	BASF India Ltd. ....	10	-	-	8,000	16,97,081
2.	Bajaj Finserv Limited .....	5	5,000	96,95,496	-	-
3.	Eicher Motors Limited .....	10	1,000	3,84,770	1,000	3,84,770
4.	Housing Development Finance Corporation Ltd.	2	50,000	10,56,970	1,05,000	22,19,637
5.	HDFC Bank Limited .....	2	70,000	3,66,38,905	70,000	3,66,38,905
6.	Innovassynth Investments Limited .....	10	25,962	-	25,962	-
7.	ITC Limited .....	1	30,000	26,27,555	30,000	26,27,555
8.	Reliance Industries Limited .....	10	-	-	10,000	22,55,581
9.	Sintex Industries Limited .....	1	-	-	2,775	6,26,937
10.	Standard Industries Limited .....	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871
11.	State Bank of India .....	1	20,000	22,35,147	20,000	22,35,147
12.	Tata Steel Limited .....	10	5,000	13,49,369	5,000	13,49,369
13.	Virat Industries Limited .....	10	34,250	3,42,500	34,250	3,42,500
14.	Wipro Limited .....	2	-	-	7,000	7,47,902
		<b>Total A(i)</b>		<b>23,65,21,583</b>	<b>23,33,16,255</b>	
<b>(ii) Unquoted (Fully Paid) :</b>						
1	Federal-Mogul Bearings India Limited .....	10	582	55,290	582	55,290
2	Futura Polyesters Limited .....	10	78,300	-	78,300	-
3	Sarju International Limited .....	10	25,000	-	25,000	-
4	SIP Technologies and Exports Limited .....	10	3,000	-	3,000	-
5	Stanrose Fund Management Services Limited	100	950	95,000	950	95,000
6	Wipro enterprises Limited .....	10	1,633	-	1,633	1,83,431
7	Duville Estate Private Limited .....	10	14,47,714	3,83,68,465	14,47,714	3,83,68,465
		<b>Total A(ii)</b>		<b>3,85,18,755</b>	<b>3,87,02,186</b>	
		<b>Total A</b>		<b>27,50,40,338</b>	<b>27,20,18,441</b>	
<b>(B) In Other Investments :</b>						
Farewell-Painting .....				<b>22,50,000</b>	<b>22,50,000</b>	
		<b>Total B</b>		<b>22,50,000</b>	<b>22,50,000</b>	
<b>(C) In Other Investments :</b>						
Inv. In Duville Estate Pvt. Ltd. For Project .....				<b>- 9,85,04,972</b>	<b>- -</b>	
		<b>Total C</b>		<b>9,85,04,972</b>	<b>-</b>	
		<b>Total (A+B-C)</b>		<b>37,57,95,310</b>	<b>27,42,68,441</b>	

#### Notes :

<b>(a) Aggregate Value of Quoted Investments:</b>		
Cost/Book Value .....	<b>23,65,21,583</b>	<b>23,33,16,255</b>
Market Value .....	<b>47,24,46,557</b>	<b>53,87,77,948</b>
<b>(b) Aggregate Value of Unquoted Investments: ..</b>		
Cost/Book Value .....	<b>13,92,73,727</b>	<b>4,09,52,186</b>

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Particulars	As at	As at	Particulars	As at	As at
	31-3-2016	31-3-2015		31-3-2016	31-3-2015
	Rupees	Rupees		Rupees	Rupees
<b>8. DEFERRED TAX ASSETS</b>			<b>9. LONG TERM LOANS &amp; ADVANCES</b>		
<b>Deferred Tax Assets / (Liabilities) as at year end :</b>			Unsecured, Considered Good :		
On difference between book balance and tax balance of Fixed Asstes	15,81,569	12,67,338	Loans to Staff	5,53,588	7,26,947
On account of Provisions for :			Other Loans and Advances	-	8,45,66,496
-- Standard Assets	2,46,582	2,19,004	Accrued Interest on staff loans	1,18,515	1,02,288
-- Leave Encashment	3,02,782	3,02,782	<b>Total</b>	<b>6,72,103</b>	<b>8,53,95,731</b>
<b>Total</b>	<b>21,30,933</b>	<b>17,89,124</b>			

**10. CURRENT ASSETS :**

Particulars	As at	As at
	31-3-2016	31-3-2015
	Rupees	Rupees
<b>STOCK IN TRADE</b> (At lower of cost or net realisable value)	<b>17,00,830</b>	<b>15,54,438</b>

Note : Statement of Stock in Trade Investments (Inventories) is as under :

Sr. No.	Name of the Company	Face Value	Closing Stock (Qty.)		As at	As at
			Rs.	As at 31-3-2016		
					31-3-2016	31-3-2015
					Rupees	Rupees
<b>(A) Equity Shares (Quoted) :</b>						
1.	Amtek India Limited	2	-	500	-	29,201
2.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
3.	Delta Corporation Limited	1	500	500	33,050	45,560
4.	Escorts Limited	10	-	500	-	65,253
5.	Great Offshore Limited	10	-	500	-	41,024
6.	Helios & Matheson Info. Tech. Ltd.	10	300	500	3,135	28,554
7.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	3,24,326
8.	Jain Irrigation Systems Limited	2	-	500	-	33,113
9.	JK Tyre & Industries Limited	2	300	-	25,260	-
10.	KPIT Technologies Ltd.	2	800	-	1,17,920	-
11.	NCC Ltd.	2	700	-	53,095	-
12.	Nestle India Limited	10	147	147	8,48,036	7,36,198
13.	Raymond Ltd.	10	300	-	1,21,890	-
14.	Tata Steel Limited	10	400	400	1,27,800	1,40,360
15.	Tata Power Limited	1	700	-	45,255	-
	<b>Total A</b>				<b>15,91,160</b>	<b>14,44,768</b>
	<b>Market Value</b>				<b>15,91,160</b>	<b>16,10,273</b>
	<b>Cost</b>				<b>15,91,160</b>	<b>14,44,768</b>

## STANROSE MAFATLAL

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock As at 31-3-2016	Stock (Qty.) As at 31-3-2015	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees
<b>(B) In Other Investments :</b>						
	10% ICICI Bank Bond - 2017 A/c	10,000	11	11	1,09,670	1,10,935
					<b>Total B</b>	<b>1,09,670</b>
					<b>Market Value</b>	<b>1,09,670</b>
					<b>Cost</b>	<b>1,10,935</b>
					<b>Total (A+B)</b>	<b>17,00,830</b>
					<b>Market Value</b>	<b>17,00,830</b>
					<b>Cost</b>	<b>17,00,830</b>
	<b>Lower of cost or net realisable value / Market value</b>				<b>17,00,830</b>	<b>15,54,438</b>

Particulars	As at 31-3-2016 Rupees	As at 31-3-2015 Rupees	Particulars	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees
<b>TRADE RECEIVABLES</b>			<b>11. REVENUE FROM OPERATIONS</b>		
(Unsecured Considered good unless otherwise stated)			Interest .....	1,31,31,681	2,19,42,814
Outstanding for a period exceeding six months from the Due date .....			Dividend Income .....	1,16,62,765	1,23,06,361
Others .....			Profit from Trading of Shares and Securities (Refer Note A) .....	-	20,20,085
	6,15,449	9,88,328	Profit on Sale of Investments (Net)	8,46,04,561	7,27,90,229
<b>Total</b>	<b>6,15,449</b>	<b>9,88,328</b>	<b>Total</b>	<b>10,93,99,007</b>	<b>10,90,59,489</b>
<b>CASH AND BANK BALANCES</b>			Note A : Details of profit from Trading in Shares and Securities are as under : .....		
Cash and Cash Equivalent : (As per AS3 Cash Flow Statement)			Sales .....	4,16,73,859	10,79,51,798
Cash on hand	3,26,200	2,76,119	Closing Stock .....	17,00,830	15,54,438
Balance with Banks in Current Accounts	16,24,918	23,93,152	<b>Total (A)</b>	<b>4,33,74,689</b>	<b>10,95,06,236</b>
Other Bank Balance			Less : Opening Stock .....	15,54,438	14,90,886
In earmarked accounts unpaid dividend accounts	55,39,014	49,66,846	Purchases .....	4,21,22,940	10,59,95,265
	74,90,132	76,36,117	<b>Total (B)</b>	<b>4,36,77,378</b>	<b>10,74,86,151</b>
			<b>Total (A-B)</b>	<b>(3,02,689)</b>	<b>20,20,085</b>
<b>SHORT-TERM LOANS AND ADVANCES</b>			<b>12. OTHER INCOME</b>		
(Unsecured, considered good)			Interest on Loan to Employees	40,597	48,546
Sundry Deposits	1,26,475	1,26,475	Interest on Income Tax .....	-	1,03,044
Intercorporate Deposits	14,37,00,000	13,00,00,000	Interest Income .....	36,229	-
Other advances	9,72,640	10,38,746	Profit on Sale of Fixed Assets	1,906	18,611
Current Maturity of Loan and Advances to Staff	5,53,139	2,70,000	Miscellaneous Income .....	65,039	44,769
Prepaid Expenses	3,31,903	2,02,234	<b>Total</b>	<b>1,43,771</b>	<b>2,14,970</b>
<b>Total</b>	<b>14,56,84,157</b>	<b>13,16,37,455</b>	<b>13. EMPLOYEE BENEFIT EXPENSES</b>		
<b>OTHER CURRENT ASSETS</b>			Salaries, Wages and Allowances .....	68,70,123	63,23,280
Interest Receivable	1,20,33,339	1,09,20,686	Bonus .....	2,16,545	1,09,900
	1,20,33,339	1,09,20,686			
<b>Total</b>	<b>16,75,23,907</b>	<b>15,27,37,024</b>			



**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

Particulars	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees	Particulars	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees
Contribution to Provident & Other Funds .....	13,53,372	8,07,902	<b>15. FINANCE COSTS:</b>		
Staff Welfare Expenses ....	7,64,517	6,43,207	Interest cost on unsecured borrowings	-	15,58,784
Total	<u>92,04,557</u>	<u>78,84,289</u>	Total	<u>-</u>	<u>15,58,784</u>
<b>14. OTHER EXPENSES</b>			<b>16. CONTINGENT LIABILITIES :</b>		
<b>Rent :</b>			Contingent Liabilities not provided for in respect of disputed demand of Income-tax for which the Group is either in appeal or the effect of the Orders in appeal awaited is of Rs. 3,07,595/- (Previous Year Rs. 4,99,090/-).		
Service and Amenities charges	29,75,950	24,49,600	<b>17. SEGMENT INFORMATION</b>		
Leave and License fees ...	22,72,119	19,75,316	The Group is primarily engaged in the business of Intercorporate Investments, Capital Market Activities and Financing. Accordingly there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting', prescribed under Companies (Accounts) Rules, 2014.		
Rates & Taxes .....	91,406	4,14,502	<b>18. LEASES</b>		
<b>Repairs &amp; Maintenance :</b>			The Group has an operating Lease rented facility at Mumbai with lock-in-period of 12 months from the date of its commencement. The future rent payments for the facility are as under:		
Building .....	2,100	1,600	Minimum future lease payments		
Others .....	6,47,589	11,87,495	Not later than one year	8,24,516	6,80,226
Insurance .....	1,68,094	1,39,532	Later than one year and not later than five years	-	-
Printing & Stationery .....	4,38,493	4,78,256	Total	<u>8,24,516</u>	<u>6,80,226</u>
Postage and Telephone Expenses .....	5,44,156	6,99,081	<b>19. EMPLOYEE BENEFITS :</b>		
Advertisement Expenses ..	87,881	65,607	(a) The accruing liability on account of gratuity (retirement benefit in the nature of defined benefits plan) is accounted as per the Accounting Standard 15 "Employee benefits", prescribed under the Companies (Accounts) Rules. 2014.		
Payment to Auditors .....	3,35,808	3,32,612	(Amount in Rs.)		
Directors' Fees .....	2,00,000	2,05,000	<b>Status of the Gratuity as required under AS 15 :</b>		
Commission to Directors ....	20,60,000	20,60,000	Year	Year	
<b>Legal &amp; Professional Charges :</b>			2015-16	2014-15	
Legal & Professional Charges	10,82,679	7,91,764	<b>I. Components of Employers' Expense recognised in Statement of Profit and Loss</b>		
Retainership fees .....	5,08,800	6,33,639	(a) Current Service Cost	1,89,000	1,46,641
General Charges .....	10,85,514	6,15,133	(b) Interest Cost	2,83,000	2,75,750
Presentation Articles .....	58,891	3,10,415	(c) Expected Return on Plan Assets	(2,93,000)	(2,83,863)
Electricity Charges .....	8,97,249	7,78,674	(d) Net Actuarial Loss / (Gain) recognised in year.	3,65,000	1,29,970
Computer Expenses .....	2,79,169	3,68,727	<b>Total Expense recognised in Statement of Profit and Loss</b>	<u>5,44,000</u>	<u>2,68,498</u>
Motor Car expenses .....	14,80,222	18,33,238			
<b>Travelling &amp; Conveyance :</b>					
Travelling .....	13,46,884	25,72,881			
Foreign Travel .....	50,90,135	31,64,123			
Membership & Subscription	2,61,545	1,50,343			
Loss on Trading in Shares and securities					
[Refer Note 11 - A] .....	3,02,689	-			
Miscellaneous Expenses ...	11,51,720	36,51,855			
Donation .....	7,00,000	7,15,000			
Provision for Standard Assets	85,000	1,75,000			
Contribution to corporate social responsibility .....	9,00,000	-			
Total	<u>2,50,54,093</u>	<u>2,57,69,393</u>			
<b>Note : Payment to Auditors (Including Service-tax) :</b>					
Auditors' remuneration includes the following amounts paid or adjusted as paid to them during the year :					
(a) As Auditors .....	2,72,298	2,66,855			
(b) For Tax Audit .....	28,625	28,090			
(c) For Certification Work	34,885	37,667			
Total	<u>3,35,808</u>	<u>3,32,612</u>			

## STANROSE MAFATLAL

Particulars	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees	Particulars	Year ended 31-3-2016 Rupees	Year ended 31-3-2015 Rupees
<b>II. Net (Asset) / Liability recognised in Balance Sheet:</b>			<b>IV. Changes in the Fair Value of Plan Assets during the year :</b>		
(a) Present Value of Obligation	44,89,000	36,23,186	(a) Opening Fair Value of Plan Assets	37,50,000	30,39,507
(b) Fair Value of Plan Assets	4,329	(37,49,763)	(b) Expected Return	2,93,000	2,83,863
(c) Present Value of Unfunded Obligation	1,60,000	(1,26,577)	(c) Actuarial Gain / (Loss)	29,000	17,113
<b>Net (Asset) / Liability recognised in Balance Sheet</b>	<b>1,60,000</b>	<b>(1,26,577)</b>	(d) Contributions by Employer	2,57,000	4,09,280
			(e) Benefit Paid	-	-
<b>III. Changes in Defined Benefit Obligations (DBO) during the year :</b>			<b>Fair Value of Plan Assets at the year end</b>		
(a) Opening Present Value of Obligation	36,23,000	30,53,712		43,29,000	37,49,763
(b) Current Service Cost	1,89,000	1,46,641	<b>V. Actuarial Assumptions</b>		
(c) Interest Cost	2,83,000	2,75,750	(a) Discount Rate (per annum)	7.60%	7.80%
(d) Actuarial (Gain) / Loss	3,94,000	1,47,083	(b) Annual Increase in Salary Cost	6.00%	6.00%
(e) Benefit Paid	-	-	(c) Expected Return on Plan Assets	7.80%	8.75%
<b>Present Value of Obligation at the year end</b>	<b>44,89,000</b>	<b>36,23,186</b>			

Past five years data for Defined benefit obligations and fair value of plan asset : (Amount in Rupees)

Particulars	2011-12	2012-13	2013-14	2014-15	2015-16
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	26,85,777	30,94,860	34,48,787	36,23,186	44,89,000
Fair Value of Plan assets at the end of the year	26,07,123	29,03,794	30,39,507	37,49,763	43,29,000
Net (Asset) / Liability at the end of the year	(78,654)	1,91,066	4,09,280	(1,26,577)	1,60,000

To fund the obligations under the gratuity plan Contributions are made to the Gratuity Fund created by the Group which invests the funds in following manner.

No.	Particulars	% Investments
1.	Insurer Managed Funds	99.75%
2.	CBI Special Deposit Scheme	0.25%
	<b>Total</b>	<b>100.00 %</b>

(b) The liability for leave encashment and compensated absences as at the year end is Rs.9,33,217 (Previous Year Rs.9,33,217).

## 20. Related Party Transactions :

### (A) Name of related parties and description of relationship :

- (1) Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL)
  - Standard Industries Limited (SIL)
  - Stanrose Fund Management Services Limited
- (2) Controlling Companies having significant holding in SMIFL
  - Shanudeep Pvt. Ltd. (4) Entities in which Directors are interested
  - Sheiladeep Investments Pvt. Ltd. Navinchandra Mafatlal Medical Trust
  - Vinadeep Investments Pvt. Ltd.
  - Gagalbhai Investments Pvt. Ltd. (5) Key Managerial Personnel
  - Pradeep Investments Pvt. Ltd. Shri B. N. Dave - Chief Executive Officer (W.e.f. 13th May, 2014)
- (3) Enterprises Controlled by the SMIFL
  - SMIFL Officers' Superannuation Scheme Shri G. R. Shah - Vice President (Legal) & Company Secretary
  - SMIFL Officers' Provident Fund Shri H. V. Mehta - Chief Financial Officer
  - SMIFL Employees' Provident Fund
  - SMIFL Employees' Gratuity Fund

**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED**

(Amount in Rupees)

(B) Related Party Transactions:

Particulars	Entities in Which Directors are Interested		Companies with significant holding by SMIFL		Controlling Companies having significant holding in SMIFL		Enterprises Controlled by the Company		Key Managerial Personnel		Total	
	Year 2015-16	Year 2014-15	Year 2015-16	Year 2014-15	Year 2015-16	Year 2014-15	Year 2015-16	Year 2014-15	Year 2015-16	Year 2014-15	Year 2015-16	Year 2014-15
<b>(A) Volume of Transactions :</b>												
Expenses: Leave and Licence Fees & Other Services :												
Shanudeep Private Limited	—	—	—	44,22,516	52,46,869	—	—	—	—	—	52,46,869	44,22,516
Expenses Reimbursed:												
Stanrose Fund Mngt. Serv. Ltd.	—	72,967	—	—	—	—	—	—	—	—	—	72,967
<b>C.S.R. Expenditure:</b>												
Navinchandra Mafatlal Medical Trust	9,00,000	—	—	—	—	—	—	—	—	—	9,00,000	—
<b>Remuneration :</b>												
Shri B. N. Dave	—	—	—	—	—	—	—	—	11,01,600	9,74,264	11,01,600	9,74,264
Shri G. R. Shah	—	—	—	—	—	—	—	—	8,62,070	9,32,409	8,62,070	9,32,409
Shri H. V. Mehta	—	—	—	—	—	—	—	—	7,82,237	7,33,242	7,82,237	7,33,242
<b>Loan given</b>												
Shri H. V. Mehta	—	—	—	—	—	—	—	—	5,00,000	—	5,00,000	—
<b>Purchase of Investments:</b>												
SMIFL Officers P. F.	—	—	—	—	—	—	—	1,10,935	—	—	—	1,10,935
<b>Sale of Investments:</b>												
SMIFL Employee's P. F.	—	—	—	—	—	—	—	1,37,200	—	—	—	1,37,200
SMIFL Officer's P. F.	—	—	—	—	—	—	—	93,055	—	—	—	93,055
SMIFL Officers' S. S.	—	—	—	—	—	—	—	30,000	—	—	—	30,000
<b>Repayment of Loan taken:</b>												
Standard Industries Limited	—	—	—	—	—	—	—	—	—	—	—	5,21,88,632
<b>Dividend Received:</b>												
Standard Industries Limited	—	—	93,03,365	—	—	—	—	—	—	—	93,03,365	93,03,365
<b>Dividend Paid:</b>												
Shanudeep Private Limited	—	—	—	58,80,468	58,80,468	—	—	—	—	—	58,80,468	58,80,468
Shelladeep Investments Pvt. Ltd.	—	—	—	23,41,782	23,41,782	—	—	—	—	—	23,41,782	23,41,782
Vinadeep Investments Pvt. Ltd.	—	—	—	25,19,220	25,19,220	—	—	—	—	—	25,19,220	25,19,220
Gagalbhat Investments Pvt. Ltd.	—	—	—	3,06,082	3,06,082	—	—	—	—	—	3,06,082	3,06,082
Pradeep Investments Pvt. Ltd.	—	—	—	1,08,720	1,08,720	—	—	—	—	—	1,08,720	1,08,720
Standard Industries Limited	—	—	1,14,054	—	—	—	—	—	—	—	1,14,054	1,14,054
<b>(B) Balances at the Year end:</b>												
Standard Industries Limited	—	—	1,97,73,986	—	—	—	—	—	—	—	1,97,73,986	1,97,73,986

## **STANROSE MAFATLAL**

### **21. EARNING PER SHARE :**

The details of Basic and Diluted Earnings per share are as under :

Particulars	Year ended	Year ended
	31-3-2016	31-3-2015
Profit after tax (Rs.) .....	<b>5,97,04,387</b>	4,83,99,104
No. of Equity Shares .....	<b>39,67,920</b>	39,67,920
Basic & Diluted Earnings per Share (Rs.) .....	<b>15.05</b>	12.20
Nominal Value of each Equity Share (Rs.) .....	<b>10.00</b>	10.00

In terms of our Report attached.  <b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i> <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 27th April, 2016	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.  <b>K. J. PARDIWALLA</b> <b>M. J. MEHTA</b> <i>Director</i> <i>Director</i>  Mumbai, <b>S. A. DAVE</b> <b>H. V. MEHTA</b> Dated : 27th April, 2016 <i>Company Secretary</i> <i>Chief Financial Officer</i>
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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED****Form No. AOC-1****Statement Containing Salient Features of the Financial Statement  
of Subsidiaries/Associate Companies/Joint Ventures**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part "A":Subsidiaries**

(Amount in Rupees)

1	Name of the Subsidiary	Stan Plaza Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
4	Share capital	5,00,070
5	Reserves & Surplus	(1,49,786)
6	Total Assets	17,84,55,567
7	Total Liabilities	17,84,55,567
8	Investments	13,68,73,437
9	Turnover	36,229
10	Profit before taxation	10,121
11	Provision for taxation	5,000
12	Profit after taxation	(67,501)
13	Proposed Dividend	--
14	% of Shareholding	100%

**Note :**

Stanrose Mafatlal Lubechem Limited – In Liquidation, a substantially owned subsidiary of the Company was ordered to wind-up by the High Court of Mumbai vide its Order dated June 10, 2011 and appointed the Official Liquidator to take charge of its Assets, Bank Accounts, Books of Accounts, Affairs, Business and Properties with all powers under the provisions of the Companies Act, 1956. Hence its details are not disclosed under this form.

**Part "B" : Associates and Joint Ventures**

Not Applicable

<p>In terms of our Report attached.</p> <p><b>For C.C. CHOKSHI &amp; CO.</b> <i>Chartered Accountants</i> <b>GAURAV J. SHAH</b> <i>Partner</i> Ahmedabad, Dated : 27th April, 2016</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p><b>K. J. PARDIWALLA</b>      <b>M. J. MEHTA</b> <i>Director</i>                      <i>Director</i></p> <p>Mumbai,                      <b>S. A. DAVE</b>                      <b>H. V. MEHTA</b> Dated : 27th April, 2016      <i>Company Secretary</i>      <i>Chief Financial Officer</i></p>
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## **NOTICE**

NOTICE IS HEREBY GIVEN THAT the Thirty-Sixth Annual General Meeting of the Members of the Company will be held on Wednesday, 27th July, 2016 at 10.30 A.M. at 'Banquet Hall', Karnavati Club Limited, S. G. Highway, Ahmedabad - 380 058, Gujarat, to transact the following business:

### **ORDINARY BUSINESS:**

#### **Item No 1. Adoption of Financial Statements**

##### **To consider and adopt:**

- (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 and the Report of Auditors' thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2016 and the Report of Auditors' thereon.

#### **Item No 2. Declaration of Dividend**

To declare Dividend on Equity Shares. The Board of Directors has recommended a Dividend of Rs. 6.00/- per Equity Share of Rs.10/- each.

#### **Item No 3. Appointment of Director**

To appoint a Director in place of Shri Pradeep R. Mafatlal, who retires by rotation and being eligible, offers himself for re-appointment.

#### **Item No. 4 - Ratification of Appointment of Auditors**

To ratify the appointment of Auditors for a period of one year and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution: "RESOLVED THAT pursuant to the provisions of the Ordinary Resolution passed by the Members at the thirty-fourth Annual General Meeting (AGM) held on August 2, 2014, appointing M/s. C. C. Chokshi & Co., Chartered Accountants, Ahmedabad, as the Auditors of the Company to hold office from the conclusion of that AGM to the conclusion of the fourth AGM (subject to ratification of the appointment by the members at every AGM held after that AGM), Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, the appointment of M/s. C. C. Chokshi & Co., Chartered Accountants (Regn. No. 101876W) Ahmedabad, be and is hereby ratified for a period of one year from the conclusion of this Annual General Meeting to the conclusion of the next AGM and that the Board of Directors be and is hereby authorized to fix their remuneration as may be determined by the Audit Committee in consultation with the Auditors."

### **SPECIAL BUSINESS:**

#### **In respect of Item No. 5**

#### **Payment of Commission to Non-Executive Directors of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and all other applicable provisions of the Companies Act, 2013 (the Act) read with the Companies (Appointments and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company be and is hereby authorized to pay to any one or more or all of the existing Non-Executive Directors (including Independent Directors) or Directors to be appointed in future, remuneration by way of commission of an amount not exceeding 1% of the net profit of the Company, if the Company has engaged a Managing or a Whole-time Director or a Manager and 3% of the net profit of the Company, in any other case (computed in the manner under Section 198 of the Act), for each Financial Year for a period of five years with effect from the Financial Year commencing on 1st April, 2016 to be paid and distributed amongst them or some or any of them in such manner and in such proportion and in all respects as the Board of Directors of the Company may, from time to time, deem fit."

"RESOLVED FURTHER THAT the aforesaid remuneration shall be exclusive of any fees payable to a Director for each Meeting of the Board or of a Committee of the Board attended by him/her."

"RESOLVED FURTHER THAT the Nomination and Remuneration Committee be and is hereby authorized to determine the precise quantum of commission payable to each such Director on a year to year basis, and accordingly recommend the Board of Directors to finalise the same and to take such steps as may be necessary, desirable or expedient to give effect to this resolution."

#### **Notes:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent 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 carrying voting rights may appoint a single person

## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- as proxy and such person shall not act as a proxy for other person or shareholder. The Proxy Form, in order to be valid and effective, must be delivered at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
- (b) Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting. Attendance Slip is attached to the Proxy Form. Members holding shares in dematerialized form are requested to bring their DP ID and Client ID for identification.
- (c) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (d) Corporate Members intending to send their Authorized Representatives to attend the Meeting are requested to send a Certified Copy of the Board Resolution authorizing their Representatives to attend and vote at the Annual General Meeting.
- (e) The Register of Members and the Share Transfer Books of the Company will remain closed from 21st July, 2016 to 27th July, 2016 (both days inclusive) for annual closing and determining the entitlement of the shareholders dividend for 2015-16.
- (f) The Dividend on Equity Shares if declared at the Meeting will be paid on 8th August, 2016 or thereafter to those members whose names shall appear on the Company's Register of Members on 20th July, 2016; in respect of the shares held in demat form the dividend will be paid to members, whose names are furnished by NSDL and CDSL as beneficial owners as on that date.
- (g) Members holding shares in electronic form may note that the Particulars of their address and Bank Account registered against their respective depository account will be used by the Company for payment of dividend. The Company or its Registrar and Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change in their address or bank particulars or bank mandates. Such changes are to be advised only to the depository participants of the members. Members holding shares in physical form and desirous of either registering or changing bank particulars already registered against their respective folios are requested to write to the Registrar and Transfer Agent.
- (h) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from concerned DP and holdings should be verified.
- (i) The Company has designated an exclusive email ID viz. [investorcare@stanroseinvest.com](mailto:investorcare@stanroseinvest.com) to enable investors to post their grievances, if any, and monitor its redressal.
- (j) As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2015-16 will be sent along with the Notice to all the members whose email addresses are registered with the Company/its Registrar/ Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report 2015-16 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Registrar/Depository Participant.
- The Notice of the 36th Annual General Meeting and the Annual Report 2015-16 will also be available on the Company's website [www.stanroseinvest.com](http://www.stanroseinvest.com) for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at Ahmedabad for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.
- (k) Details required to be furnished in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director being proposed for re-appointment at the ensuing Annual General Meeting of the Company, are given hereunder:
- Shri Pradeep R. Mafatlal**
- Shri Pradeep R. Mafatlal, aged 51 years, has obtained Davar's Diploma in Commerce (D.D.Com.) and has also completed a Diploma Course in Business Management. He belongs to the illustrious House of Mafatlals. He is associated with the Company as a Director for the last over twenty-four years and as its Chairman since last twelve years. He is a member of the Stakeholders' Relationship Committee of the Company as also of Standard Industries Limited.
- He is also the Chairman of Standard Industries Limited, Mafatlal Enterprises Ltd., Umiya Real Estate Pvt. Ltd., Umiya Balaji Real Estate Pvt. Ltd. and Shanudeep Pvt. Ltd. and Director of Sheiladeep Investments Pvt. Ltd., Vinadeep Investments Pvt. Ltd. and HPA Sports Pvt. Ltd.
- He is holding 28,842 Equity Shares of Rs.10/- each in the Company.

## STANROSE MAFATLAL

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Director. Accordingly the Board recommends his re-appointment.

Except Shri Pradeep R. Mafatlal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.5.

(l) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, is annexed herewith.

(m) Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 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 passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting'). The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Agency to provide e-voting facility.

followed by 8 Digits Client ID), Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.

(iv) Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

(v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, both Demat and Physical holders shall fill up the following details in the appropriate boxes: [Refer table given below]

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format or your folio.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\* Members holding shares in physical form and who have not updated their PAN with the Company are requested to use the Sequence Number which is printed on Address Slip on the cover of the Annual Report.

# Please enter any one of the details in order to login. In case either of the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in the instructions (iii).

Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.

The facility for voting through ballot will be made available at the AGM, and members attending the AGM who have not cast their vote by remote e-voting will be able to exercise their right at the AGM.

**The instructions for members for voting electronically are as under:- (EVSN - 160606002)**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID

the demat holders for voting resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the relevant EVSN on which you choose to vote.

(xi) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or



## STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

- NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view further description/entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password, then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com), click on 'registration' and fill up the required details. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) for receiving their login details. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. Before casting vote, they should upload a scanned copy of the Board Resolution/ Power of Attorney (POA) in PDF format in the system for the scrutinizer to verify the same.
- (xviii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xix) The voting period begins on Sunday, 24th July, 2016 (9:00 am) and ends on Tuesday, 26th July, 2016 (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 (record date) of 20th July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 26th July, 2016 (5:00 p.m).
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xxi) Any person who acquires the shares of the Company and becomes the Member of the Company after dispatch of the notice and holding shares as on the cut-off date may obtain the login Id and password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting, then person becoming member can use their existing user ID and password for casting their vote.
- (xxii) The Company has appointed Shri Manoj Hurkat, a Practicing Company Secretary, Ahmedabad (Membership No.- 4287, COP No.- 2574), as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (xxiii) The Scrutinizer shall within a period not exceeding three working days from the conclusion of the meeting period unlock the votes in the presence of at least two witnesses not in the employment of the Company and will make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.stanroseinvest.com](http://www.stanroseinvest.com) and on the website of CDSL [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchange.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Mumbai.  
Dated: 27th April, 2016

By Order of the Board  
**Soham A. Dave**  
Company Secretary

**ANNEXURE TO THE NOTICE :**

**Explanatory statement pursuant to Section 102 of the Companies Act, 2013. [It may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to item no. 5 contained in the accompanying Notice dated April 27, 2016.

A Special Resolution was passed at the Thirty-first Annual General Meeting of the Company held on 3rd September, 2011, for approving the payment of commission to Directors at a rate not exceeding 3% or 1%, as the case may be, of the net profit of the Company for a period of five years commencing from 1st April, 2011.

Since November, 2008 the Company has become a Board managed Company. Looking to the present day complex business environment and the increased responsibilities either statutory or otherwise being shouldered by the Directors, it is considered reasonable, fair and justifiable to pay commission to the Directors. Accordingly it is proposed that in terms of Section 197 of the Companies

Act, 2013 (the Act), the Non-Executive Directors be continued to be paid, for each financial year of the Company upto a period of five years commencing from 1st April, 2016, a remuneration by way of commission, within the limit prescribed under the Act, viz. at a rate not exceeding 1% of the net profit of the Company if the Company has engaged a Managing or a Whole-time Director or a Manager and 3% of the net profit of the Company, in any other case, computed in accordance with the provision of Section 198 of the Act, exclusive of any fees payable to a Director for each Meeting of the Board or of a Committee of the Board attended by him/her. This remuneration will be distributed amongst all or some of the Directors in accordance with the directions given by the Nomination and Remuneration Committee/ Board.

Accordingly, your Directors recommend an Ordinary Resolution as set out in Item No. 5 of the accompanying Notice for the approval of the Members.

All the Directors of the Company are concerned or interested in the aforesaid Resolution to the extent of the remuneration that may be received by them.

**Registered Office:**  
Popular House,  
Ashram Road,  
AHMEDABAD - 380 009.  
Mumbai,  
Dated: 27th April, 2016

By Order of the Board  
**Soham A. Dave**  
Company Secretary

ROAD MAP TO THE VENUE OF ANNUAL GENERAL MEETING - KARNAVATI CLUB



# STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.

CIN: L65910GJ1980PLC003731

Registered Office : Popular House, Ashram Road, Ahmedabad-380 009.

Website: www.stanroseinvest.com Email: info@stanroseinvest.com Tel. 079-26580067/96

Form No. MGT-11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the Member (s) : .....

Registered Address: .....

E-mail Id: ..... No. of Shares held .....

Folio No. / Client ID \* ..... DP ID \* .....

I/We, being the member(s) of ..... shares of the above named company, hereby appoint

- (1) ..... of .....  
having E-mail Id : ..... or failing him
- (2) ..... of .....  
having E-mail Id : ..... or failing him
- (3) ..... of .....  
having E-mail Id : .....

\* Applicable for members holding shares in electronic form

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/  
us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on  
Wednesday, the 27th July, 2016 at 10.30 a.m. at `Banquet Hall', Karnavati Club Limited, S. G.  
Highway, Ahmedabad - 380 058 and at any adjournment thereof in respect of such resolutions as  
are indicated below:

Sr. No.	Resolutions
1	Adoption of Financial Statements
2	Declaration of Dividend
3	Appointment of Shri Pradeep R. Mafatlal as a Director
4	Ratification of Appointment of Auditors
5	Payment of Commission to Non-Executive Directors of the Company

Signed this ..... day of ..... 2016

\_\_\_\_\_  
Signature of shareholder

Affix  
15 Paise  
Revenue  
stamp

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

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. A Proxy need not be a member of the Company.
3. A person can act as a 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 carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
5. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



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**STANROSE MAFATLAL INVESTMENTS AND FINANCE LTD.**

CIN: L65910GJ1980PLC003731

*Registered Office* : Popular House, Ashram Road, Ahmedabad-380 009.

Website: [www.stanroseinvest.com](http://www.stanroseinvest.com) Email: [info@stanroseinvest.com](mailto:info@stanroseinvest.com) Tel. 079-26580067/96

**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

**36th Annual General Meeting - 27th July, 2016**

DP ID No. .... Client ID No. ....

I hereby record my presence at the Thirty-Sixth Annual General Meeting of the Company held at Banquet Hall, Karnavati Club Ltd., S.G. Highway, Ahmedabad 380058 at 10.30 A.M.

Full name of Member (In Block Letters)	Reg. Folio No.
Full name of Proxy (In Block Letters) (to be filled if the Proxy attends instead of the member)	No. of Shares held

Member's/Proxy's Signature .....

*If undelivered please return to :*  
**STANROSE MAFATLAL**  
**INVESTMENTS AND FINANCE LTD.**  
Popular House,  
Ashram Road,  
Ahmedabad-380 009.

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