

**STANROSE MAFATLAL
INVESTMENTS AND FINANCE LIMITED**



37TH

ANNUAL REPORT 2016-2017

STANROSE MAFATLAL

INVESTMENTS AND FINANCE LIMITED

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Proxy Form		CORPORATE OFFICE VIJYALAXMI MAFATLAL CENTRE 57-A, DR. G. DESHMUKH MARG, MUMBAI-400 026
Attendance Slip		SHARE TRANSFER AGENT LINK INTIME (INDIA) PVT. LTD., 506-508, Amarnath Business Centre-1 (ABC-1), B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Ellisbridge, Ahmedabad - 6 Tel. 079 26465179 Email: ahmedabad@linkintime.co.in Web site: www.linkintime.co.in
STATUTORY AUDITORS C. C. CHOKSHI & COMPANY Chartered Accountants		
SECRETARIAL AUDITORS MANOJ HURKAT & ASSOCIATES Company Secretaries		
REGISTERED OFFICE 6TH FLOOR, POPULAR HOUSE, ASHRAM ROAD, AHMEDABAD-380 009, GUJARAT. Email: info@stanroseinvest.com Website: www.stanroseinvest.com		
LISTED ON : BSE, CODE : 506105		
DEMAT CODE : ISIN : INE441L01015		

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-Seventh Annual General Meeting on 4th August, 2017 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-Seventh Annual Report together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

	<i>(Rupees in Lacs)</i>	
	Current Year	<i>Previous Year</i>
	Rupees	<i>Rupees</i>
Total Income	942.37	1095.07
Gross Profit	581.42	752.74
Less: Depreciation	40.66	32.44
Profit before Tax	540.76	720.30
Less: Provision for Taxation	93.18	122.58
<i>Short Provision for taxation in respect of earlier years (Net)</i>	12.95	—
Profit after Tax	434.63	597.72
Add: Profit brought forward from Previous Year	1404.61	1228.43
Balance Available for Appropriations	1839.24	1826.15
Less: Transfer to Reserve u/s. 45 IC of RBI Act, 1934	87.00	125.00
Transfer to General Reserve-I	10.00	10.00
Transfer to General Reserve-II	—	—
Proposed Dividend*	—	238.08
Tax on Dividend	—	48.46
Balance carried forward	1742.24	1404.61

* As per amended Accounting Standard-4

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, 2017. If approved by the Shareholders at the forthcoming Annual General Meeting to be held on 4th August, 2017, the said dividend will be paid on 17th August, 2017 or thereafter, to (i) those shareholders whose names appear on the Register of Members of the Company on 28th July, 2017 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.942.37 Lacs as compared to Rs.1095.07 Lacs in the previous year. Depreciation was Rs.40.66 Lacs (Previous Year Rs.32.44

Lacs). The increase 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: (i) for the year under report was Rs. 93.18 Lacs (ii) Short Provision in respect of earlier years (net) was Rs.12.95 Lacs. Profit after tax was Rs. 434.63 Lacs. The total income and the profit for the year is low, mainly on account of lower booking of profit on sale of non-current investments by Rs. 163.10 Lacs.

An amount of Rs.87.00 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, 2017 stood at Rs. 5747.01 Lacs as against Rs. 5312.38 Lacs on 31st March, 2016.

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 on 31st March, 2017. The total worth of Company's Quoted and Unquoted Investments in Shares and Securities (Including Stock-in-trade) as at 31st March, 2017 is Rs.4718.40 Lacs (Previous Year Rs.4741.47 Lacs) which is 70.22 % (Previous Year 98.08%) higher than related Book Value. The decrease in Book Value from 98.08% to 70.22% 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.191.27 Lacs from its Non-current Quoted Equity Investments as against Rs.66.74 Lacs in the Previous Year.
- (b) Booked a net profit of Rs.682.95 Lacs on sale of Non-Current investments as against Rs. 846.05 Lacs in the previous year.
- (c) earned income by way of Dividend of Rs.108.02 Lacs against Rs.116.63 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, 2017, the Company has booked Net Capital Gain of Rs. 329.17 Lacs on sale of certain Non-Current Investments in shares of the aggregate book value of Rs. 67.66 Lacs.

(ii) Finance

Interest on Inter-corporate Deposit:

During the year under report the Company earned interest income on Inter Corporate Deposits of Rs.141.26 Lacs as against Rs.131.31 Lacs in the previous year.

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 risks. 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

The Company has complied with applicable provisions of Corporate Governance as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate report on Corporate Governance compliance is included as a part of the Annual Report along with the Auditors' Certificate.

DEPOSITS

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

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, 2017, 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, 2017 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, 2017 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 is a Non-Listed Company, having its Registered Office at Mumbai. As on March 31, 2017, 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.

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 Madhusudan J. Mehta, 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 Mehta, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is covered in the notes of the Notice of the 37th AGM of the Company.

Shri Arun P. Patel and Shri Rajesh Jaykrishna are due for retirement from their first term as Independent Directors under the Companies Act, 2013. Based on their skills, experience, knowledge, performance, evaluation and recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint them for three consecutive years up to the conclusion of the Annual General Meeting that may be held for the financial year ending March 31, 2020. Their brief resumes, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are covered under Annexure to the Notice for 37th AGM of the Company.

Shri Framroz M. Pardiwalla has resigned from the Directorship of the Company with effect from 17th November, 2016, on health grounds. Your Directors place on record their appreciation of the valuable services rendered by Shri Pardiwalla during his tenure as a director.

Your Directors regret to inform about the demise of Shri Russi Jal Taraporevala on 7th January, 2017, who was associated with the Company as a Director since August 1981. The invaluable services and guidance rendered by him to the Company will be greatly missed.

To fill the vacancy of an Independent Director caused due to resignation of Shri F. M. Pardiwalla and demise of Shri Russi Jal Taraporevala, the Board has appointed Shri Kersi J. Pardiwalla, an existing Non-Independent Director as an Independent Director for three consecutive years upto the conclusion of AGM that may be held for the Financial Year 2020. Accordingly, a resolution proposing his appointment alongwith his brief resume is provided under Notice of 37th AGM.

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.

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

KEY MANAGERIAL PERSONNEL

The Company had appointed three Key Managerial Personnel, viz. Shri Bharat N. Dave, Chief Executive Officer, Shri Harshad V. Mehta, Chief Financial Officer and Shri Soham A. Dave, as Company Secretary, to inter alia shoulder the responsibilities in their respective fields as envisaged under the provisions of the Companies Act, 2013.

Shri Bharat N. Dave has resigned from the post of Chief Executive Officer of the Company with effect from 24th April, 2017, on the grounds of old age. Shri Dave has been retained for advising and assisting the Company in its business of fund management, management of its equity and mutual fund portfolios, trading in securities, etc. The company will fill in the vacancy for the post of CEO in due course and within the time prescribed under the Companies Act, 2013.

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. The Programme aims to provide insights into the Company to enable the Independent Directors to understand and significantly contribute to its business.

AUDITORS

Statutory Auditors

Under the Companies Act, 2013 M/s. C. C. Chokshi & Co., Chartered Accountants, were appointed as the Statutory Auditors of the Company for three consecutive years to hold office upto the conclusion of the 37th AGM. The Act requires the Company to mandatory rotate the Auditors within or after three years if they are associated as Statutory Auditors with the Company for ten or more years.

Accordingly, the Company recommends M/s. Manubhai & Shah, Chartered Accountants (Firm Regn. No. 106041W/W100136), Ahmedabad, as the Statutory Auditors of the Company in place of the retiring auditors, M/s C. C. Chokshi & Co., Chartered Accountants, to hold office from the conclusion of the 37th AGM to the conclusion of the 42nd AGM (subject to ratification of the appointment by the members at every AGM held after this AGM). The Company has received a letter from them to the effect that their appointment, if made, 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 and 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, 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 a 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. 2016-17 is enclosed as "Annexure-B" to this report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna, members. The role and responsibilities, Company's policy on directors' appointment and remuneration including the criteria for determining the 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 of each Director and KMP, etc. more particularly described under Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in "Annexure C" to this Report.

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. As regards the 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 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.
- (c) Outgo under Foreign Exchange - Rs.14.88 Lacs.

SEXUAL HARASSMENT

Entire staff in the Company is working in a most congenial manner and there is 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. Mafattal
Chairman

Place: Mumbai

Dated: April 24, 2017.

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, 2017 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, 2017 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, 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 BSE Limited and the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 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.
- (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: 24th April, 2017

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: 24th April, 2017

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.
 - 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 (up to 17.11.2016)
 - (c) Smt. Datta B. Dave, Member
 - (d) Shri Kersi J. Pardiwalla, Member (from 18.01.2017)
3. Average net profit of the company for last three financial years- Rs.621.03 Lacs.
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) - Rs.12.42 Lacs.
5. Details of CSR spent during the financial year:
 - (a) Total amount spent during the financial year - Rs.12.50 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	Cummulative 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.12.50 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
 (KERSI J. PARDIWALLA) (MADHUSUDAN J. MEHTA)
 DIRECTOR CHAIRMAN - CSR COMMITTEE

Place: Mumbai
 Date: 24th April, 2017.

ANNEXURE 'C' TO DIRECTORS' REPORT

PART A - 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, 2017.

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	4.98 : 1	(6.60)
(ii) Shri Russi Jal Taraporevala, Director	0.00 : 1	(100)
(iii) Shri Arun P. Patel, Director	0.28 : 1	(27.27)
(iv) Shri Rajesh Jaykrishna, Director	0.28 : 1	(27.27)
(v) Shri Kersi J. Pardiwalla, Director	0.25 : 1	(30.00)
(vi) Shri Madhusudan J. Mehta, Director	0.26 : 1	(21.05)
(vii) Shri Framroz M. Pardiwalla, Director	0.07 : 1	(84.62)
(viii) Smt. Datta Bharat Dave, Director	0.23 : 1	(31.58)
(ix) Shri Bharat N. Dave, CEO		0.00
(x) Shri Soham A. Dave, CS		12.32
(xi) Shri Harshad V. Mehta, CFO		7.98

[C] Percentage increase in the median Remuneration of Employees - 3.52%

[D] Number of permanent Employees on the rolls of Company - 16

[E] 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 - 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 percentage increase in salaries of employees other than NEDs and KMP made in the year 2016-17 is 4.28% against (28.01%) increase in Managerial Remuneration. Managerial Remuneration, inter alia, consist of commission and Sitting Fees paid to NEDs and Remuneration of KMP.

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

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

PART B - List of top ten employees in terms of remuneration drawn during the year 2016-17 and various details related to them. [Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]:

Sr. No.	Name	Designation	Gross Remuneration (Rs. in Lacs)	Qualification and Experience	Date of joining	Age	Previous Employment
1.	Shri Bharat N. Dave	Chief Executive Officer	11.02	M.Com, CFA, AIB (London), CAIIB, 51 Years	21/03/1995	73 Years	Piramal Financial Services Ltd.
2.	Shri Harshad V. Mehta	Chief Financial Officer	8.45	B.Com, 39 Years	01/07/1998	59 Years	M. G. Associates
3.	Shri Ashish R. Kansara	Manager (Accounts)	5.91	B.Com, 8 Years	01/10/2009	42 Years	Sheelaja Enterprises Pvt. Ltd.
4.	Shri Nikhil K. Shah	Dy. Manager (Accounts)	5.61	B.Com, 36 Years	01/07/1989	56 Years	Standard Mills Co. Ltd.
5.	Shri Vinod N. Patel	Dy. Manager (Admin)	5.27	B.A., 35 Years	04/07/1981	59 Years	-
6.	Shri Soham A. Dave	Company Secretary	4.92	B.Com, D.I.P.R., A.C.S., 3 Years	04/02/2014	27 Years	-
7.	Shri Pramesh S. Shah (upto 5th December, 2016)	Asst. Secretarial	3.53	B.Com, 35 Years	01/07/1981	60 Years	-
8.	Shri Bipin J. Patel	Clerk - Misc.	3.08	B.Com, 39 Years	13/07/1981	58 Years	Bagicha Mills Co. Ltd.
9.	Smt. Jacinta J. Fernandes	Steno-cum-Receptionist	2.84	S.S.C, Secretarial Course, 33 Years	01/07/1986	52 Years	Shree Vallabh Glass Works Ltd.
10.	Shri Deepak B. Aawasthi	Clerk - Accounts	2.27	B.Com, 32 Years	01/07/1995	54 Years	Contemporary Arts & Krafts Ltd.

Notes:

- None of the above employees is a relative of any Director of the Company.
- None of the employees holds 2% or more of the paid-up equity share capital of the Company as per clause (iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- All the above employees are permanent employees of the Company.

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

Place: Mumbai
Dated: 24th April, 2017

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. 2016-17. However, for better disclosure, the details of non-material contracts or arrangements or transactions at arm's length basis is given hereunder :

Details of contracts or arrangements or transactions at Arm's length basis	
(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, 2016 to 18th August, 2017 (ii) From 19th August, 2016 to 18th August, 2017
(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:	27th July, 2016 (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: 24th April, 2017.

ANNEXURE 'E' TO DIRECTORS' REPORT

**FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31st March, 2017
[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. 506-508, Amarnath Business Centre-1, Beside Gala Business Centre, Near St. Xavier's College Corner, 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	997119	85 % from Investment activity & 15 % 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, World Trade 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, World Trade 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 01/04/2016				No. of Shares held as on 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:									
(1) Indian:									
(a) Individual/HUF	14,976	-	14,976	0.38%	14,976	-	14,976	0.38%	-
(b) Central Govt.	-	-	-	-	-	-	-	-	-
(c) State Govt.	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	18,71,100	-	18,71,100	47.16%	18,71,100	-	18,71,100	47.16%	-
(e) Banks/FI	-	-	-	-	-	-	-	-	-
(f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	18,86,076	-	18,86,076	47.54%	18,86,076	-	18,86,076	47.54%	-
(2) Foreign:									
(a) NRIs-Individuals	33,094	-	33,094	0.83%	33,094	-	33,094	0.83%	-
(b) Others-Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks/FI	-	-	-	-	-	-	-	-	-
(e) Any other	-	-	-	-	-	-	-	-	-

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Category of Shareholders	No. of Shares held as on 01/04/2016				No. of Shares held as on 31/03/2017				% 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. Public Shareholding									
1. Institutions:									
(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	3,97,738	-	3,97,738	10.02%	3,93,084	-	3,93,084	9.91%	(0.11%)
(g) FIs	-	-	-	-	-	-	-	-	-
(h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i) Others - Trust	180	-	180	0.00	-	-	-	-	0.00%
Sub-total (B) (1)	3,97,950	2,466	4,00,416	10.09%	3,93,116	2,466	3,95,582	9.98%	(0.11%)

Category of Shareholders	No. of Shares held as on 01/04/2016				No. of Shares held as on 31/03/2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions:									
(a) Bodies Corp.									
(i) Indian	1,33,150	1,10,508	2,43,658	6.14%	1,35,330	1,10,508	2,45,838	6.19%	0.05%
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	4,86,768	6,35,333	11,22,101	28.28%	4,59,811	5,94,803	10,54,614	26.58%	(1.70)%
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	1,58,736	1,23,839	2,82,575	7.12%	2,18,435	1,10,594	3,29,029	8.29%	1.17%
(c) Others (specify)	-	-	-	-	23,275	412	23,687	0.59%	0.59%
Sub-total (B) (2)	7,78,654	8,69,680	16,48,334	41.54%	8,36,851	8,16,317	16,53,168	41.63%	0.09%
Total Public Shareholding (B) = (B) (1) + (B) (2)	11,76,604	8,72,146	20,48,750	51.63%	12,29,967	8,18,783	20,48,750	51.63%	0.00%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	30,95,774	8,72,146	39,67,920	100%	31,49,137	8,18,783	39,67,920	100%	0.00%

(ii) Shareholding of Promoters

Sr. No.	Shareholders' Name	Shareholding as at 01/04/2016			Shareholding as at 31/03/2017			% 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	-
	TOTAL	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 01/04/2016				
Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease	NO CHANGE DURING THE YEAR			
As at 31/03/2017				

(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 01/04/2016					Top ten Shareholders and their Shareholding as at 31/03/2017						
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	No.	Name of Shareholder	No. of Shares	% of total shares of the Company
1.	Life Insurance Corporation of India	1,64,377	4.14%	1.	Life Insurance Corporation of India	1,64,377	4.14%	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%	2.	The New India Assurance Company Limited	89,593	2.26%
3.	The Oriental Insurance Company Limited	81,836	2.06%	3.	Mafatlal Industries Limited	79,920	2.01%	3.	Mafatlal Industries Limited	79,920	2.01%
4.	Mafatlal Industries Limited	79,920	2.01%	4.	The Oriental Insurance Company Limited	77,182	1.95%	4.	The Oriental Insurance Company Limited	77,182	1.95%
5.	Man Made Fibres Private Limited	62,000	1.56%	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.	General Insurance Corporation Of India	42,616	1.07%	6.	General Insurance Corporation Of India	42,616	1.07%
7.	General Insurance Corporation Of India	42,616	1.07%	7.	Panna Hemant Mafatlal	38,216	0.96%	7.	Panna Hemant Mafatlal	38,216	0.96%
8.	Panna Hemant Mafatlal	38,216	0.96%	8.	Shashank S Khade	36,954	0.93%	8.	Shashank S Khade	36,954	0.93%
9.	Integrated Financial Services Ltd.	30,100	0.76%	9.	Sundaraman Vallur Gopalaraghava	28,198	0.71%	9.	Sundaraman Vallur Gopalaraghava	28,198	0.71%
10.	Miheer Hemant Mafatlal	25,620	0.65%	10.	Integrated Financial Services Ltd.	27,000	0.68%	10.	Integrated Financial Services Ltd.	27,000	0.68%

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

(v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding as at 01/04/2016		Shareholding as at 31/03/2017	
	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 (Expired on 07/01/2017)	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 (upto 17/11/2016)	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 Harshad V. Mehta	50	0.00%	50	0.00%
Shri Soham A. Dave	1	0.00%	1	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 (up to 07-01-2017)	Shri Arun P. Patel	Shri Rajesh Jaykrishna	Shri Framroz M. Pardiwalla (up to 17-11-2016)	Shri Kersi J. Pardiwalla (from 18-01-2017)	
Fee for attending Board / Committee meetings (Rs.)	-	30,000	30,000	20,000	20,000	1,00,000
Commission (Rs.)	-	50,000	50,000	-	50,000	1,50,000
Others, please, specify	-	-	-	-	-	
Total (B)(1) (Rs.)		80,000	80,000	20,000	70,000	2,50,000

(II) Other Non-Executive Directors

Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
	Shri Pradeep R. Mafatlal	Shri Madhusudan J. Mehta	Smt. Datta B. Dave	
Fee for attending Board / Committee meetings (Rs.)	15,000	25,000	15,000	55,000
Commission (Rs.)	14,00,000	50,000	50,000	15,00,000
Others, please specify	-	-	-	-
Total (B)(2) (Rs.)	14,15,000	75,000	65,000	15,55,000
Total Managerial Remuneration (all Directors) (Rs.)	-	-	-	16,50,000*
Overall Ceiling as per the Act (Rs.)				16,76,428

* 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.	Gross Salary :				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.80	4.82	8.13	23.75
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.22	0.10	0.32	0.64
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- As % of profit	-	-	-	-
	- others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	11.02	4.92	8.45	24.39

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. As on 31st March, 2017, the Board comprises of 6 Non-Executive Directors, of whom 3 Directors are Independent and 3 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 and the Annual General Meeting during the year 2016-17, the particulars of number 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 (expired on 7th January, 2017)	Independent Non-Executive	-	No	-	-
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 (Independent Director w.e.f. 18th January, 2017)	Independent Non-Executive	3	Yes	5	4 (Chairman of 4)
6. Shri Madhusudan J. Mehta	Non-Independent Non-Executive	3	Yes	10	1
7. Shri Framroz M. Pardiwalla (upto 17th November, 2016)	Independent Non-Executive	2	Yes	-	-
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 27.04.2016, 27.07.2016, 12.11.2016 and 18.01.2017.

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 at www.stanroseinvest.com.

3. POLICY ON PROHIBITION OF INSIDER TRADING

With a view to regulate trading in securities by the directors and designated employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015.

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 three Independent Non-Executive Directors, viz. Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna. Shri Russi Jal Taraporevala and Shri Framroz M. Pardiwalla were Members of this Committee upto 7th January, 2017 and 17th November, 2016, respectively. The Board has inducted Shri Kersi J. Pardiwalla, an Independent Director in the Committee and appointed him as a Chairman w.e.f. 18th January, 2017. 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 and Shri Rajesh Jaykrishna attended four meetings, Shri Framroz M. Pardiwalla attended one, Shri Russi Jal Taraporevala and Shri Kersi J. Pardiwalla could not attend any meeting during their tenure.

(b) Nomination and Remuneration Committee

The Board of Directors has constituted a Nomination and Remuneration Committee comprising of Shri Kersi J. Pardiwalla, Chairman, Shri Arun P. Patel and Shri Rajesh Jaykrishna. Shri Russi Jal Taraporevala and Shri Framroz M. Pardiwalla were Members of this Committee upto 7th January, 2017 and 17th November, 2016, respectively. The Board has inducted Shri Arun P. Patel and Shri Rajesh Jaykrishna, Independent Directors in the Committee and appointed Shri Kersi J. Pardiwalla as its Chairman w.e.f. 18th January, 2017.

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. As there was no necessity, the Committee did not meet during the year.

(c) Stakeholders' Relationship Committee

The Stakeholders Relationship Committee deals with the matters 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: Up to 7th January, 2017, Shri Russi Jal Taraporevala and from 18th January, 2017, Shri Kersi J. Pardiwalla.
- ii) Name and Designation of Compliance Officer : Shri Soham A. Dave, Company Secretary.
- iii) Number of shareholders' complaints received : During the year 2016-17, the Company received 4 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

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

v) Number of pending complaints: NIL

Shri Framroz M. Pardiwalla was a Member of this Committee upto 17th November, 2016. The Board has inducted Shri Kersi J. Pardiwalla, an Independent Director in the Committee and appointed him as its Chairman w.e.f. 18th January, 2017. During the year, the Committee met once. Shri Kersi J. Pardiwalla, Shri Pradeep R. Mafatlal and Shri Madhusudan J. Mehta attended the Meeting.

6. 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.

7. DIRECTORS' REMUNERATION FOR THE FINANCIAL YEAR 2016-17

The Non-Executive Directors are paid Sitting Fees of Rs. 5,000/- for attending each Meeting 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, 2017, 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 2016-17 to the Directors are given below (Table No. 2) :

8. GENERAL BODY MEETINGS:

i) Location and time, where last three AGMs were held:

On 27-07-2016 at 10.30 A.M.

On 12-08-2015 at 10.30 A.M.

On 02-08-2014 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

9. DISCLOSURES

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

During the year 2016-17, 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.

TABLE NO. 2 (Reference : Para 7)

Name of Director	Remuneration paid For the F.Y. 2016-2017			No. of Shares held as on 31-3-2017#
	Sitting Fee Rs.	Commission (For 2016-2017) Rs.	Total Rs.	
Shri Pradeep R. Mafatlal	15,000	14,00,000	14,15,000	28,842
Shri Russi Jal Taraporevala	-	-	-	32
Shri Arun P. Patel	30,000	50,000	80,000	175
Shri Rajesh Jaykrishna	30,000	50,000	80,000	156
Shri Kersi J. Pardiwalla	20,000	50,000	70,000	300
Shri Madhusudan J. Mehta	25,000	50,000	75,000	434
Shri Framroz M. Pardiwalla	20,000	-	20,000	14
Mrs. Datta B. Dave	15,000	50,000	65,000	18

Including Joint Holding.

(c) Vigil Mechanism / Whistle Blower Policy:

The Company has established Vigil Mechanism and framed Whistle Blower Policy for the directors and the employees to report 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. Shri Soham A. Dave, 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 2016-17.

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

The Company has complied with all mandatory requirements of the 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.

10. 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), "Financial Express" (English and Gujarati) and are displayed on Company's website 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 : Not Applicable
- 4) Whether Management Discussion & Analysis is a part of the Annual Report or not : Yes.

11. GENERAL SHAREHOLDERS INFORMATION

The Company is registered in the State of Gujarat with the Registrar of Companies, Gujarat at Ahmedabad. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65910GJ1980PLC003731.

(a) 37th Annual General Meeting

Date & Time: 4th August, 2017 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 30-6-2017:

By 14th August, 2017

Quarter ending 30-9-2017:

By 14th November, 2017

Quarter ending 31-12-2017:

By 14th February, 2018

Year ending 31-3-2018:

Audited Results by 30th May, 2018.

(c) Book Closure Dates for AGM & Dividend :

29th July, 2017 to 4th August, 2017

(both days inclusive)

(d) Dividend Payment Date:

From 17th August, 2017 onwards but within 30 days from the date of AGM.

(e) Unpaid Dividend :

- (i) 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, 2009 to the Investor Education and Protection Fund (IEPF), as required under Section 205A(5) of the erstwhile Companies Act, 1956 and Section 124(5) of the Companies Act, 2013, respectively within the prescribed time limit.

By coming into force of Section 124 of the Companies Act, 2013 and notification of the Ministry of Corporate Affairs of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any shareholder can claim his/her dividend(s) from the IEPF Authority by making an application in online Form IEPF 5 available on the IEPF's website at www.iepf.gov.in. 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,

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Naranpura, Ahmedabad - 380 013 and in respect of subsequent financial years at IEPF's website viz. www.iepf.gov.in by filing prescribed online Form IEPF 5 and following other procedures mentioned therein.

The aggregate amount lying in various Unpaid Dividend Accounts as at 31st March, 2017 is Rs.62,02,979/-.

During the year under review, the Company has credited Rs.4,31,753/- lying in unpaid/unclaimed dividend account for the year ended 31st March, 2009 to the IEPF. The cumulative amount transferred by the Company to IEPF up to 31st March, 2017 is Rs. 25,27,146/-.

- (ii) Pursuant to the provisions of Sections 124(5) and 125(2)(c) of the Companies Act, 2013, dividend for the financial year ended on 31st March, 2010 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
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
35th	31-03-2016	27-07-2016	26-07-2023

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 Shareholders can view the aforesaid information on the website of IEPF viz. www.iepf.gov.in and under "Investor

Relations" on the website of the Company, viz. 'www.stanroseinvest.com'. 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.

- (iii) All the shares in respect of which the dividends are unpaid or unclaimed for seven consecutive years or more shall be transferred in the name for IEPF. All the Members whose dividends of last seven years are unpaid or unclaimed and whose shares are liable to be transferred to IEPF are informed and requested to claim their dividends before their shares are transferred to IEPF. Once transferred, Members can also claim their shares or dividends from IEPF Authority by filing online Form IEPF 5 on the IEPF's website viz. www.iepf.gov.in

(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 modes 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 to

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: 506-508, Amarnath Business Centre-1 (ABC-1), B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Ellis Bridge, Ahmedabad - 380 006, 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, 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 at 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. Shri Soham A. Dave, Company Secretary and Compliance Officer of the Company approves the work relating to transfer of shares, transmission, splitting and consolidation, etc. 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.

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

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

requests and other communication in relation thereto be addressed to the Company's Registrar and Share Transfer Agent is Link Intime India Pvt. Ltd., 506-508, Amarnath Business Centre-1 (ABC-1), B/s. Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Ellis Bridge, Ahmedabad - 380006, Gujarat. Tel. 079-26465179/86/87
Email: ahmedabad@linkintime.co.in.

(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.

(m) Registrar and Share Transfer Agent:

All correspondence for transfer of shares, demat

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

Listed on BSE. Listing fee for 2017-18 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 both 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:

- | | |
|--|---|
| <ul style="list-style-type: none"> ❖ Execution of trades in demat in market lot of ONE equity share is available on BSE. ❖ To improve the liquidity in terms of number of transactions and volume of shares on the Exchange. ❖ For better discovery of price on the Exchange. ❖ Faster settlement cycle, making the transactions of sale, purchase and transfer much simpler and faster. ❖ Faster disbursement of Non-cash corporate benefits like Rights, Bonus, etc. ❖ To lower the transaction cost. Lower brokerage is charged by many brokers for trading in dematerialised securities. | <ul style="list-style-type: none"> ❖ Elimination of bad deliveries. ❖ No stamp duty on transfer. ❖ Periodic Status Report and information available on internet. ❖ Ease related to change of address of investor. ❖ Elimination of problems related to transmission. ❖ 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, 2017 :

TABLE NO. 4

Sr. No.	Number or range of Shares held	Shareholders			Shares held		
		Number	% to total Number	Cumulative %	Number	% to total Number	Cumulative %
1.	1 to 500	33,308	98.99	98.99	6,63,468	16.72	16.72
2.	501 to 1,000	167	0.50	99.49	1,22,236	3.08	19.80
3.	1,001 to 2,000	85	0.25	99.74	1,18,748	2.99	22.79
4.	2,001 to 3,000	16	0.05	99.79	39,570	1.00	23.79
5.	3,001 to 4,000	13	0.04	99.83	44,934	1.13	24.92
6.	4,001 to 5,000	8	0.02	99.85	36,822	0.93	25.85
7.	5,001 to 10,000	15	0.04	99.89	1,07,815	2.72	28.57
8.	10,001 & More	35	0.11	100.00	28,34,327	71.43	100.00
		33,647	100.00		39,67,920	100.00	

(p) (ii) Shareholding Pattern as at 31st March, 2017 :

TABLE NO. 5

Category	No. of Share - holders	No. of Shares held	% of Share-holding
A) PROMOTERS' HOLDING :			
- Indian	8	18,86,076	47.53
- Foreign	2	33,094	0.84
SUB - TOTAL A	10	19,19,170	48.37
B) PUBLIC HOLDING :			
(i) Institutions	15	3,95,582	9.97
(ii) Non Institutions			
(a) Private Corporate Bodies	101	2,45,838	6.20
(b) Individuals	33,521	14,07,330	35.46
SUB-TOTAL B	33,637	20,48,750	51.63
GRAND TOTAL (A + B)	33,647	39,67,920	100.00

(q) Stock Market Data :

(i) The particulars of High-Low prices and the volume during each month of 2016-17 on the Bombay Stock Exchange Ltd. (BSE) are given hereunder:

Month 2016	High Rs.	Low Rs.	Volume (Nos.)
April	167.90	121.60	25,499
May	130.00	125.05	7,658
June	138.40	126.25	4,089
July	153.90	125.50	63,533
August	173.50	141.00	86,052
September	174.95	143.00	66,295
October	238.00	158.00	89,403
November	238.95	150.05	24,532
December	188.50	157.00	24,602
2017			
January	185.00	162.55	16,868
February	182.90	158.20	16,865
March	189.00	155.00	57,716
Fiscal-2016-17	238.95	121.60	4,83,112

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

During the Financial Year 2016-17, the Company's share price over performed the benchmark indice. The Company's share price increased by 29.84% as compared to an increase of 16.88% in BSE Sensex.

(r) Dematerialisation of Shares

79.36% of Company's paid-up Equity Share Capital is dematerialized upto 31st March, 2017.

Sr. No.	Electronic / Physical	No. of Folios	No. of Shares	%
1.	NSDL	2,706	28,40,747	71.59%
2.	CDSL	914	3,08,390	7.77%
3.	Physical	30,027	8,18,783	20.64%
	TOTAL	33,647	39,67,920	100.00 %

Mumbai,
Dated: 24th April, 2017

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

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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the said Regulations") for the financial year ended 31st March, 2017. 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.

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**
Company Secretaries

Place: Ahmedabad
Date: 24th April, 2017

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, 2017, 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.

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 standalone 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.

In conducting 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.

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

standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 standalone financial statements.

We believe that the audit evidence obtained by us 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, 2017, and 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, based on our audit 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.
 - (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 Accounting Standards prescribed under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March,

2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Company does not have any pending litigations which would impact its financial position;
 - (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.
 - (iv) The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
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 : 24th April, 2017*

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) 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 March 31, 2017 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 March 31, 2017, 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 : 24th April, 2017

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,

STANDROSE MAFATLAL

- 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. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as 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, 2017 for a period of more than six months from the date they became payable.
 - (c) There were no disputed dues which have not been deposited as on 31st March, 2017 on account of disputes.
 8. The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures.
 9. 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 material 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 directors of subsidiary or persons connected with them 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-IA 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
Partner
[Membership No. 35701]

Ahmedabad,
Dated : 24th April, 2017

BALANCE SHEET as at 31st March, 2017

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2017	As at 31-3-2016
I Equity and Liabilities :			
Shareholders' Funds :			
Share Capital	2	3,96,79,200	3,96,79,200
Reserves and Surplus	3	53,50,21,617	49,15,58,451
		<u>57,47,00,817</u>	<u>53,12,37,651</u>
Non-current Liabilities :			
Long Term Provisions	4	10,16,565	13,13,217
		<u>10,16,565</u>	<u>13,13,217</u>
Current Liabilities :			
Trade Payables	5		
Due to Micro and Small Enterprises		-	-
Due to Others		9,18,850	15,90,846
Other Current Liabilities		78,56,987	75,99,014
Short-term Provisions		14,55,368	2,96,51,639
		<u>1,02,31,205</u>	<u>3,88,41,499</u>
Total		<u>58,59,48,587</u>	<u>57,13,92,367</u>
II ASSETS :			
Non-current Assets			
Fixed Assets :	6		
Tangible Assets		1,43,03,547	1,27,82,175
Non-current Investments	7	27,79,63,925	23,99,24,879
Deferred Tax Assets (Net)	8	23,13,021	21,30,933
Long Term Loans and Advances	9	11,17,94,035	15,11,15,290
		<u>40,63,74,528</u>	<u>40,59,53,277</u>
Current Assets :			
Stock-in Trade	10	14,73,373	17,00,830
Trade Receivables		-	6,15,449
Cash and Cash Equivalents		1,48,77,288	72,52,928
Short Term Loans and Advances		16,32,20,868	14,56,84,157
Other Current Assets		2,530	1,01,85,726
		<u>17,95,74,059</u>	<u>16,54,39,090</u>
Total		<u>58,59,48,587</u>	<u>57,13,92,367</u>

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p align="center">For C.C. CHOKSHI & CO. Chartered Accountants GAURAV J. SHAH Partner Ahmedabad, Dated : 24th April, 2017</p>	<p align="center">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p align="center">K. J. PARDIWALLA M. J. MEHTA Director Director</p> <p align="center">Mumbai, S. A. DAVE H. V. MEHTA Dated : 24th April, 2017 Company Secretary Chief Financial Officer</p>
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STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2017

(Amount in Rupees)

Particulars	Note No.	Year ended 31-03-2017	Year ended 31-03-2016
Revenues :			
Revenue from Operations	11	9,41,43,628	10,93,99,007
Other Income	12	92,976	1,07,542
Total Revenue		<u>9,42,36,604</u>	<u>10,95,06,549</u>
Expenses :			
Employee benefit expenses	13	79,69,946	92,04,557
Depreciation and amortisation expenses		40,65,747	32,43,928
Other Expenses	14	2,81,24,969	2,50,27,985
Total Expenses		<u>4,01,60,662</u>	<u>3,74,76,470</u>
Profit before Taxes		5,40,75,942	7,20,30,079
Tax Expense :			
Current Tax		95,00,000	1,26,00,000
Deferred Tax		(1,82,088)	(3,41,809)
		<u>4,47,58,030</u>	<u>5,97,71,888</u>
Short Provision of Taxation in respect of earlier Years [Net] ...		12,94,864	-
Profit for the year		<u>4,34,63,166</u>	<u>5,97,71,888</u>
Earnings per equity share (of Rs. 10/- each)			
Basic		10.95	15.06
Diluted		10.95	15.06

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;">For C.C. CHOKSHI & CO. Chartered Accountants GAURAV J. SHAH Partner Ahmedabad, Dated : 24th April, 2017</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;">K. J. PARDIWALLA M. J. MEHTA Director Director</p> <p style="text-align: center;">Mumbai, S. A. DAVE H. V. MEHTA Dated : 24th April, 2017 Company Secretary Chief Financial Officer</p>
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CASH FLOW STATEMENT for the year ended on 31st March, 2017

(Amount in Rupees)

	Year ended 31-3-2017	Year ended 31-3-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	5,40,75,942	7,20,30,079
Adjustments for :		
Depreciation	40,65,747	32,43,928
Contingent Provision against Standard Assets	-	85,000
Income from Investments	(6,82,94,526)	(8,46,04,561)
Interest Income on deposits	(1,41,26,143)	(1,31,31,681)
Profit on Assets Sold	-	(1,906)
OPERATING PROFIT / (LOSS) BEFORE WORKING CAPITAL CHANGES	(2,42,78,979)	(2,23,79,140)
Changes in Working Capital Adjustments for :		
Trade Receivables	6,15,449	3,72,879
Purchase of Investments	(5,71,66,057)	(96,95,496)
Sale of Investments	8,74,21,536	9,12,78,160
Inventories - Stock in trade	2,27,457	(1,46,392)
Long-term Loans and Advances	28,265	1,57,132
Short-term Loans and Advances	(24,46,711)	(3,46,702)
Other Current Assets	1,01,83,196	(3,19,230)
Trade Payables	(6,71,996)	8,93,853
Other Current Liabilities	2,57,973	5,72,168
Long-term Provisions	(2,96,652)	-
Short-term Provisions	(8,348)	2,75,502
CASH GENERATED FROM / (USED IN) OPERATIONS	1,38,65,131	6,06,62,732
Interest Income on deposits	1,41,26,143	1,31,31,681
Direct Taxes (Paid)	(1,03,28,531)	(1,39,74,361)
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES (A)	1,76,62,743	5,98,20,052
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(56,61,184)	(26,29,284)
Sale of Fixed Assets	74,065	15,000
(Advances given to) / refund received from subsidiary Company	13,77,97,962	(1,48,00,000)
Inter-Corporate Deposits given	(1,50,90,000)	(1,37,00,000)
Loan given to others	(9,85,04,972)	-
Bank balances not considered as Cash and cash equivalents	(6,63,965)	(5,72,168)
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	1,79,51,906	(3,16,86,452)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,86,54,255)	(2,86,54,255)
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	(2,86,54,255)	(2,86,54,255)

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NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>69,60,395</u>	<u>(5,20,654)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	17,13,914	22,34,568
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	86,74,309	17,13,914

Notes :

- 1) Cash and cash equivalents as at the end of the Year:

Cash on hand	93,615	3,26,200
Balances with Banks in Current Accounts	85,80,694	13,87,714
Total	<u>86,74,309</u>	<u>17,13,914</u>
- 2) 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 Standard) Rules, 2006.
- 3) Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification. See accompanying notes forming part of the financial statements.

<p>In terms of our Report attached.</p> <p style="text-align: center;">For C.C. CHOKSHI & CO. <i>Chartered Accountants</i> GAURAV J. SHAH <i>Partner</i> Ahmedabad, Dated : 24th April, 2017</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%; text-align: center;"> <tr> <td>K. J. PARDIWALLA <i>Director</i></td> <td>M. J. MEHTA <i>Director</i></td> </tr> <tr> <td>S. A. DAVE <i>Company Secretary</i></td> <td>H. V. MEHTA <i>Chief Financial Officer</i></td> </tr> </table> <p style="text-align: center;">Mumbai, Dated : 24th April, 2017</p>	K. J. PARDIWALLA <i>Director</i>	M. J. MEHTA <i>Director</i>	S. A. DAVE <i>Company Secretary</i>	H. V. MEHTA <i>Chief Financial Officer</i>
K. J. PARDIWALLA <i>Director</i>	M. J. MEHTA <i>Director</i>				
S. A. DAVE <i>Company Secretary</i>	H. V. MEHTA <i>Chief Financial Officer</i>				

NOTES TO FINANCIAL STATEMENTS for the year ended 31st March, 2017

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. 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 except in the case of Non-Performing Assets(NPA's),where interest income is recognised, upon realisation, as per the RBI guidelines.

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 cost net of

recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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. Classification of loan portfolio and provisioning policy

The Company classifies its loan portfolio in accordance with the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 into Performing and Non-performing Assets (NPA). Further, NPAs are classified into sub-standard, doubtful and loss assets.

l. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transaction of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

m. 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.

n. 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.

o. 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.

p. FOREIGN EXCHANGE TRANSACTIONS :

Transactions denominated in foreign

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currencies are normally recorded at the exchange rates prevailing on the date of the transaction.

q. 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
	31-3-2017	31-3-2016
	Rupees	Rupees
AUTHORISED SHARE CAPITAL :		
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid-up :		
39,67,920 (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights	3,96,79,200	3,96,79,200
Total	3,96,79,200	3,96,79,200

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	39,67,920	39,67,920

(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:

1. Shanudeep Pvt. Ltd.	Nos.	9,80,078	9,80,078
	% holding	24.70 %	24.70 %
2. Vinadeep Investments Pvt. Ltd.	Nos.	4,19,870	4,19,870
	% holding	10.58 %	10.58 %
3. Sheiladeep Investments Pvt. Ltd.	Nos.	3,90,297	3,90,297
	% holding	9.84 %	9.84 %

(iv) The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.

(v) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

3. RESERVES AND SURPLUS :

Particulars	As at	As at
	31-3-2017	31-3-2016
	Rupees	Rupees
Securities Premium Reserve		
Balance as per last Balance Sheet.	9,91,98,000	9,91,98,000
Reserve U/S.45 IC of RBI Act, 1934:		
Balance as per last Balance Sheet.	12,59,00,000	11,34,00,000
Add : Amount transferred from Statement of Profit and Loss.	87,00,000	1,25,00,000
	13,46,00,000	12,59,00,000
General Reserve No. I :		
Balance as per last Balance Sheet.	12,40,00,000	12,30,00,000
Add : Transferred from Statement of Profit and Loss	10,00,000	10,00,000
	12,50,00,000	12,40,00,000
General Reserve No. II :		
Balance as per last Balance Sheet.	20,00,000	20,00,000
Add: Transfer from Statement of Profit and Loss	-	-
	20,00,000	20,00,000
Statement of Profit and Loss		
Balance as per last Balance Sheet	14,04,60,451	12,28,42,818
Add : Profit for the year Available for Appropriations	4,34,63,166	5,97,71,888
	18,39,23,617	18,26,14,706
Less: Appropriations:		
Transfer to Reserve u/s 45 IC of RBI Act,1934	87,00,000	1,25,00,000
Proposed Dividend (Refer Note 27 B)	-	2,38,07,520
Distribution tax on proposed dividend	-	48,46,735
Transfer to General Reserve No. I	10,00,000	10,00,000
Transfer to General Reserve No. II	-	-
	17,42,23,617	14,04,60,451
Total	53,50,21,617	49,15,58,451

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	As at	As at	Particulars	As at	As at
	31-3-2017	31-3-2016		31-3-2017	31-3-2016
	Rupees	Rupees		Rupees	Rupees
4. NON CURRENT LIABILITIES			SHORT TERM PROVISIONS		
LONG TERM PROVISIONS			Provision for Employee		
Provision for Employee			Benefits	4,55,652	5,44,000
Benefits	7,16,565	9,33,217	Contingent Provisions		
Contingent Provisions against			against Standard Assets	4,60,000	3,80,000
Standard Assets	3,00,000	3,80,000	Proposed Dividend	-	2,38,07,520
Total	10,16,565	13,13,217	Provision for Tax on		
			Proposed Dividend	-	48,46,735
			Provision for Taxation	5,39,716	73,384
			(Net of advance tax)		
				14,55,368	2,96,51,639
5. CURRENT LIABILITIES			Total	1,02,31,205	3,88,41,499
TRADE PAYABLES					
Sundry Creditors					
Mircro and small enterprises	-	-			
(Refer Note 18)					
Others	9,18,850	15,90,846			
	9,18,850	15,90,846			
OTHER CURRENT LIABILITIES					
Statutory Liabilities	4,008	-			
Unclaimed dividend	62,02,979	55,39,014			
Other payables	16,50,000	20,60,000			
	78,56,987	75,99,014			

(Amount in Rupees)

6. FIXED ASSETS :	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2016	Additions during year	Deductions/ Adjust-ments during the year	As at 31-3-2017	As at 1-4-2016	For the year	Deductions during the year	As at 31-3-2017	As at 31-3-2017	As at 31-3-2016
Tangible Assets										
Buildings (Refer Note)	1,25,06,883	—	—	1,25,06,883	63,17,313	7,43,588	—	70,60,901	54,45,982	61,89,570
Furniture & Fixtures	73,05,624	14,54,703	—	87,60,327	56,55,466	10,38,878	—	66,94,344	20,65,983	16,50,158
Office Equipment	57,99,548	1,88,505	29,425	59,58,628	31,44,452	10,38,517	27,954	41,55,015	18,03,613	26,55,096
Vehicles	1,44,68,794	40,17,976	6,06,116	1,78,80,654	1,21,81,443	12,44,764	5,33,522	1,28,92,685	49,87,969	22,87,351
TOTAL	4,00,80,849	56,61,184	6,35,541	4,51,06,492	2,72,98,674	40,65,747	5,61,476	3,08,02,945	1,43,03,547	1,27,82,175
Previous Year.	3,75,09,315	26,29,284	57,750	4,00,80,849	2,40,99,402	32,43,928	44,656	2,72,98,674	1,27,82,175	

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			As at 31-3-2017		As at 31-3-2016	
		Share	Qty.	At Cost or Book Value	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		
	Total (A)			10,03,006		10,03,006		

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Sr. No	Particulars	Face Value per Share	As at 31-3-2017		As at 31-3-2016	
			Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
(B) In Shares of other Companies (At Cost) :						
In Equity Shares :						
(i) Quoted (Fully paid) (Non-Traded) :						
1.	Bajaj Finserv Limited	5	5,000	96,95,496	5,000	96,95,496
2.	Eicher Motors Limited	10	-	-	1,000	3,84,770
3.	Housing Development Finance Corp. Ltd.	2	30,000	6,34,182	50,000	10,56,970
4.	HDFC Bank Limited.	2	35,000	1,83,19,452	70,000	3,66,38,905
5.	Infosys limited.....	5	5,000	49,17,853	-	-
6.	Innovassynth Investments Limited	10	25,962	-	25,962	-
7.	ITC Limited	1	45,000	26,27,555	30,000	26,27,555
8.	Standard Industries Limited	5	1,24,04,487	18,21,90,871	1,24,04,487	18,21,90,871
9.	State Bank of India	1	20,000	22,35,147	20,000	22,35,147
10.	Tata Steel Limited	10	5,000	13,49,369	5,000	13,49,369
11.	Virat Industries Limited.	10	34,250	3,42,500	34,250	3,42,500
Total B(i)				22,23,12,425		23,65,21,583
(ii) Unquoted (Fully Paid) :						
1.	Asian Electronics Limited	5	1,600	-	1,600	-
2.	Duville Estates Pvt. Ltd.	10	14,47,714	5,22,48,204	-	-
3.	Federal-Mogul Bearings India Limited	10	582	55,290	582	55,290
4.	Futura Polyesters Limited	10	78,300	-	78,300	-
5.	Sarju International Limited	10	25,000	-	25,000	-
6.	SIP Technologies and Exports Ltd.	10	3,000	-	3,000	-
7.	Stanrose Fund Management Services Limited	100	950	95,000	950	95,000
Total B(ii)				5,23,98,494		1,50,290
Total B				27,47,10,919		23,66,71,873
(C) In Other Investments						
Farewell - Painting				22,50,000		22,50,000
Total C				22,50,000		22,50,000
Total. (A + B + C)				27,79,63,925		23,99,24,879

NOTES :

(a) Aggregate Value of Quoted Investments:

Cost/Book Value	22,23,12,425	23,65,21,583
Market Value	46,98,65,381	47,24,46,557

(b) Aggregate Value of Unquoted Investments: ...

Cost/Book Value	5,56,51,500	34,03,296
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Particulars	As at	As at	Particulars	As at	As at
	31-3-2017	31-3-2016		31-3-2017	31-3-2016
	Rupees	Rupees		Rupees	Rupees
8. DEFERRED TAX ASSETS					
Deferred Tax Assets /			On account of Provisions		
(Liabilities) as at year end :			for :		
on difference between book			-- Standard Assets	2,51,279	2,46,582
balance and tax balance of			-- Compensated Absence	3,08,550	3,02,782
Fixed Assets	17,53,192	15,81,569	Total	23,13,021	21,30,933

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	As at	As at
	31-3-2017	31-3-2016
	Rupees	Rupees

9. LONG TERM LOANS & ADVANCES

(Unsecured Considered Good)

Advance to Related Party	1,26,45,225	15,04,43,187
Loan to Others	9,85,04,972	-
Loans to Staff	4,92,623	5,53,588
Accrued Interest on staff loans	1,51,215	1,18,515
Total	11,17,94,035	15,11,15,290

10. CURRENT ASSETS :

(Amount in Rupees)

Particulars	As at	As at
	31-3-2017	31-3-2016
	Rupees	Rupees
STOCK IN TRADE (At lower of cost or net realisable value)	14,73,373	17,00,830

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

Sr. No.	Name of the Company	Face Value	Closing Stock (Qty.)		As at 31-3-2017	As at 31-3-2016
			As at 31-3-2017	As at 31-3-2016		
		Rs.			Rupees	Rupees

(A) Equity Shares (Quoted) :

1.	Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
2.	Coffee Day Enterprises Ltd.	10	50	-	12,083	-
3.	Delta Corporation Limited	1	-	500	-	33,050
4.	Helios & Matheson Info. Tech. Ltd.	10	500	500	3,135	3,135
5.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	2,14,540
6.	JK Tyre & Industries Limited	2	-	300	-	25,260
7.	KPIT Technologies Ltd	2	800	800	1,17,920	1,17,920
8.	Lambodhara Textiles Ltd.	5	350	-	50,330	-
9.	NCC Ltd.	2	700	700	53,095	53,095
10.	Nestle India Limited	10	147	147	8,48,036	8,48,036
11.	Raymond Ltd	10	-	300	-	1,21,890
12.	Tata Power Limited	1	700	700	45,255	45,255
13.	Tata Steel Limited	10	400	400	1,27,800	1,27,800
	Total (A)				14,73,373	15,91,160

Market Value

19,74,361

15,91,160

Cost

14,73,373

15,91,160

(B) In other Investments :

1.	10% ICICI Bank Bond - 2017 A/c 10,000	-	11	-	1,09,670
	Total (B)			-	1,09,670
	Market Value			-	1,09,670
	Cost			-	1,09,670
	Total [A+B]			14,73,373	17,00,830

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			19,74,361	17,00,830
			14,73,373	17,00,830
			14,73,373	17,00,830
Total Market Value			19,74,361	17,00,830
Total Cost			14,73,373	17,00,830
Lower of cost or net realisable value / Market Value			14,73,373	17,00,830
	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees	Year ended 31-3-2017 Rupees	Year ended 31-3-2016 Rupees
TRADE RECEIVABLES				
(Unsecured Considered good unless otherwise stated)				
Outstanding for a period exceeding six months from the				
Due date	-	-		
Others	-	6,15,449		
	-	6,15,449		
CASH AND BANK BALANCES				
Cash and Cash Equivalent : (As per AS3 Cash Flow Statement)				
Cash on hand	93,615	3,26,200		
Balance with Banks.....				
in Current Accounts.....	85,80,694	13,87,714		
Other Bank Balance				
In earmarked accounts				
unpaid dividend accounts	62,02,979	55,39,014		
	1,48,77,288	72,52,928		
SHORT-TERM LOANS AND ADVANCES				
(Unsecured, considered good)				
Sundry Deposits	1,26,475	1,26,475		
Intercompany Deposits	15,87,90,000	14,37,00,000		
Other advances	34,69,500	9,72,640		
Current Maturity of Loan and Advances to Staff	4,33,500	5,53,139		
Prepaid Expenses	4,01,393	3,31,903		
Total	16,32,20,868	14,56,84,157		
OTHER CURRENT ASSETS				
Interest Receivable	2,530	1,01,85,726		
	2,530	1,01,85,726		
Total	17,95,74,059	16,54,39,090		
	Year ended 31-3-2017 Rupees	Year ended 31-3-2016 Rupees		
11. REVENUE FROM OPERATIONS				
Interest on ICD	1,41,26,143	1,31,31,681		
Dividend Income from				
Non-current Investments	1,07,80,063	1,16,37,408		
Dividend Income from investment held as stock				
in trade	21,433	25,357		
Profit from Trading of Shares and Securities (Refer Note A)				
Profit on Sale of Investments (Net)			9,21,463	-
Total	9,41,43,628	10,93,99,007		
Note A : Details of profit from Trading in Shares and Securities are as under :				
Sales	6,19,80,857	4,16,73,859		
Closing Stock	14,73,373	17,00,830		
Total (A)	6,34,54,230	4,33,74,689		
Less : Opening Stock	17,00,830	15,54,438		
Purchases	6,08,31,937	4,21,22,940		
Total (B)	6,25,32,767	4,36,77,378		
Total (A-B)	9,21,463	(3,02,689)		
12. OTHER INCOME				
Interest on Loan to Employees	54,198	40,597		
Profit on Sale of Fixed Assets	-	1,906		
Miscellaneous Income	38,778	65,039		
Total	92,976	1,07,542		
13. EMPLOYEE BENEFIT EXPENSES				
Salaries, Wages and Allowances	62,64,896	68,70,123		
Bonus	2,12,820	2,16,545		
Contribution to Provident & Other Funds				
- Gratuity Fund (Refer Note 20)	2,39,000	5,44,000		
- Other Funds	5,43,684	8,09,372		
Staff Welfare Expenses	7,09,546	7,64,517		
Total	79,69,946	92,04,557		
14. OTHER EXPENSES				
Rent :				
Service and Amenities charge	33,39,600	29,74,750		
Leave and License fees	24,15,299	22,72,119		
Rates & Taxes	-	91,406		
Repairs & Maintenance :				
-- Building	-	2,100		
-- Others	21,52,795	6,47,589		

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	Year ended 31-3-2017 Rupees	Year ended 31-3-2016 Rupees
Insurance	1,84,218	1,68,094
Printing & Stationery	5,91,067	4,38,493
Postage and Telephone	8,83,941	5,44,156
Advertisement	82,151	87,881
Payment to Auditors (Refer Note - A)	9,18,651	3,35,808
Directors' Fees	1,55,000	2,00,000
Commission to Directors	16,50,000	20,60,000
Legal & Professional Charges :		
Legal & Professional Charges	11,47,988	10,57,771
Retainership fees	4,24,300	5,08,800
General Charges	10,32,022	10,85,514
Presentation Articles	2,94,967	58,891
Electricity Charges	7,99,556	8,97,249
Computer Expenses	1,86,506	2,79,169
Motor Car expenses	17,50,358	14,80,222
Travelling & Conveyance :		
Travelling Expenses	6,81,849	13,46,884
Foreign Travel Expenses	45,13,566	50,90,135
Membership & Subscription	2,71,407	2,61,545
Loss on Trading in Shares and Securities		
[Refer Note 11 - A]	-	3,02,689
Miscellaneous Expenses	12,49,728	11,51,720
Donation	21,50,000	7,00,000
Provision for Standard Assets	-	85,000
Contribution to corporate .. social responsibility		
[Refer Note - B]	12,50,000	9,00,000
Total	<u>2,81,24,969</u>	<u>2,50,27,985</u>

Note (A) 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	5,29,000	2,72,298
(b) For Tax Audit	69,000	28,625
(c) For Other Work	3,20,651	34,885
Total	<u>9,18,651</u>	<u>3,35,808</u>

Note (B) Corporate Social Responsibility

Gross amount required to be spent during the year	11,17,059	8,67,817
Amount spent during the year on		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above - Refer Note 23(b)	12,50,000	9,00,000

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. NIL (Previous Year Rs. 3,07,595/-).

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-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 Intercompany 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:

	Year ended 31-3-2017 Rupees	Year ended 31-3-2016 Rupees
Minimum future lease payments		
Not later than one year	8,22,000	8,24,516
Later than one year and not later than five years	-	-
	<u>8,22,000</u>	<u>8,24,516</u>

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.

	Year 2016-17 Rupees	Year 2015-16 Rupees
--	------------------------	------------------------

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	1,56,000	1,89,000
(b) Interest Cost	3,41,000	2,83,000

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(c) Expected Return on Plan Assets	(3,16,000)	(2,93,000)
(d) Net Actuarial Loss / (Gain) recognised in year.	58,000	3,65,000
Total Expense recognised in Statement of Profit and Loss	2,39,000	5,44,000

II. Net (Asset) / Liability recognised in Balance Sheet:		
(a) Present value of Obligation	36,24,000	44,89,000
(b) Fair Value of Plan Assets	37,75,000	43,29,000
(c) Present value of Unfunded Obligation	-	-
Net (Asset) / Liability recognised in Balance Sheet	(1,51,000)	1,60,000

III. Changes in Defined Benefit Obligations (DBO) during the year :		
(a) Opening Present Value of Obligation	44,89,000	36,23,000
(b) Current Service Cost	1,56,000	1,89,000
(c) Interest Cost	3,41,000	2,83,000
(d) Actuarial (Gain) / Loss	18,000	3,94,000
(e) Benefit Paid	(13,80,000)	-
Present Value of Obligation at the year end	36,24,000	44,89,000

	Year ended	Year ended
	31-3-2017	31-3-2016
	Rupees	Rupees

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

(a) Opening fair value of plan assets	43,29,000	37,50,000
(b) Expected return	3,16,000	2,93,000
(c) Actuarial Gain / (Loss)	(40,000)	29,000
(d) Contributions by employer	5,50,000	2,57,000
(e) Benefit Paid	(13,80,000)	-
Fair Value of Plan Assets at the year end	37,75,000	43,29,000

V. Actuarial Assumptions

(a) Discount Rate (per annum)	7.00%	7.60%
(b) Annual Increase in Salary Cost	5.00%	6.00%
(c) Expected Return on Plan Assets	7.60%	7.80%

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

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	30,94,860	34,48,787	36,23,186	44,89,000	36,24,000
Fair Value of Plan assets at the end of the year	29,03,794	30,39,507	37,49,763	43,29,000	37,75,000
Net (Asset) / Liability at the end of the year	1,91,066	4,09,280	(1,26,577)	1,60,000	(1,51,000)

Experience Adjustment (Refer note below)

(Amount in Rupees)

Particulars	Year 2016-17	Year 2015-16	Year 2014-15
Actuarial Loss(gain) on Obligations	(4,000)	3,77,000	71,000
Actuarial Gain/(Loss) on Plan Assets	15,000	7,000	48,000

(Noted : The details of Experience adjustments have been disclosed to the extent of information available)

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	
		Year 2016-17	Year 2015-16
1.	Government Securities	62.18 %	67.64 %
2.	Bonds, Debentures and other fixed income investments	35.74 %	26.77 %
3.	Equity Shares	2.08 %	5.59 %
	Total	100.00 %	100.00 %

(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 31-3-2017	<i>Year ended 31-3-2016</i>
Profit after tax (Rs.)	4,34,63,166	5,97,71,888
No. of Equity Shares	39,67,920	39,67,920
Basic & Diluted Earnings per Share (Rs.)	10.95	15.06
Nominal Value of each Equity Share (Rs.)	10.00	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	2015-16	<i>2014-15</i>
Number of Non-Resident Shareholders	23	26
Number of Equity Shares held by them on which Dividend was due	3,744	7,031
Amount in Rupees remitted to Bankers or Power-holders in India of the Non-resident Shareholders	Rs.22,464	Rs. 42,186

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]
- (2) Significant holding by Stanrose Mafatlal Investments and Finance Limited (SMIFL)
 - Standard Industries Limited (SIL)
 - Stanrose Fund Management Services Limited
- (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.
- (4) Enterprises Controlled by the Company
 - SMIFL Officers' Superannuation Scheme
 - SMIFL Officers' Provident Fund
 - SMIFL Employees' Provident Fund
 - SMIFL Employees' Gratuity Fund
- (5) Entities in which Directors are interested
 - Navinchandra Mafatlal Medical Trust
- (6) Key Managerial Personnel
 - Shri Bharat N. Dave - Chief Executive Officer
 - Shri Soham A. Dave - Company Secretary
 - Shri Harshad V. Mehta - Chief Financial Officer

(Amount in Rupees)

(B) Related Party Transactions:

Particulars	Entities in Which Directors are Interested		Subsidiary Company		Companies with significant holding by SMIFL		Companies with significant holding in SMIFL		Enterprises Controlled by the Company		Key Managerial Personnel		Total	
	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	
(A) Volume of Transactions :														
Expenses: Leave and Licence Fees & Other Services :														
Shanudeep Private Limited	—	—	—	—	57,54,899	52,46,869	—	—	—	—	—	—	57,54,899	52,46,869
Security Charges Reimbursed :														
Stan Plaza Limited	—	75,000	—	70,000	—	—	—	—	—	—	—	—	75,000	70,000
C.S.R. Expenditure:														
Navinchandra Mafatlal Medical Trust	12,50,000	9,00,000	—	—	—	—	—	—	—	—	—	—	12,50,000	9,00,000
Remuneration :														
Shri B. N. Dave	—	—	—	—	—	—	—	—	—	—	—	—	11,01,600	11,01,600
Shri G. R. Shah	—	—	—	—	—	—	—	—	—	—	—	—	8,62,070	8,62,070
Shri H. V. Mehta	—	—	—	—	—	—	—	—	—	—	—	—	8,44,635	7,82,237
Shri S. A. Dave	—	—	—	—	—	—	—	—	—	—	—	—	4,91,525	—
Sale of Investments:														
SMIFL Officer's P. F.	—	—	—	—	—	—	—	—	1,09,670	—	—	—	1,09,670	—
Dividend Received:														
Standard Industries Limited	—	—	—	—	93,03,365	93,03,365	—	—	—	—	—	—	93,03,365	93,03,365
Loan given (Received back)														
Stan Plaza Limited	—	—	—	1,48,00,000	—	—	—	—	—	—	—	—	(13,77,97,962)	1,48,00,000
Shri H. V. Mehta	—	—	—	—	—	—	—	—	—	—	—	—	(3,17,500)	5,00,000
Shri S. A. Dave	—	—	—	—	—	—	—	—	—	—	—	—	5,00,000	—
Dividend Paid:														
Shanudeep Private Limited	—	—	—	—	58,80,468	58,80,468	—	—	—	—	—	—	58,80,468	58,80,468
Sheiladeep 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
Gagalbhai Investments Pvt. Ltd.	—	—	—	—	2,62,356	2,62,356	—	—	—	—	—	—	2,62,356	2,62,356
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	1,14,054
(B) Balances at the Year end:														
Stan Plaza Limited	—	1,26,45,225	—	15,04,43,187	—	—	—	—	—	—	—	—	1,26,45,225	15,04,43,187
Shri H. V. Mehta	—	—	—	—	—	—	—	—	—	—	—	—	1,57,500	4,75,000
Shri S. A. Dave	—	—	—	—	—	—	—	—	—	—	—	—	4,40,000	—

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

24. Foreign Currency Transactions :	Year ended	<i>Year ended</i>
	<u>31-3-2017</u>	<u><i>31-3-2016</i></u>
Travelling Expenses	Rs. 14,88,292	<i>Rs. 15,17,578</i>
Total	Rs. 14,88,292	<i>Rs. 15,17,578</i>

25. Disclosure about Loans /Advances and Investments in own shares by the Company in its Subsidiaries and Associates etc *(Amount in Rs.)*

Particulars	Outstanding Balance as on 31-3-2017	Maximum Balance Outstanding during the year
Loans to Subsidiaries :		
Stan Plaza Limited	1,26,45,225	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)	9,26,123	12,28,625

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.

26. DISCLOSURE OF DETAILS AS REQUIRED UNDER PARA 13 OF NON-BANKING FINANCIAL (NON-DEPOSIT ACCEPTING OR HOLDING) COMPANIES PRUDENTIAL NORMS (RESERVE BANK) DIRECTIONS 2007.

(Amount in Rupees)

Particulars	As at 31-03-2017	
	Amount Overdue	Amount Outstanding

LIABILITIES SIDE

(1) Loans and Advances availed by the Company (Inclusive of interest accrued thereon but not paid) :	—	—
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ASSETS SIDE

(2) Break-up of Loans and Advances (Including bills receivable) (Other than those included in (3) below) :		
(a) Secured	—	—
(b) Unsecured	—	26,99,40,197

(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) Current Investments:		
Quoted :		
Equity Shares	N.A.	14,73,373
Government Securities	N.A.	—
Other Securities	N.A.	—
(b) Long Term investments :		
Quoted :		
Equity Shares	N.A.	22,23,12,425
Other Investment	—	—
Unquoted :		
Equity Shares	N.A.	5,34,01,500
Other Investments [Paintings]	N.A.	22,50,000

(5) Borrower group-wise classification of assets, financed as in (2) & (3) above :

(Amount in Rupees)

Category	Amount net of provisions As at 31-03-2017		
	Secured	Unsecured	Total
(a) Related Parties :			
(i) Subsidiaries	—	1,26,45,225	1,26,45,225
(ii) Companies in the same group	—	—	—
(iii) Other related parties	—	—	—
(b) Other than related parties	—	25,72,94,972	25,72,94,972
Total		26,99,40,197	26,99,40,197

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(Amount in Rupees)

Category	At at 31-03-2017	
	Market Value / Break up or Fair Value or NAV	Book Value (Net of Provisions)
(a) Related Parties :		
Subsidiary Companies	10,03,006	10,03,006
Companies in the same group	—	—
Other related parties	27,04,17,817	18,21,90,871
(b) Other than related parties	20,04,18,919	9,39,93,421
Total	47,18,39,742	27,71,87,298

STANROSE MAFATLAL

27A. Details of Specified Bank Notes ('SBN') held and transacted during the period 8th November, 2016 to 30th December, 2016 as per the notification issued by the Ministry of Corporate Affairs (MCA) dated 30th March, 2017 as provided below :-

Particulars	SBN's	Other denomination notes	Total
Closing Cash in hand as on 08th November, 2016	5,84,000	15,958	5,99,958
Add.: Permitted receipts	-	4,25,000	4,25,000
Less : Permitted payments	-	1,75,574	1,75,574
Less : Amount Deposited in Banks	5,84,000	-	5,84,000
Closing Cash in hand as on 30, December, 2016	-	2,65,384	2,65,384

Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated the 8th November, 2016.

27B. The Company has recommended a Dividend of Rs. 6/- Per Share for the year ended 31st March, 2017 (Previous Year Rs. 6/- Per Share).

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

In terms of our Report attached. For C.C. CHOKSHI & CO. <i>Chartered Accountants</i> GAURAV J. SHAH <i>Partner</i> Ahmedabad, Dated : 24th April, 2017	For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd. K. J. PARDIWALLA M. J. MEHTA <i>Director</i> <i>Director</i> Mumbai, S. A. DAVE H. V. MEHTA Dated : 24th April, 2017 <i>Company Secretary</i> <i>Chief Financial Officer</i>
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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, 2017, 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. 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. In conducting 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.

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 other auditors in terms of their reports referred to in 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, and based on the consideration of reports of the other auditor on separate financial statement of the subsidiary referred to in the Other Matters paragraph below, 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, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 46,504,911 as at 31st March, 2017, total revenues of Rs.13,797,917 and net cash inflows amounting to Rs. 4,874,103 for the year ended on that date, as considered in the

consolidated financial statements. These financial statements have been audited by other auditor whose report has 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 this subsidiary and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid 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 matter with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and the other financial information of subsidiary, referred in the Other Matters paragraph above 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, returns and the reports of the other auditor.
- (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.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2017 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 separate 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 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations which would impact the consolidated financial position of the Group;
 - (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 companies incorporated in India.
 - (iv) The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities.

For C. C. CHOKSHI & CO.
Chartered Accountants
(Firm's Registration No. 101876W)
GAURAV J. SHAH
Partner
[Membership No. 35701]

Place : Ahmedabad

Dated : 24th April, 2017

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' Section 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, 2017, 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 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 respective Companies 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 internal financial controls over financial reporting of the Holding Company and its subsidiary company, which is company incorporated in India, 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 other auditor 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 internal financial controls system over financial reporting of the Holding Company and its subsidiary company, which is company incorporated in India.

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 Holding Company and its subsidiary company which is 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, 2017, based on the internal control over financial reporting criteria established by the respective companies 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 in so far as it relates to one subsidiary company which is company incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

For C. C. CHOKSHI & CO.

Chartered Accountants

(Firm's Registration No.101876W)

GAURAV J. SHAH

Partner

[Membership No. 35701]

Place : Ahmedabad

Dated : 24th April, 2017

CONSOLIDATED BALANCE SHEET as at 31st March, 2017

(Amount in Rupees)

Particulars	Note No.	As at 31-3-2017	As at 31-3-2016
I Equity and Liabilities :			
Shareholders' Funds :			
Share Capital	2	3,96,79,200	3,96,79,200
Reserves and Surplus	3	53,20,43,008	49,14,08,665
		<u>57,17,22,208</u>	<u>53,10,87,865</u>
Non-current Liabilities :			
Long Term Borrowings		1,97,73,986	1,97,73,986
Long Term Provisions		10,16,565	13,13,217
		<u>2,07,90,551</u>	<u>2,10,87,203</u>
Current Liabilities :			
Trade Payables			
Due to Micro and Small Enterprises		-	-
Due to Others		9,33,850	16,05,846
Other Current Liabilities		78,56,987	83,26,321
Short-term Provisions		42,55,368	2,96,56,639
		<u>1,30,46,205</u>	<u>3,95,88,806</u>
Total		<u>60,55,58,964</u>	<u>59,17,63,874</u>
II ASSETS :			
Non-current Assets			
Fixed Assets :			
Tangible Assets		3,95,93,997	3,80,72,625
Intangible Assets		70,66,060	70,66,060
Goodwill on Consolidation		5,02,936	5,02,936
Non-current Investments	7	26,32,11,680	37,57,95,310
Deferred Tax Assets (Net)	8	23,13,021	21,30,933
Long Term Loans and Advances	9	9,91,48,810	6,72,103
		<u>41,18,36,504</u>	<u>42,42,39,967</u>
Current Assets :			
Stock-in Trade		14,73,373	17,00,830
Trade Receivables		-	6,15,449
Cash and Cash Equivalents		1,99,88,595	74,90,132
Short Term Loans and Advances		16,32,20,868	14,56,84,157
Other Current Assets		90,39,624	1,20,33,339
		<u>19,37,22,460</u>	<u>16,75,23,907</u>
Total		<u>60,55,58,964</u>	<u>59,17,63,874</u>

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p>For C.C. CHOKSHI & CO. Chartered Accountants GAURAV J. SHAH Partner Ahmedabad, Dated : 24th April, 2017</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p>K. J. PARDIWALLA M. J. MEHTA Director Director</p> <p>Mumbai, S. A. DAVE H. V. MEHTA Dated : 24th April, 2017 Company Secretary Chief Financial Officer</p>
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CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended on 31st March, 2017

(Amount in Rupees)

Particulars	Note No.	Year ended 31-03-2017	Year ended 31-03-2016
Revenues :			
Revenue from Operations	11	9,41,43,628	10,93,99,007
Other Income	12	1,41,654	1,43,771
Total Revenue		<u>9,42,85,282</u>	<u>10,95,42,778</u>
Expenses :			
Employee benefit expenses	13	79,69,946	92,04,557
Depreciation and amortisation expenses		40,65,747	32,43,928
Other Expenses	14	2,81,84,810	2,50,54,093
Total Expenses		<u>4,02,20,503</u>	<u>3,75,02,578</u>
Profit before Taxes		5,40,64,779	7,20,40,200
Tax Expense :			
Current Tax		1,23,00,000	1,26,05,000
Deferred Tax		(1,82,088)	(3,41,809)
		<u>4,19,46,867</u>	<u>5,97,77,009</u>
<i>Short Provision of Taxation in respect of earlier Years [Net] ...</i>		13,12,524	72,622
Profit for the year		<u>4,06,34,343</u>	<u>5,97,04,387</u>
Earnings per equity share (of Rs. 10/- each)			
Basic		10.24	15.05
Diluted		10.24	15.05

See accompanying notes forming part of the financial statements

<p>In terms of our Report attached.</p> <p style="text-align: center;">For C.C. CHOKSHI & CO. <i>Chartered Accountants</i> GAURAV J. SHAH <i>Partner</i> Ahmedabad, Dated : 24th April, 2017</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%; text-align: center;"> <tr> <td style="width: 50%;">K. J. PARDIWALLA <i>Director</i></td> <td style="width: 50%;">M. J. MEHTA <i>Director</i></td> </tr> <tr> <td style="width: 50%;">S. A. DAVE <i>Company Secretary</i></td> <td style="width: 50%;">H. V. MEHTA <i>Chief Financial Officer</i></td> </tr> </table> <p style="text-align: center;">Mumbai, Dated : 24th April, 2017</p>	K. J. PARDIWALLA <i>Director</i>	M. J. MEHTA <i>Director</i>	S. A. DAVE <i>Company Secretary</i>	H. V. MEHTA <i>Chief Financial Officer</i>
K. J. PARDIWALLA <i>Director</i>	M. J. MEHTA <i>Director</i>				
S. A. DAVE <i>Company Secretary</i>	H. V. MEHTA <i>Chief Financial Officer</i>				

CONSOLIDATED CASH FLOW STATEMENT for the year ended on
31st March, 2017

(Amount in Rupees)

	Year ended 31-3-2017	Year ended 31-3-2016
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AS PER THE STATEMENT OF PROFIT & LOSS	5,40,64,779	7,20,40,200
Adjustments for :		
Depreciation and amortisation	40,65,747	32,43,928
Income from Investments	(6,82,94,526)	(8,46,04,561)
Interest Income on deposits	(1,41,26,143)	(1,31,31,681)
Contingent Provision against Standard Assets	-	85,000
Profit on Fixed Assets Sold	-	(1,906)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(2,42,90,143)	(2,23,69,020)
Changes in Working Capital		
Adjustments for :		
Trade Receivables	6,15,449	3,72,879
Purchase of Investments	(50,48,353)	(96,95,496)
Sale of Investments	8,74,21,536	9,12,78,160
Inventories - Stock in trade	2,27,457	(1,46,392)
Long-term Loans and Advances	28,265	1,57,132
Short-term Loans and Advances	(24,46,711)	(3,46,702)
Other current assets	29,93,715	(11,12,653)
Trade Payables	(6,71,996)	(75,382)
Other Current Liabilities	(4,69,334)	4,65,591
Long-term Provisions	(2,96,652)	-
Short-term Provisions	(8,348)	2,75,502
CASH GENERATED FROM OPERATIONS	5,80,54,885	5,88,03,619
Interest received on deposits	1,41,26,143	1,31,31,681
Direct Taxes (Paid)	(1,03,51,191)	(1,31,74,270)
CASH FLOW FROM OPERATING ACTIVITIES (A)	6,18,29,837	5,87,61,030
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(56,61,184)	(26,29,284)
Sale of Fixed Assets	74,065	15,000
Investing in Project (Net of Long Term Loans and Advances)	-	(1,39,38,476)
Intercorporate Deposits given	(1,50,90,000)	(1,37,00,000)
Loan given to other	(9,85,04,972)	-
Loan repaid by other	9,85,04,972	-
Bank Balance not Considered as Cash and Cash Equivalents	(6,63,965)	(5,72,168)
CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES (B)	(2,13,41,084)	(3,08,24,928)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(2,86,54,255)	(2,86,54,255)
CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	(2,86,54,255)	(2,86,54,255)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	1,18,34,498	(7,18,153)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	19,51,118	26,69,271
CASH AND CASH EQUIVALENTS AT THE CLOSE OF THE YEAR	1,37,85,616	19,51,118

Notes :

- 1) Cash and cash equivalents as at the end of the Year:
- | | | |
|---|--------------------|------------------|
| Cash on hand | 93,615 | 3,26,200 |
| Balances with Banks in Current Accounts | 1,36,92,001 | 16,24,918 |
| Total | 1,37,85,616 | 19,51,118 |
- 2) 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 Standard) Rules, 2006.
- 3) Previous year's figures have been regrouped wherever necessary, to confirm to this year's classification. See accompanying notes forming part of the financial statements.

<p>In terms of our Report attached.</p> <p>For C.C. CHOKSHI & CO. Chartered Accountants</p> <p>GAURAV J. SHAH Partner</p> <p>Ahmedabad, Dated : 24th April, 2017</p>	<p>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;">K. J. PARDIWALLA Director</td> <td style="text-align: center;">M. J. MEHTA Director</td> </tr> <tr> <td style="text-align: center;">S. A. DAVE Company Secretary</td> <td style="text-align: center;">H. V. MEHTA Chief Financial Officer</td> </tr> </table> <p>Mumbai, Dated : 24th April, 2017</p>	K. J. PARDIWALLA Director	M. J. MEHTA Director	S. A. DAVE Company Secretary	H. V. MEHTA Chief Financial Officer
K. J. PARDIWALLA Director	M. J. MEHTA Director				
S. A. DAVE Company Secretary	H. V. MEHTA Chief Financial Officer				

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31st March, 2017

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 consonance 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 and the relevant provisions of the Companies Act, 2013 ("the 2013 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 subsidiaries and its proportionate share in the equity of the subsidiaries 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 subsidiaries 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 companies 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
Stanplaza Limited	100% Effective from 13th March, 2015

- (iii) Stanrose Mafatlal Lubechem Limited (SMLL) - In Liquidation, a substantially owned subsidiary of Stanrose Mafatlal Investment 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 except in the case of Non-Performing Assets (NPA's), where interest income is recognised, upon realisation, as per the RBI guidelines.

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 cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on

foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

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. Classification of loan portfolio and provisioning policy:

The Company classifies its loan portfolio in accordance with the Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 into Performing and Non-performing Assets (NPA). Further, NPAs are classified into sub-standard, doubtful and loss assets.

m. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit/(loss) before tax is adjusted for the effects of transaction of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

n. 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.

o. 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.

p. 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.

q. FOREIGN EXCHANGE TRANSACTIONS :

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

r. 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
	31-3-2017	31-3-2016
	Rupees	Rupees
AUTHORISED SHARE CAPITAL :		
50,00,000 (Previous Year 50,00,000) Equity Shares of Rs. 10 each with voting rights	<u>5,00,00,000</u>	<u>5,00,00,000</u>
Issued, Subscribed and Paid-up :		
39,67,920 (Previous Year 39,67,920) Equity Shares of Rs. 10 each with voting rights	<u>3,96,79,200</u>	<u>3,96,79,200</u>
Total	<u>3,96,79,200</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	39,67,920	39,67,920
Add : Issued During the year	-	-
Outstanding at the end of the year	<u>39,67,920</u>	<u>39,67,920</u>

Particulars	As at	As at
	31-3-2017	31-3-2016
	Rupees	Rupees

- (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 | | | | |
|-------------------------------------|-----------|-----------------|----------|--|
| 1. Shanudeep Pvt. Ltd. | Nos. | 9,80,078 | 9,80,078 | |
| | % holding | 24.70 % | 24.70 % | |
| 2. Vinadeep Investments Pvt. Ltd. | Nos. | 4,19,870 | 4,19,870 | |
| | % holding | 10.58 % | 10.58 % | |
| 3. Sheiladeep Investments Pvt. Ltd. | Nos. | 3,90,297 | 3,90,297 | |
| | % holding | 9.84 % | 9.84 % | |
- (iv) The holders of equity shares are entitled to dividends, if any, proposed by the Board of Directors and approved by Shareholders at the Annual General Meeting.
- (v) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees	Particulars	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees
3. RESERVES AND SURPLUS :			4. NON CURRENT LIABILITIES		
Securities Premium Reserve			LONG TERM BORROWINGS		
Balance as per last Balance Sheet.	9,91,98,000	9,91,98,000	Unsecured		
Reserve U/S.45 IC of RBI Act, 1934:			(a) Loans and advances from Holding Company Stanrose Mafatlal Inv. & Fin.Ltd.	-	-
Balance as per last Balance Sheet.	12,59,00,000	11,34,00,000	Loan and advances from related parties:		
Add : Amount transferred from Statement of Profit and Loss.	87,00,000	1,25,00,000	Standard Industries Ltd.	1,97,73,986	1,97,73,986
	<u>13,46,00,000</u>	<u>12,59,00,000</u>		<u>1,97,73,986</u>	<u>1,97,73,986</u>
General Reserve No. I :			LONG TERM PROVISIONS		
Balance as per last Balance Sheet.	12,40,00,000	12,30,00,000	Provision for Employee Benefits	7,16,565	9,33,217
Add : Amount Transferred from Statement of Profit and Loss	10,00,000	10,00,000	Contingent Provisions against Standard Assets	3,00,000	3,80,000
	<u>12,50,00,000</u>	<u>12,40,00,000</u>		<u>10,16,565</u>	<u>13,13,217</u>
General Reserve No. II :			Total	<u>2,07,90,551</u>	<u>2,10,87,203</u>
Balance as per last Balance Sheet.	20,00,000	20,00,000	5. CURRENT LIABILITIES		
Add: Amount Transferred from Statement of Profit and Loss	-	-	TRADE PAYABLES		
	<u>20,00,000</u>	<u>20,00,000</u>	Sundry Creditors		
Statement of Profit and Loss			Due to Micro and small enterprises (Refer Note 20 D)	-	-
Balance as per last Balance Sheet	14,03,10,665	12,27,60,533	Due to Others	9,33,850	16,05,846
Add : Profit for the year	4,06,34,343	5,97,04,387		<u>9,33,850</u>	<u>16,05,846</u>
Available for Appropriations	18,09,45,008	18,24,64,920	OTHER CURRENT LIABILITIES		
Less: Appropriations:			Statutory Liabilities	4,008	-
Transfer to Reserve u/s 45 IC of RBI Act,1934	87,00,000	1,25,00,000	Other payables	16,50,000	20,60,000
Proposed Dividend	-	2,38,07,520	Interest (payable) Accrued and Due	-	7,27,307
Distribution tax on proposed dividend (Refer Note 20 B)	-	48,46,735	Unclaimed dividend	62,02,979	55,39,014
Transfer to General Reserve No. I	10,00,000	10,00,000		<u>78,56,987</u>	<u>83,26,321</u>
	<u>17,12,45,008</u>	<u>14,03,10,665</u>	SHORT TERM PROVISIONS		
Total	<u>53,20,43,008</u>	<u>49,14,08,665</u>	Provision for Employee Benefits	4,55,652	5,44,000
			Contingent Provisions against Standard Assets	4,60,000	3,80,000
			Proposed Dividend	-	2,38,07,520
			Provision for Tax on Proposed Dividend	-	48,46,735
			Provision for Taxation (Net of advance tax)	33,39,716	78,384
				<u>42,55,368</u>	<u>2,96,56,639</u>
			Total	<u>1,30,46,205</u>	<u>3,95,88,806</u>

6. FIXED ASSETS :	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at 1-4-2016	Additions during year	Deductions/ Adjustments during the year	As at 31-3-2017	As at 1-4-2016	For the year	Deductions during the year	As at 31-3-2017	As at 31-3-2017	As at 31-3-2016
Tangible Assets										
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	63,17,313	7,43,588	-	70,60,901	54,45,982	61,89,570
Furniture & Fixtures	73,05,624	14,54,703	-	87,60,327	56,55,466	10,38,878	-	66,94,344	20,65,983	16,50,158
Office Equipment	57,99,548	1,88,505	29,425	59,58,628	31,44,452	10,38,517	27,954	41,55,015	18,03,613	26,55,096
Vehicles	1,44,68,794	40,17,976	6,06,116	1,78,80,654	1,21,81,443	12,44,764	5,33,522	1,28,92,685	49,87,969	22,87,351
Intangible Assets										
Tenancy Rights	70,66,060	-	-	70,66,060	-	-	-	-	70,66,060	70,66,060
TOTAL	7,24,37,359	56,61,184	6,35,541	7,74,63,002	2,72,98,674	40,65,747	5,61,476	3,08,02,945	4,66,60,057	4,51,38,685
<i>Previous Year</i>	<i>6,98,65,825</i>	<i>26,29,284</i>	<i>57,750</i>	<i>7,24,37,359</i>	<i>2,40,99,402</i>	<i>32,43,928</i>	<i>44,656</i>	<i>2,72,98,674</i>	<i>4,51,38,685</i>	

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.

7. NON-CURRENT INVESTMENTS :

(Amount in Rupees)

Sr. Particulars No.	Face Value per Share	As at 31-3-2017		As at 31-3-2016	
		Qty.	At Cost or Book Value	Qty.	At Cost or Book Value
(A). In Shares of other Companies (At Cost) :					
In Equity Shares :					
(i) Quoted (Fully paid) (Non-Traded) :					
1.	Bajaj Finserv Limited	5	5,000	96,95,496	5,000 96,95,496
2.	Eicher Motors Limited	10	-	-	1,000 3,84,770
3.	Housing Development Finance Corporation Ltd.	2	30,000	6,34,182	50,000 10,56,970
4.	HDFC Bank Limited	2	35,000	1,83,19,452	70,000 3,66,38,905
5.	Infosys Limited	5	5,000	49,17,853	- -
6.	Innovassynth Investments Limited	10	25,962	-	25,962 -
7.	ITC Limited	1	45,000	26,27,555	30,000 26,27,555
8.	Standard Industries Limited	5	1,24,04,487	18,21,90,871	1,24,04,487 18,21,90,871
9.	State Bank of India	1	20,000	22,35,147	20,000 22,35,147
10.	Tata Steel Limited	10	5,000	13,49,369	5,000 13,49,369
11.	Virat Industries Limited	10	34,250	3,42,500	34,250 3,42,500
	Total A(i)			22,23,12,425	23,65,21,583
(ii) Unquoted (Fully Paid) :					
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	Duville Estate Private Limited	10	14,47,714	3,84,98,965	14,47,714 3,83,68,465
	Total A(ii)			3,86,49,255	3,85,18,755
	Total A			26,09,61,680	27,50,40,338

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Sr. Particulars No.	Face Value per Share	As at 31-3-2017		As at 31-3-2016	
		Qty. (No.)	At Cost or Book Value	Qty. (No.)	At Cost or Book Value
(B) In Other Investments :					
Farewell-Painting			22,50,000		22,50,000
	Total B		<u>22,50,000</u>		<u>22,50,000</u>
(C) In Other Investments :					
Inv. In Duville Estate Pvt. Ltd. For Project		-	-	-	9,85,04,972
	Total C		<u>-</u>		<u>9,85,04,972</u>
	Total (A+B-C)		<u><u>26,32,11,680</u></u>		<u><u>37,57,95,310</u></u>

Notes :

(a) Aggregate Value of Quoted Investments:

Cost/Book Value	22,23,12,425	23,65,21,583
Market Value	46,98,65,381	47,24,46,557

(b) Aggregate Value of Unquoted Investments: ...

Cost/Book Value	4,08,99,255	13,92,73,727
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Particulars	As at	As at	Particulars	As at	As at
	31-3-2017	31-3-2016		31-3-2017	31-3-2016
	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 Asstes	17,53,192	15,81,569
On account of Provisions for :		
-- Standard Assets	2,51,279	2,46,582
-- Compensated Absence	3,08,550	3,02,782
Total	<u><u>23,13,021</u></u>	<u><u>21,30,933</u></u>

9. LONG TERM LOANS & ADVANCES

Unsecured, Considered Good :

Loans to other	9,85,04,972	-
Loans to Staff	4,92,623	5,53,588
Accrued Interest on staff loans	1,51,215	1,18,515
Total	<u><u>9,91,48,810</u></u>	<u><u>6,72,103</u></u>

10. CURRENT ASSETS :

Particulars	As at	As at
	31-3-2017	31-3-2016
	Rupees	Rupees

STOCK IN TRADE (At lower of cost or net realisable value) align="right">14,73,373 align="right">17,00,830

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

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at 31-3-2017 Rupees	As at 31-3-2016 Rupees
			As at	As at		
			31-3-2017	31-3-2016		

(A) Equity Shares (Quoted) :

1. Ankur Drug & Pharma Limited	5	300	300	1,179	1,179
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STANROSE MAFATLAL

Sr. No.	Name of the Company	Face Value Rs.	Closing Stock (Qty.)		As at	As at
			As at 31-3-2017	As at 31-3-2016	31-3-2017 Rupees	31-3-2016 Rupees
2.	Coffee Day Enterprises Ltd.	10	50	-	12,083	-
3.	Delta Corporation Limited	1	-	500	-	33,050
4.	Helios & Matheson Info. Tech. Ltd.	10	500	500	3,135	3,135
5.	Hindustan Oil Exploration Co. Ltd.	10	6,800	6,800	2,14,540	2,14,540
6.	JK Tyre & Industries Limited	2	-	300	-	25,260
7.	KPIT Technologies Ltd.	2	800	800	1,17,920	1,17,920
8.	Lambodhara Textile Ltd.	5	350	-	50,330	-
9.	NCC Ltd.	2	700	700	53,095	53,095
10.	Nestle India Limited	10	147	147	8,48,036	8,48,036
11.	Raymond Ltd.	10	-	300	-	1,21,890
12.	Tata Power Limited	1	700	700	45,255	45,255
13.	Tata Steel Limited	10	400	400	1,27,800	1,27,800
Total A					14,73,373	15,91,160
Market Value					19,74,361	15,91,160
Cost					14,73,373	15,91,160
(B) In Other Investments :						
10% ICICI Bank Bond - 2017 A/c		10,000	-	11	-	1,09,670
Total B					-	1,09,670
Market Value					-	1,09,670
Cost					-	1,09,670
Total (A+B)					14,73,373	17,00,830
Market Value					19,74,361	17,00,830
Cost					14,73,373	17,00,830
Lower of cost or net realisable value / Market value					14,73,373	17,00,830

Particulars	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees	Particulars	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees
TRADE RECEIVABLES			Other Bank Balance		
(Unsecured Considered good unless otherwise stated)			In earmarked accounts		
Outstanding for a period exceeding six months from the Due date	-	-	unpaid dividend accounts	62,02,979	55,39,014
Others	-	6,15,449		1,99,88,595	74,90,132
Total	-	6,15,449			
CASH AND BANK BALANCES			SHORT-TERM LOANS AND ADVANCES		
Cash and Cash Equivalent : (As per AS3 Cash Flow Statement)			(Unsecured, considered good)		
Cash on hand	93,615	3,26,200	Sundry Deposits	1,26,475	1,26,475
Balance with Banks in Current Accounts	1,36,92,001	16,24,918	Intercompany Deposits	15,87,90,000	14,37,00,000
			Other advances	34,69,500	9,72,640
			Current Maturity of Loan and Advances to Staff	4,33,500	5,53,139
			Prepaid Expenses	4,01,393	3,31,903
			Total	16,32,20,868	14,56,84,157

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	As at 31-3-2017 Rupees	As at 31-3-2016 Rupees	Particulars	Year ended 31-3-2017 Rupees	Year ended 31-3-2016 Rupees
OTHER CURRENT ASSETS			14. OTHER EXPENSES		
Interest Receivable	90,39,624	1,20,33,339	Rent :		
	<u>90,39,624</u>	<u>1,20,33,339</u>	Service and Amenities		
Total	<u>19,37,22,460</u>	<u>16,75,23,907</u>	charges	33,39,600	29,75,950
			Leave and License fees ...	24,15,299	22,72,119
			Rates & Taxes	1,200	91,406
			Repairs & Maintenance :		
			Building	-	2,100
			Others	21,52,795	6,47,589
			Insurance	1,84,218	1,68,094
			Printing & Stationery	5,91,067	4,38,493
			Postage and Telephone		
			Expenses	8,83,941	5,44,156
			Advertisement Expenses ..	82,151	87,881
			Payment to Auditors	9,33,651	3,35,808
			Directors' Fees	1,55,000	2,00,000
			Commission to Directors	16,50,000	20,60,000
			Legal & Professional Charges :		
			Legal & Professional Charges	11,52,588	10,82,679
			Retainership fees	4,24,300	5,08,800
			General Charges	10,32,022	10,85,514
			Presentation Articles	2,94,967	58,891
			Electricity Charges	7,99,556	8,97,249
			Computer Expenses	1,86,506	2,79,169
			Motor Car expenses	17,50,358	14,80,222
			Travelling & Conveyance :		
			Travelling	6,81,849	13,46,884
			Foreign Travel	45,13,566	50,90,135
			Membership & Subscription	3,10,448	2,61,545
			Loss on Trading in Shares		
			and securities		
			[Refer Note 11 - A]	-	3,02,689
			Miscellaneous Expenses ...	12,49,728	11,51,720
			Donation	21,50,000	7,00,000
			Provision for Standard Assets	-	85,000
			Contribution to corporate		
			social responsibility	12,50,000	9,00,000
			Total	<u>2,81,84,810</u>	<u>2,50,54,093</u>
11. REVENUE FROM OPERATIONS			Note : Payment to Auditors (Including Service-tax) :		
Interest	1,41,26,143	1,31,31,681	Auditors' remuneration includes		
Dividend Income	1,08,01,496	1,16,62,765	the following amounts paid or		
Profit from Trading of			adjusted as paid to them during		
Shares and Securities			the year :		
(Refer Note A)	9,21,463	-	(a) As Auditors	5,29,000	2,72,298
Profit on Sale of			(b) For Tax Audit	69,000	28,625
Investments (Net)	6,82,94,526	8,46,04,561	(c) For Other Work	3,20,651	34,885
Total	<u>9,41,43,628</u>	<u>10,93,99,007</u>	Total	<u>9,18,651</u>	<u>3,35,808</u>
12. OTHER INCOME					
Interest on Loan to Employees	54,198	40,597			
Miscellaneous Income	38,778	65,039			
Interest Income	48,678	36,229			
Profit on Sale of Non-Current					
Investments	-	1,906			
Total	<u>1,41,654</u>	<u>1,43,771</u>			
13. EMPLOYEE BENEFIT EXPENSES					
Salaries, Wages and					
Allowances	62,64,896	68,70,123			
Bonus	2,12,820	2,16,545			
Contribution to Provident					
& Other Funds					
-Gratuity Fund (Refer Note 18)	2,39,000	5,44,000			
-Other Funds	5,43,684	8,09,372			
Staff Welfare Expenses	7,09,546	7,64,517			
Total	<u>79,69,946</u>	<u>92,04,557</u>			

Particulars	Year ended	
	Year ended	Year ended
	31-3-2017	31-3-2016
	Rupees	Rupees

Note : Corporate Social Responsibility

Gross amount required to be spent during the year	11,17,059	8,67,817
Amount spent during the year on		
(a) construction / acquisition of any Assets	-	-
(b) on purposes other than (a) above - Refer Note 21(b) ...	12,50,000	9,00,000

15. CONTINGENT LIABILITIES :

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. Nil (Previous Year Rs. 3,07,595/-).

16. SEGMENT INFORMATION

The Group is primarily engaged in the business of Intercompany 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.

17. LEASES

The Group has an operating Lease rented facility at Mumbai with lock-in-period of 60 months from the date of its commencement. The future rent payments for the facility are as under:

	Year	Year
	2016-17	2015-16
Minimum future lease payments		
Not later than one year	8,22,000	8,24,516
Later than one year and not later than five years	-	-
	8,22,000	8,24,516

18. 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.

(Amount in Rs.)

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	1,56,000	1,89,000
(b) Interest Cost	3,41,000	2,83,000
(c) Expected Return on Plan Assets	(3,16,000)	(2,93,000)
(d) Net Actuarial Loss / (Gain) recognised in year.	58,000	3,65,000
Total Expense recognised in Statement of Profit and Loss	2,39,000	5,44,000

Particulars	Year ended	
	Year ended	Year ended
	31-3-2017	31-3-2016
	Rupees	Rupees

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

(a) Present Value of Obligation	36,24,000	44,89,000
(b) Fair Value of Plan Assets	37,75,000	43,29,000
(c) Present Value of Unfunded Obligation	-	-
Net (Asset) / Liability recognised in Balance Sheet	(1,51,000)	1,60,000

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

(a) Opening Present Value of Obligation	44,89,000	36,23,000
(b) Current Service Cost	1,56,000	1,89,000
(c) Interest Cost	3,41,000	2,83,000
(d) Actuarial (Gain) / Loss	18,000	3,94,000
(e) Benefit Paid	(13,80,000)	-
Present Value of Obligation at the year end	36,24,000	44,89,000

IV. Changes in the Fair Value of Plan Assets during the year :

(a) Opening Fair Value of Plan Assets	43,29,000	37,50,000
(b) Expected Return	3,16,000	2,93,000
(c) Actuarial Gain / (Loss)	(40,000)	29,000
(d) Contributions by Employer	5,50,000	2,57,000
(e) Benefit Paid	(13,80,000)	-

Fair Value of Plan Assets at the year end	37,75,000	43,29,000
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V. Actuarial Assumptions

(a) Discount Rate (per annum)	7.00%	7.60%
(b) Annual Increase in Salary Cost	5.00%	6.00%
(c) Expected Return on Plan Assets	7.60%	7.80%

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

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

Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
Present Value of defined benefit Obligation at the end of the year (By Independent Actuary)	30,94,860	34,48,787	36,23,186	44,89,000	36,24,000
Fair Value of Plan assets at the end of the year	29,03,794	30,39,507	37,49,763	43,29,000	37,75,000
Net (Asset) / Liability at the end of the year	1,91,066	4,09,280	(1,26,577)	1,60,000	(1,51,000)

Experience Adjustment (Refer note below) :

Particulars	Year 2016-17	Year 2015-16	Year 2014-15
Actuarial Loss\gain) on Obligations	(4,000)	3,77,000	71,000
Actuarial Gain/(Loss) on Plan Assets	15,000	7,000	48,000

(Noted : The details of Experience adjustments have been disclosed to the extent of information available)

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	
		Year 2016-17	Year 2015-16
1.	Government Securities	62.18 %	67.64 %
2.	Bonds, Securities and other fixed income instruments	35.74 %	26.77 %
3.	Equity Shares	2.08 %	5.59 %
	Total	<u>100.00 %</u>	<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).

19. EARNING PER SHARE :

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

Particulars	Year ended <u>31-3-2017</u>	Year ended <u>31-3-2016</u>
Profit after tax (Rs.)	4,06,34,343	5,97,04,387
No. of Equity Shares	39,67,920	39,67,920
Basic & Diluted Earnings per Share (Rs.)	10.24	15.05
Nominal Value of each Equity Share (Rs.)	10.00	10.00

20A. Details of Specified Bank Notes ('SBN') held and transacted during the period 8th November, 2016 to 30th December, 2016 as per the notification issued by the Ministry of Corporate Affairs (MCA) dated 30th March, 2017 as provided below :-

Particulars	SBN's	Other denomination notes	Total
Closing Cash in hand as on 08th November, 2016	5,84,000	15,958	5,99,958
Add.: Permitted receipts	-	4,25,000	4,25,000
Less : Permitted payments	-	1,75,574	1,75,574
Less : Amount Deposited in Banks	5,84,000	-	5,84,000
Closing Cash in hand as on 30, December, 2016	-	2,65,384	2,65,384

Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated the 8th November, 2016.

20B. The Company has recommended a Dividend of Rs. 6/- Per Share for the year ended 31st March, 2017 (Previous Year Rs. 6/- Per Share).

20C. Additional information as required by para 2 of the General instructions for preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013:

Name of the Entity	Net Assets		Share in Profit or (Loss)	
	As % of Consolidated net assets	Amount in Rupees	As % of Consolidated Profit or Loss	Amount in Rupees
Stanrose Mafatlal Invt. & Fin. Ltd.	93.00 %	61,28,43,121.00	107.00 %	4,51,13,166.00
Stan Plaza Limited.	7.00 %	4,65,04,911.00	-7.00 %	(28,28,823.00)

20D There are no Micro, Small and Medium Enterprises, to whom the Group owes dues (including interest outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Group. This has been relied upon by the auditors.

21. 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.
 - Sheiladeep Investments Pvt. Ltd.
 - Vinadeep Investments Pvt. Ltd.
 - Gagalbhai Investments Pvt. Ltd.
 - Pradeep Investments Pvt. Ltd.
- (3) Enterprises Controlled by the Company
 - SMIFL Officers' Superannuation Scheme
 - SMIFL Officers' Provident Fund
 - SMIFL Employees' Provident Fund
 - SMIFL Employees' Gratuity Fund
- (4) Entities in which Directors are interested
 - Navinchandra Mafatlal Medical Trust
- (5) Key Managerial Personnel
 - Shri B. N. Dave - Chief Executive Officer (W.e.f. 13th May, 2014)
 - Shri S. A. Dave - Company Secretary
 - Shri H. V. Mehta - Chief Financial Officer

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Particulars	Entities in which Directors are Interested		Companies in which significant holding by SMIFL		Companies with significant holding in SMIFL		Enterprises Controlled by the Company		Key Managerial Personnel		Total	
	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	
	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	Year 2015-16	Year 2016-17	
(A) Volume of Transactions :												
Expenses: Leave and Licence Fees & Other Services :												
Shanudeep Private Limited			57,54,899	52,46,869								52,46,869
C.S.R. Expenditure:												
Navinchandra Mafatlal Medical Trust	12,50,000	9,00,000										9,00,000
Remuneration :												
Shri B. N. Dave												
Shri H. V. Mehta									11,01,600	11,01,600		11,01,600
Shri S. A. Dave									8,44,635	7,82,237		7,82,237
Loan given (Received back)									4,91,525	-		-
Shri H. V. Mehta									(3,17,500)	5,00,000		5,00,000
Shri S. A. Dave									5,00,000	-		-
Sale of Investments:												
SMIFL Officers P. F.								1,09,670				1,09,670
Dividend Received:												
Standard Industries Limited			93,03,365	93,03,365								93,03,365
Dividend Paid:												
Shanudeep Private Limited			58,80,468	58,80,468								58,80,468
Sheladeep Investments Pvt. Ltd.			23,41,782	23,41,782								23,41,782
Vinadeep Investments Pvt. Ltd.			25,19,220	25,19,220								25,19,220
Gagalbhai Investments Pvt. Ltd.			2,62,356	2,62,356								2,62,356
Pradeep Investments Pvt. Ltd.			1,08,720	1,08,720								1,08,720
Standard Industries Limited					1,14,054							1,14,054
(B) Balances at the Year end:												
Standard Industries Limited			1,97,73,986	1,97,73,986								1,97,73,986
Shri H. V. Mehta									1,57,500	4,75,000		4,75,000
Shri S. A. Dave									4,40,000			4,40,000

(B) Related Party Transactions:

22. 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 align="center">For C.C. CHOKSHI & CO. Chartered Accountants GAURAV J. SHAH Partner Ahmedabad, Dated : 24th April, 2017</p>	<p align="center">For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p align="center">K. J. PARDIWALLA Director S. A. DAVE Company Secretary</p> <p align="center">M. J. MEHTA Director H. V. MEHTA Chief Financial Officer</p> <p align="center">Mumbai, Dated : 24th April, 2017</p>
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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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

(Amount in Rupees)

1	SL No.	
2	Name of the Subsidiary	Stan Plaza Limited
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N. A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N. A.
5	Share capital	5,00,070
6	Reserves & Surplus	1,07,70,630
7	Total Assets	4,65,04,911
8	Total Liabilities	4,65,04,911
9	Investments	-
10	Turnover	1,37,97,917
11	Profit before taxation	1,37,38,076
12	Provision for taxation	28,00,000
13	Profit after taxation	1,09,20,416
14	Proposed Dividend	--
15	% 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>For C. C. CHOKSHI & CO. <i>Chartered Accountants</i> GAURAV J. SHAH <i>Partner</i> Ahmedabad, Dated : 24th April, 2017</p>	<p>For and on behalf of the Board of Directors of Stanrose Mafatlal Investments and Finance Ltd.</p> <p>K. J. PARDIWALLA M. J. MEHTA <i>Director</i> <i>Director</i></p> <p>Mumbai, S. A. DAVE H. V. MEHTA Dated : 24th April, 2017 <i>Company Secretary</i> <i>Chief Financial Officer</i></p>
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NOTICE

NOTICE IS HEREBY GIVEN THAT the Thirty-seventh Annual General Meeting of the Members of the Company will be held on Friday, 4th August, 2017 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, 2017 and the Report of Auditors thereon; and
- (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017 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 Madhusudan J. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 4. Appointment of Statutory Auditors

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 Section 139 of the Companies Act, 2013 and Rules made thereunder and pursuant to the recommendation of the Audit Committee of the Board of Directors, M/s. Manubhai & Shah LLP, Chartered Accountants (Firm Reg. No. 106041W/W100136), Ahmedabad, be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors, M/s C. C. Chokshi & Co., Chartered Accountants, to hold office from the conclusion of Thirty-Seventh Annual General Meeting to the conclusion of the Forty-Second Annual General Meeting (subject to ratification of the appointment by the members at every AGM held after this AGM) and that the Board of Directors be and are hereby authorized to fix their remuneration as may be determined by the Audit Committee in consultation with them."

SPECIAL BUSINESS:

Item No. 5. Appointment of Shri Kersi J. Pardiwalla as an Independent Director

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 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Kersi J. Pardiwalla (holding DIN 00015670), a non-executive Non-Independent Director of the Company, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office from 18th January, 2017 upto the conclusion of Annual General Meeting that may be held for the Financial Year ending March 31, 2020."

Item No. 6. Re-appointment of Shri Arun P. Patel as an Independent Director

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

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Shri Arun P. Patel (holding DIN 00830809), Director of the Company, who retires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for three consecutive years upto the conclusion of Annual General Meeting that may be held for the financial year ending March 31, 2020."

Item No. 7. Re-appointment of Shri Rajesh Jaykrishna as an Independent Director

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

"Resolved that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and recommendation of Nomination and Remuneration Committee, Shri Rajesh Jaykrishna (holding DIN 00048294), Director of the Company, who retires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company to hold office for three consecutive years up to the conclusion of Annual General

Meeting that may be held for the financial year ending March 31, 2020."

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 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 29th July, 2017 to 4th August, 2017 (both days inclusive) for annual closing and determining the entitlement of the shareholders dividend for 2016-17.
- (f) The Dividend on Equity Shares if declared at the Meeting will be paid on 17th August, 2017 or thereafter to those members whose names shall appear on the Company's Register of Members on 28th July, 2017; 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 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 2016-17 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 2016-17 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.
Members can download the Notice of the 37th Annual General Meeting and the Annual Report 2016-17 available on the Company's website www.stanroseinvest.com. The physical copies of the aforesaid documents are 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) Additional information pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and para 1.2.5 of Secretarial Standard on General Meeting (SS-2), notified under the Companies Act, 2013 in respect of the Directors seeking appointment / re-appointment at the AGM are given hereunder :

A. Shri Madhusudan J. Mehta

Shri Madhusudan J. Mehta, aged 72 years, is a Bachelor of Commerce and Law. He possesses long and diverse experience in the field of Finance, Taxation and Administrative Affairs. He is associated with various business enterprises of Mafatlal Group for more than four decades, holding various responsible positions.

He is on the Board of Pradeep Investments Pvt. Ltd., Gagalbhai Trading Pvt. Ltd., Gagalbhai Investments Pvt. Ltd., Sheiladeep Investments Pvt. Ltd., Sheilaja Enterprises Pvt. Ltd., Stanrose Fund Management Services Ltd., Stanrose Mafatlal

STANROSE MAFATLAL INVESTMENTS AND FINANCE LIMITED

Lubechem Ltd. (In Liquidation), Umiya Balaji Real Estate Pvt. Ltd., Umiya Real Estate Pvt. Ltd. and Gagalbhai Enterprises (Hong Kong) Ltd. and a Trustee in various Public Charitable Trusts.

He is the Chairman of Corporate Social Responsibility Committee of the Company and a member of Stakeholders Relationship Committee.

He is holding 434 Equity shares of Rs.10/- each in the Company.

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 Mehta, 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.3.

He is not related to any director or key managerial personnel inter-se. The Company may pay sitting fees and commission to him as a Director of the Company.

The details regarding number of Meetings of the Board attended and remuneration paid to Shri Mehta are given in the Corporate Governance Report.

B. Shri Kersi J. Pardiwalla

Additional information in respect of Shri Kersi J. Pardiwalla is given at item no. 5 of the explanatory statement.

C. Shri Arun P. Patel

Additional information in respect of Shri Arun P. Patel is given at item no. 6 of the explanatory statement.

D. Shri Rajesh Jaykrishna

Additional information in respect of Shri Rajesh Jaykrishna is given at item no. 7 of the explanatory statement.

(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 as amended 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 this facility. 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 - 170619013)

- (i) Log on to the e-voting website 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 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 in 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 and cast 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.

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 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).

- (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 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. It is strongly recommended to take utmost care to keep your password confidential and not share it with any other person.
- (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 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, 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 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 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 under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xix) The voting period begins on Tuesday, 1st August, 2017 (9:00 am) and ends on Thursday, 3rd August, 2017 (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 28th July, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 3rd August, 2017 (5:00 p.m).
- (xx) Shareholders can also cast their vote using CDSL's mobile app m-voting available for all mobile users. The m-voting app can be downloaded from Google Play Store. I-phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. 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. 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 and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Stock Exchange.

Registered Office:
Popular House,
Ashram Road,
AHMEDABAD - 380 009.
Mumbai.
Dated: 24th April, 2017

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 to 7 contained in the accompanying Notice dated April 24, 2017.

In respect of Item No. 5:

Shri Kersi J. Pardiwalla (DIN 00015670), aged 79 years, is a Bachelor of Commerce (B.Com.) and a Fellow Member of the Institute of Chartered Accountants of India (F.C.A.). He possesses long and diverse experience in the field of Finance, Accounting, Taxation, Production, Marketing and Management. He is on the Board of Standard Industries Limited, Stan Plaza Limited, Standard Salt Works Limited and Vinadeep Investments Private Limited. He has been associated with Standard Industries Limited for more than 50 years.

He is the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee and a Member of Corporate Social Responsibility Committee of the Company. He is also the Chairman of the Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee and a Member of Share Transfer Committee and Investment Committee of Standard Industries Limited. He is holding 300 Equity Shares of Rs.10 each in the Company.

He is on the Board of the Company since April 21, 2006. The Board at its Meeting held on January 18, 2017 has appointed him as an Independent Director with immediate effect, subject to the approval of the Members at the next General Meeting.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Pardiwalla, being eligible for appointment, is proposed to be appointed as an Independent Director to hold office w.e.f. 18th January, 2017 and upto the conclusion of Annual General Meeting that may be held for the Financial year ending March 31, 2020.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Pardiwalla fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his appointment as an Independent Director setting out the terms and

conditions would be available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the appointment of Shri Pardiwalla as an Independent Director, for approval of the shareholders of the Company.

He is not related to any director or key managerial personnel inter-se. The Company may pay Sitting Fees and Commission to him as a Director of the Company.

The details regarding the number of meetings of the Board attended and remuneration paid to him are given in the Corporate Governance Report.

Except Shri Pardiwalla, 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.

In respect of Item No. 6:

Shri Arun P. Patel, (DIN 00830809), aged 82 years, is a well known industrialist. Soon after his graduation in Science, he joined in the running of a textile mill formerly known as The Bharat Vijay Mills Ltd. and now as Sintex Industries Limited. Under the guidance and stewardship of Shri Arunbhai as a Vice Chairman of Sintex Industries Limited, its Plastic Division has emerged as the world's largest manufacturer of Plastic tanks besides expanding and strengthening of its original Textile Division. He is also on the Board of Sintex Plastics Technology Limited.

He is on the Board of the Company since 4th August, 1981.

He is a Member of the Audit Committee and Nomination and Remuneration Committee of the Company and a Member of the Share and Debenture Transfer Committee of Sintex Industries Limited.

He is holding 175 Equity Shares of Rs.10/- each in the Company.

Shri Patel is due for retirement from his first term as an Independent Director under the Companies Act, 2013. Based on his skills, experience, knowledge, performance, evaluation and recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint him for three consecutive years up to the conclusion of the Annual General Meeting that may be held for the financial year ending March 31, 2020.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Patel fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his re-

appointment as an Independent Director setting out the terms and conditions is available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the re-appointment of Shri Patel as an Independent Director, for approval of the shareholders of the Company.

He is not related to any director or key managerial personnel inter-se. The Company may pay Sitting Fees and Commission to him as a Director of the Company.

The details regarding the number of meetings of the Board attended and remuneration paid to him are given in the Corporate Governance Report.

Except Shri Patel, 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.6.

In respect of Item No. 7:

Shri Rajesh Jaykrishna, (holding DIN 00048294) aged 67 years, holds a degree of B.Sc., M.S. in Chemical Engineering (U.S.A.) and is a well-known industrialist. He has a very wide experience in industry, finance and corporate affairs.

He is on the Board of Sukrut Chemicals Pvt. Ltd., H.K. Investment Co. Pvt. Ltd., Shree Jayavardhini Investments Pvt. Ltd., Telegenic Productions Pvt. Ltd., Ansumalini Investment Pvt. Ltd. and Echke Limited.

He is on the Board of the Company since 9th November, 1982.

He is a member of the Audit Committee and Nomination and Remuneration Committee of the Company.

He is holding 156 Equity Shares of Rs.10 each in the Company as a joint holder.

Shri Rajesh Jaykrishna is due for retirement from his first term as an Independent Director under the Companies Act, 2013. Based on his skills, experience, knowledge, performance, evaluation and recommendation of Nomination and Remuneration Committee, it is proposed to re-appoint him for three consecutive years up to the conclusion of the Annual General Meeting that may be held for the financial year ending March 31, 2020.

A notice has been received from a member proposing him as a candidate for the office of Director of the Company.

In the opinion of the Board, Shri Rajesh Jaykrishna fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter of his re-appointment as an Independent Director setting out the terms and conditions is available for inspection of the members without any fee at the Registered Office of the Company during normal business hours on working days.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, the Board recommends the resolution for the re-appointment of Shri Rajesh Jaykrishna as an Independent Director, for approval of the shareholders of the Company.

He is not related to any director or key managerial personnel inter-se. The Company may pay Sitting Fees and Commission to him as a Director of the Company.

The details regarding the number of meetings of the Board attended and remuneration paid to him are given in the Corporate Governance Report.

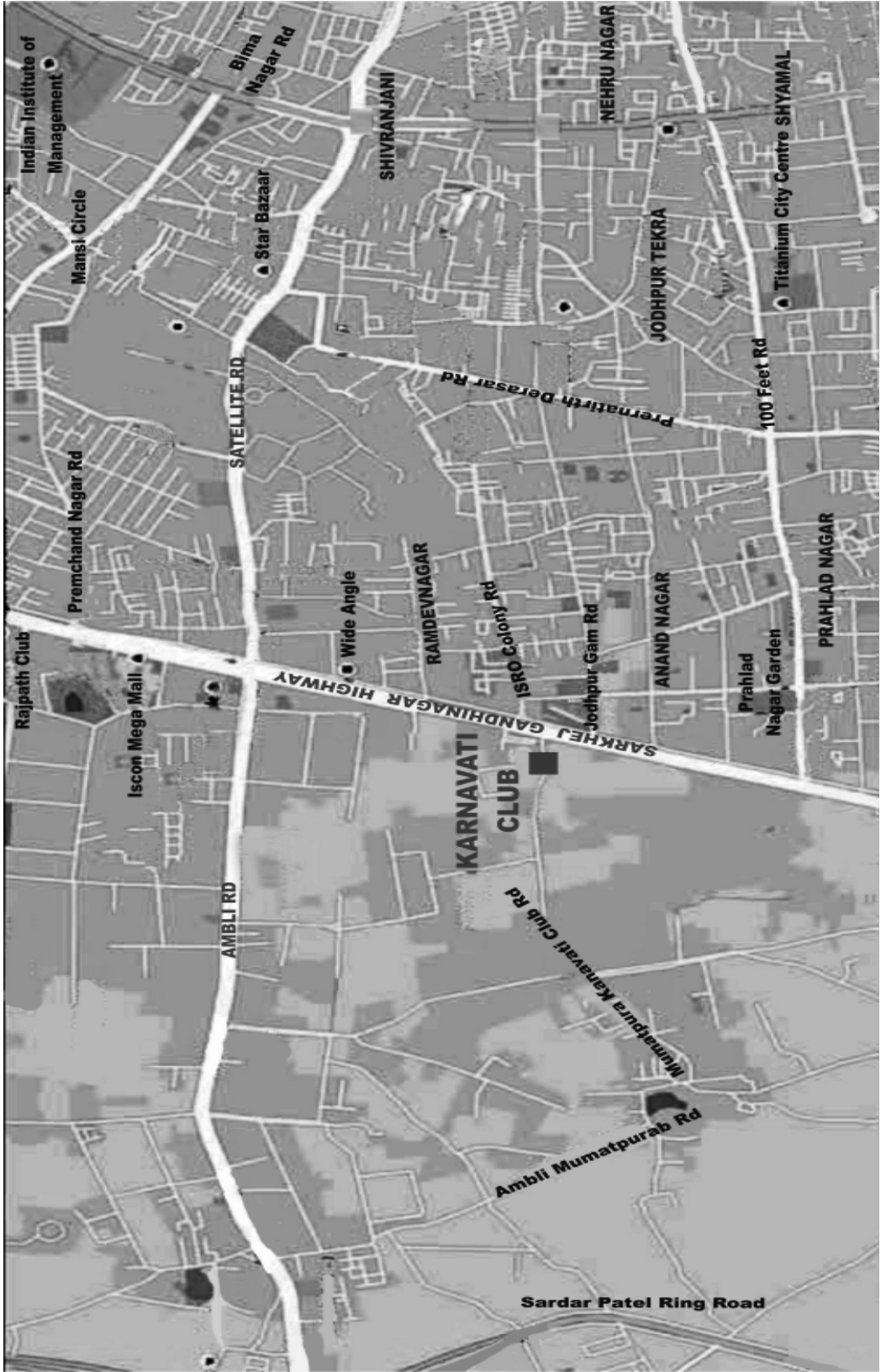
Except Shri Rajesh Jaykrishna, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item no.7.

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

Dated: 24th April, 2017

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 37th Annual General Meeting of the Company, to be held on Friday, the 4th August, 2017 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 Madhusudan J. Mehta as a Director
4	Appointment of Statutory Auditors
5	Appointment of Shri Kersi J. Pardiwalla as an Independent Director
6	Re-appointment of Shri Arun P. Patel as an Independent Director
7	Re-appointment of Shri Rajesh Jaykrishna as an Independent Director

Signed this day of 2017

Signature of shareholder

Affix
15 Paise
Revenue
stamp

Signature of first proxy holder

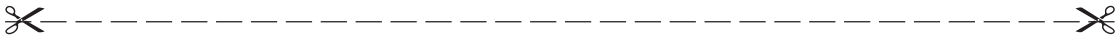
Signature of second proxy holder

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.





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

ATTENDANCE SLIP

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

37th Annual General Meeting - 4th August, 2017

DP ID No. Client ID No.

I hereby record my presence at the Thirty-Seventh 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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