

STANDARD INDUSTRIES LTD.

NOTICE

Notice is hereby given that the **ONE HUNDRED & TWENTIETH ANNUAL GENERAL MEETING** of the Members of STANDARD INDUSTRIES LIMITED will be held at The Park Navi Mumbai, Plot No. 1, Sector 10, CBD Belapur, Navi Mumbai-400 614, on Thursday, the 31st August, 2017, at 3.00 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. Audited Balance Sheet as at 31st March, 2017, Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Directors and Auditors thereon.
 - b. Consolidated Audited Balance Sheet as at 31st March, 2017, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the financial year ended on that date together with the Report of the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Pradeep R. Mafatlal (DIN 00015361), who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 139 and other applicable provisions of the Companies Act, 2013 (including any statutory modifications, re-enactment thereof for the time being in force) and rules made thereunder (as amended from time to time) M/s. SHR & Co., Chartered Accountants (ICAI Firm Registration No. 120491W), be and are hereby appointed as the Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the 125th Annual General Meeting at a remuneration to be decided by the Board of Directors.”

SPECIAL BUSINESS

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

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, re-enactment thereof for the time being in force) and the Rules made thereunder, as amended from time to time, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, be paid and distributed amongst the Directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors) in such amounts or proportions and in such manner and in all respects as may be decided by the Board of Directors and such payments shall be made with respect to the profits of the Company for each year, for a period of five years, commencing from 1st October, 2017.”

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, re-enactment thereof for the time being in force) consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board”, which term shall be deemed to include any Committee of the Board constituted by the Board) for making investment, in Initial Public Offer (IPOs), acquisition/purchase of shares, securities, bonds, Debentures, Mutual Funds, money market instruments and other financial instrument of any Body Corporate or other person/entity or for giving loans, guarantees or providing securities to any Body Corporate or other person/entity, from time to time upto ₹ 300 crores, which is in excess of limits specified under Section 186 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board be and is hereby authorized to take all such actions including delegation of authority and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise with regard to the proposed investment and further to do all such acts, deeds, matters and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection herewith.”

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

AS AN ORDINARY RESOLUTION

“RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, re-enactment thereof for the time being in force) and in supersession of the Resolution passed by the Members at the 109th Annual General Meeting of the Company held on 21st February, 2006, the Board of Directors of the Company be and is hereby authorized to contribute, in any financial year, to bonafide charitable and other funds, any amounts the aggregate of which, may exceed 5% of its average net profits for the three immediately preceding financial years, subject to a limit of ₹ 1 crore.”

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

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 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri K. J. Pardiwalla (DIN 00015670), a Non-Executive Director of the Company who was appointed as Independent Director by the Board with effect

from 10th February 2017 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 appointed as an Independent Director of the Company to hold office for a term of 3 consecutive years commencing from 10th February 2017 AND THAT he shall not be liable to retire by rotation.

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

AS A SPECIAL RESOLUTION

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment thereof for the time being in force) and read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company do approve the re-appointment of Shri D. H. Parekh (DIN 00015734), as Executive Director of the Company for a period of 3 years commencing from 2nd August, 2017, upon the terms of re-appointment including remuneration, commission and perquisites as set out in the Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 with a liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board) to alter and vary the said terms of re-appointment and remuneration in such manner as may be agreed to between the Board and Shri D. H. Parekh and within the limits as prescribed in Schedule V to the Companies Act, 2013 including any amendment, modification, variation or re-enactment thereof.”

“RESOLVED FURTHER THAT during the tenure of Shri D. H. Parekh as Executive Director, he shall be the Key Managerial Personnel (KMP) of the Company in terms of Section 203(1)(i) of the Companies Act, 2013.”

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“RESOLVED FURTHER THAT where in any Financial Year during the currency of Shri D. H. Parekh’s tenure as Executive Director, the Company has no profits or its profits are inadequate, the Company shall pay remuneration by way of salary, perquisites and retirement benefits subject to the limits specified in Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, in force from time to time as minimum remuneration unless the approval of the Central Government has been sought for the purpose of payment of remuneration which is in excess of the limits specified in the said Schedule.”

“RESOLVED FURTHER THAT any revision in the remuneration payable to Shri D. H. Parekh shall be within the overall limits as approved by the members in terms of this resolution and as recommended by the Nomination and Remuneration Committee to the Board for its approval, from time to time.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any committee of directors to give effect to the aforesaid Resolution.”

NOTES:

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

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

A member holding more than ten percent of the total Share Capital of the Company may

appoint a single person as proxy who shall not act as proxy for any other Member. The holder of proxy shall prove his identity at the time of attending the meeting.

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

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

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

A Statement pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”), relating to the Special Business to be transacted at the Meeting is annexed to this report.

(b) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 17th August, 2017, to Thursday, the 31st August, 2017, (both days inclusive) for the purpose of Annual General Meeting & payment of dividend for the Financial Year ended 31st March, 2017. Those Members whose names appear in the Register of Members of the Company as on 16th August, 2017, will be eligible for dividend.

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

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

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

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

Kindly ensure that the above instructions are under your signature (which should be as per specimen registered with the Depository Participant/Company's Registrar & Share Transfer Agent) and are communicated before 16th August, 2017, to facilitate receipt of dividend. Please note that if your new Core Bank Account Number is not informed as aforesaid, payment of your dividend to your old bank account number may either be rejected or returned. Kindly refer to the Mandate Form enclosed in this Annual Report for further details.

(d) Voting through electronic means

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

1. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed

to be considered at the 120th Annual General Meeting by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Karvy.

2. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again at AGM.
4. The remote e-voting period commences on Sunday, the 27th August, 2017 (9.00 a.m.) and ends on Wednesday, the 30th August, 2017 (5.00 p.m). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th August, 2017, may cast their vote by remote e-voting.

The Remote e-voting module shall be disabled by Karvy at 5.00 p.m. on 30th August 2017. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

5. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an e-mail from Karvy [for members whose email IDs are registered with the Company/Depository Participant(s)]:
 - (i) Launch an internet browser and open <https://evoting.karvy.com>

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- (ii) Enter the login credentials (i.e. User ID and password) and captcha. The Event No., Folio No. or DP ID Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering the above details Click on - Login.
 - (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
 - (v) On successful login, the system will prompt you to select the E-Voting Event.
 - (vi) Select the EVENT of Standard Industries Limited and click on - Submit.
 - (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
 - (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
 - (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
 - (x) Once you have voted on the Resolution, you will not be allowed to modify your vote.
 - (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at kaushikjhaverics1@gmail.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format 'Corporate Name_ EVENT NO.'
- B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company/ Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM
- | | | |
|--------------------------------------|----------------|-----------------|
| EVENT (E-voting Event Number) | USER ID | PASSWORD |
|--------------------------------------|----------------|-----------------|
- (ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.

- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website on <https://evoting.karvy.com> or call on toll free no.: 1-800-3454-001.
 - III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
 - IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off-date of 24th August, 2017.
 - V. Members who have acquired shares after the dispatch of the Annual Report and/or before the cut-off date, i.e. 24th August, 2017, may obtain the User ID and Password for exercising their right to vote by electronic means, in the following manner:
 - (a) If the mobile number of the member is registered against Folio No. / DP ID and Client ID, the member may send SMS: MYEPWD <space> Event number +Folio No. or DP ID Client ID to 9212993399
- | | |
|-----------------------|------------------------------------|
| Example for NSDL: | MYEPWD <SPACE>
IN12345612345678 |
| Example for CDSL: | MYEPWD <SPACE>
1402345612345678 |
| Example for Physical: | MYEPWD <SPACE>
XXX1234567 |
- (b) If e-mail or mobile number of the member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click 'forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - (c) Member may call Karvy's toll free number 1-800-3454-001
 - (d) Member may send an e-mail request to evoting@karvy.com.
- VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off-date only shall be entitled to avail the facility of

remote e-voting as well as voting at the AGM through polling paper.

- VII. Mr. Kaushik M. Jhaveri, Proprietor, M/s. Kaushik M. Jhaveri & Co., Practicing Company Secretary, (Membership No. FCS 4254) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- VIII. The Chairman shall, at the AGM, at the end of discussion on the Resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of polling paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- IX. The Scrutinizer, after the conclusion of voting at the AGM, shall first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- X. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.standardindustries.co immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
- (e) The Dividend as recommended by the Directors when declared at the Annual General Meeting will be paid by dividend warrants drawn on designated Branches of HDFC Bank Limited from Monday, the 25th September, 2017, to those shareholders who have not opted for NECS Mandates. For those shareholders who have submitted their NECS Mandates, the dividend will be credited directly to their respective Bank Accounts.

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- (f) The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period.

The details of the unpaid/unclaimed amount lying with the Company as on 27th June, 2016 (Date of last AGM) and also the details of the shares liable to transfer in the name of the IEPF Authority are available on the website of the Company http://www.standardindustries.co/pdf/IEPF_transfer_of_shares.pdf and on the Ministry of Corporate Affairs website.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement.

The Company has already transferred on 14th October, 2016, the unclaimed dividends for the period October, 2007 to March, 2009, (Final Dividend) to the Investors' Education & Protection Fund (IEPF). The unclaimed dividend for the Accounting Periods ending 31st March, 2010 onwards are to be transferred to the IEPF on the dates given in the table below:

Financial Year	Date of Declaration of Dividend	Date for transfer to IEPF
April, 2009 To March, 2010	09.08.2010	08.09.2017
April, 2010 To March, 2011	04.08.2011	04.09.2018
April, 2011 To March, 2012	14.08.2012	14.09.2019
April, 2012 To March, 2013	14.08.2013	15.09.2020
April, 2013 To March, 2014	14.08.2014	15.09.2021
April, 2014 To March, 2015	29.09.2015	29.10.2022
April, 2015 To March, 2016	27.06.2016	25.07.2023

Members who have so far not encashed the Dividend Warrants for the financial years ended March, 2010, onwards, are advised

to submit their claims to the Company's Registrar and Share Transfer Agents, M/s. Karvy Computershare Private Limited, or the Company's Registered Office at Plot No. 4, TTC Industrial Area, Thane Belapur Road, P.O. Millenium Business Park, Navi Mumbai-400 710.

- (g) Members holding shares in physical form are advised to avail of the nomination facility by filling the prescribed Form No. SH-13 which is available with M/s. Karvy Computershare Private Limited, the Registrar and Share Transfer Agents of the Company. Members holding shares in dematerialised form are requested to contact their depository participant, for recording their nomination.

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

- (h) The Company's securities are listed on the following Stock Exchanges:

Sr. No.	Name & Address of the Stock Exchange	Nature of Security
1.	BSE Ltd., Jeejeebhoy Towers, Dalal Street, Mumbai – 400 023.	Equity Shares
2.	National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No.C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	-do -

The Company has paid Annual Listing fees to the above Stock Exchanges upto 31st March, 2018.

- (i) As part of the Green Initiative in Corporate Governance, and as permitted by Section 101 and Section 136 of the Companies Act, 2013 and rules made thereunder (as amended from time to time), listed companies are allowed to send notice and financial statements through electronic mode.
- (j) To support this green initiative of the Government, in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate columns in the Green Initiative Form attached hereto and register the same with M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032.

The Annual Report of the Company circulated to the members of the Company, is available on the Company's website: www.standardindustries.co

- (k) Appointment/Re-appointment of Directors:

Details to be furnished in respect of the Directors being proposed for appointment/re-appointment at the ensuing Annual General Meeting in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the following information is given hereunder:

1. Born on March 18, 1965, Shri Pradeep R. Mafatlal comes from the illustrious House of Mafatlals. He has obtained Davar's Diploma in Commerce (D.D. Com.) and has also completed a Diploma course in Business Management.

He is the Chairman of Standard Industries Limited, Stanrose Mafatlal Investments and Finance Ltd., Mafatlal Enterprises Limited, Shanudeep Private Limited, Umiya Real Estate Private Limited, Umiya Balaji Real Estate Private Limited and Mafatlal AG, Herisau, Switzerland. He is also a Director of Sheiladeep Investments Pvt. Ltd, Vinadeep Investments Pvt. Ltd, HPA Sports Private Limited and Gagalbhai Trading (Hong Kong) Ltd. He is a Member of the Stakeholders' Relationship Committee, Share Transfer Committee and Investment Committee of Standard Industries Limited. He is also a Member of Stakeholders' Relationship Committee of Stanrose Mafatlal Investments and Finance Ltd.

Shri Pradeep R. Mafatlal holds 13,555 Equity Shares of the Company.

2. Details in respect of Shri D. H. Parekh have been furnished at the appropriate place in the Explanatory Statement annexed to the Notice. These details are not given here so as to avoid repetition.

By Order of the Board

TANAZ B. PANTHAKI
Vice President (Legal)
& Company Secretary

Registered Office:

Plot No.4, TTC Industrial Area,
Thane Belapur Road,
P.O. Millenium Business Park,
Navi Mumbai – 400 710.
CIN: L17110MH1892PLC000089

Dated: 16.05.2017

ANNEXURE TO THE NOTICE

Explanatory Statement as required under Section 102(1) of the Companies Act, 2013:

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to Items Nos. 5 to 9 contained in the accompanying Notice dated 16th May 2017.

Item No. 5

The Company sought shareholders' approval at the Annual General Meeting held on 14th August, 2013, under the erstwhile Companies Act, 1956. Subsequent to the enactment of new Companies Act, 2013, the Company now seeks the approval of the Shareholders for payment of commission to the Non-Executive Directors considering their continuous and valuable contribution in directing the strategy of the Company, upto 1% of the Company's net profits as calculated under Section 198 of the Companies Act, 2013, from 1st October, 2017, for a period of 5 years, to be distributed amongst the Directors as may be decided by the Board from time to time.

Section 197 of the Companies Act, 2013, provides for payment of remuneration to the Directors who are neither Managing Directors nor Whole-time Directors (i.e. Non-Executive Directors) which shall not exceed 1% of the net profits of the Company. The Board of Directors of the Company, subject to the approval of members of the Company, may propose to remunerate the Non-Executive Directors (i.e. Directors other than Managing Directors and the Whole-Time Directors) not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

The said remuneration to Non-Executive Directors, if paid, shall be in addition to the sitting fee payable to them for attending meetings of Board and Committees thereof.

Accordingly, a Resolution under Section 197 of the Act is being moved and the same is recommended for your adoption.

The Non-Executive Directors are deemed to be interested in the Resolution. None of the other Directors, Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the said Resolutions.

Item No. 6

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of the Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of:

- i) Sixty per cent of the aggregate of the Paid-up Capital, free reserves and Securities premium account or
 - ii) Hundred per cent of its free reserves and Securities premium account whichever is more,
- if Special Resolution is passed by the shareholders of the Company.

This permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013, to give powers to the Board of Directors for making further investment, providing loans or give guarantee to the extent of ₹ 300 crores.

Accordingly the Board recommends the Special Resolution for the proposed investment in terms of Section 186 of the Companies Act, 2013, for the approval by the shareholders of the Company.

These investments are proposed to be made out of own/surplus funds/internal accruals and/or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this Resolution except as members.

Item No. 7

Under Section 181 of the Act, the Board of Directors of the Company is authorized to make contributions to charitable and other funds, provided that prior permission of the members is required for such contributions during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years. The Members had, at the Annual General Meeting held on 21st February, 2006, passed a Resolution for making donations in excess of an amount of 5% percent of the Company's average net profits (determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956) during the three immediately preceding financial years but not exceeding ₹ 1 crore in a financial year.

The approval of the members is being sought, pursuant to Section 181 of the Companies Act, 2013 for authorizing the Board of Directors of the Company to make contributions to bonafide charitable and other funds, in a financial year, exceeding 5% percent of the Company's average net profits during the three immediately preceding financial years subject to a limit of ₹ 1 crore.

Accordingly, a Resolution under Section 181 of the Act is being moved and the same is recommended for your adoption.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in this Resolution.

Item No. 8

Shri K. J. Pardiwalla is a Non-Executive Independent Director of the Company.

Shri K. J. Pardiwalla was born on 24th July, 1937. He is a Chartered Accountant and has diverse experience in Financial Accounting, Taxation, Marketing and Management.

Shri K. J. Pardiwalla was appointed as Managing Director from March, 1996 to August, 2011 and a Director of the Company from August, 2011 onwards.

Shri K. J. Pardiwalla is a Director on the Board of many Companies, viz., Standard Industries Limited, Stanrose Mafatlal Investment & Finance Limited, Vinadeep Investments Pvt. Ltd., Stan Plaza Limited and Standard Salt Works Ltd. He is the Chairman of Audit Committee, Stakeholders' Relationship Committee and Nomination & Remuneration Committee of Standard Industries Limited and Stanrose Mafatlal Investments and Finance Limited and also a Member of Share Transfer Committee, Independent Directors Committee and Investment Committee of Standard Industries Limited and a Member of Corporate Social Responsibility Committee of Stanrose Mafatlal Investments and Finance Limited.

Shri K. J. Pardiwalla does not hold any shares in the Company.

The Board of Directors has appointed Shri K. J. Pardiwalla as an Independent Director for three consecutive years on 10th February 2017. It is proposed to approve the appointment for a period of 3 years from 10th February 2017. A notice has been received from a member proposing Shri K. J. Pardiwalla as a candidate for the office of Independent Director of the Company.

The Company has also received a declaration from Shri K. J. Pardiwalla, Independent Director, that he meets with the criteria of Independence as prescribed, both under sub-section 6 of Section 149 of the Act and under Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In the opinion of the Board, Shri K. J. Pardiwalla fulfils the conditions specified in the Companies Act, 2013, rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, for his appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Shri K. J. Pardiwalla as an Independent Director setting out the terms and conditions would be available for inspection at the Registered Office of the Company between 10.00 a.m. and 12.00 noon except on Saturdays and Holidays.

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

Except Shri K. J. Pardiwalla, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution set out at Item No. 8. This Explanatory Statement may also be regarded as a disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Item No. 9

Shri D. H. Parekh was appointed as Executive Director of the Company, for a period of 3 years with effect from 2nd August, 2011 and re-appointed for a further period of 3 years from 2nd August, 2014, on the terms and conditions approved by the Shareholders at the Annual General Meeting held on 14th August, 2014.

Shri D. H. Parekh is a Director on the Board of Standard Industries Limited, Stan Plaza Limited, Standard Salt Works Ltd, Duville Estates Private Limited, Umiya Real Estate Private Limited and Umiya Balaji Real Estate Private Limited. He is a Member of Audit Committee, Stakeholders' Relationship Committee and Share Transfer Committee of Standard Industries Limited.

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The appointment of Shri D. H. Parekh as Executive Director and Key Managerial Personnel (KMP) and his remuneration has been approved by the Nomination & Remuneration Committee of the Company at their Meeting held on 16th May, 2017. The Board of Directors has also at their meeting held on 16th May, 2017, re-appointed Shri D. H. Parekh as Executive Director for a further period of 3 years from 2nd August, 2017. As Executive Director and KMP of the Company, Shri D. H. Parekh will be in-charge of the management and affairs of the Company, subject to the superintendence and control of the Board of Directors (hereinafter referred to as 'the Board'). The terms of re-appointment and remuneration payable to Shri D. H. Parekh are set out below.

The terms of remuneration comprising salary, commission and perquisites to Shri D. H. Parekh are as under:

(1) Salary of ₹ 1,75,000/- per month inclusive of dearness and all other allowances with the authority to the Nomination & Remuneration Committee of the Board to grant such increments from time to time as it may decide in its absolute discretion upto a salary of ₹ 3,00,000/- per month.

(2) Commission as may be decided by the Nomination & Remuneration Committee subject to the overall ceiling laid-down in Section 197 read with Schedule V of the Companies Act, 2013. Such commission will be determined by the Board and be payable after the financial statements for the said financial year have been approved by the Board and adopted by the Members.

(3) Perquisites:

Perquisites such as furnished accommodation or house rent allowance, provision of gas, electricity, water and furnishings in respect of such accommodation, medical reimbursement for self and family, club fees (excluding admission and life membership fees), leave benefits, leave travel concessions for self and family, personal accident insurance and such other perquisites and on such terms and conditions as the Nomination & Remuneration Committee may in its absolute discretion determine from time to time.

Provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for

private purposes shall be treated as perquisite to the Executive Director.

The monetary value of perquisites will be determined in accordance with the relevant rules laid down in this regard under the Income-tax Act. In the absence of such rules, the monetary value of such perquisite shall be determined at cost.

(4) Retirement Benefits:

a) Company's contribution to Provident Fund & Superannuation Fund as per the Rules of the Company;

b) Gratuity as per the Rules of the Company including continuity of service for the time served in any other capacity other than Executive Director within the Company.

c) Leave & encashment of leave as per the Rules of the Company.

The retirement benefits in (a), (b) and (c) above shall not be included in the computation of ceiling on remuneration of Shri D. H. Parekh to the extent provided in Section IV of Schedule V to the Companies Act, 2013.

Notwithstanding anything contained hereinabove, where in any financial year during the currency of Shri D. H. Parekh's tenure as Executive Director, the Company has no profits or its profits are inadequate, he shall be paid remuneration by way of salary and perquisites referred to in (1) and (3) as also retirement benefits in (4) above, subject to the limits specified in Section II of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013, in force from time to time, as minimum remuneration.

A statement pursuant to clause (iv) of Section II of Part II of Schedule V of the Companies Act, 2013 is as follows:

I. General Information:

1) Nature of industry:

The Company has a Realty Business and deals in Textiles Trading.

2) Date or expected date of commencement of commercial production:

Not Applicable

3) In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus:

Not Applicable

- 4) Financial performance based on given indicators:

	2016/2017	2015/2016	2014/2015
	₹ in lakhs	₹ in lakhs	₹ in lakhs
Turnover:			
Gross	735.19	629.99	689.91
Net	735.19	629.99	689.91
Profit Before Tax	(1994.98)	(1140.41)	(400.13)
Profit After Tax	(1980.72)	(1140.41)	(400.13)
Earning Per Share	(3.08)	(1.77)	(0.62)
Networth	7148.12	9128.84	10849.96
Rate of dividend (Proposed)	15%	15%	15%

- 5) Foreign investments or collaborations, if any:

There are no foreign investments or collaborations by the Company. However, 39.54% of the share capital of the Company is held by NRI/OCB and FIIs. There is no foreign collaboration.

II. Information about the appointee:

- 1) Background details:

Shri D. H. Parekh is a Chartered Accountant and has diversified experience in Financial Accounting, Taxation and Management.

He joined Standard Industries Limited in the year 1976. In 1998 he was promoted to the Post of Vice-President (Finance).

Shri D. H. Parekh is a Director on the Board of Standard Industries Limited, Stan Plaza Limited, Standard Salt Works Ltd, Duville Estates Private Limited, Umiya Real Estate Private Limited and Umiya Balaji Real Estate Private Limited. He is a Member of Audit Committee, Stakeholders' Relationship Committee and Share Transfer Committee of Standard Industries Limited.

Shri D. H. Parekh does not hold any shares in the Company.

- 2) Past remuneration:

Remuneration paid to Shri D. H. Parekh for past 3 financial years is as under:

Financial year	Remuneration (₹)
2014-15	37,40,436
2015-16	42,61,574
2016-17	35,67,519

- 3) Recognition or awards:

Refer Para (1) above under section 'Information about the appointee':

- 4) Job profile and his suitability:

As an Executive Director & KMP of the Company, Shri D. H. Parekh will be responsible for the affairs of the Company under the supervision and control of the Board of Directors of the Company. His profile will include assisting Board in taking business and policy decisions. By qualification Shri D. H. Parekh is a Chartered Accountant and has diverse experience in Financial Accounting, Taxation and Management. He is associated with the Company for about 41 years holding various responsible positions in the Company. Having regard to his qualification and wide experience, it will be in the interest of the Company to appoint him as Executive Director & KMP of the Company. The Executive Director and KMP shall devote his whole time and attention to the business of the Company and shall use his best endeavour to promote its interest and welfare.

- 5) Remuneration proposed:

Details of the remuneration proposed has been provided in the aforementioned paragraphs under Item no 9.

- 6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with regard to the country of his origin);

The aforesaid proposed remuneration is commensurate with the size of the Company, profile of the position and person and compares favourably with the remuneration package in the industry.

- 7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any;

Shri D. H. Parekh does not have any pecuniary relationship with the Company or any other key managerial personnel except to the extent of remuneration drawn by him.

III. Other information

Reasons of loss or inadequate profits; Steps taken or proposed to be taken for improvement; Expected increase in productivity and profits in measurable terms;

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As you are aware, the Company had suspended in-house production of its Textiles and Garments Divisions, in totality, in 2001 and closed its Chemicals Factory from 9th November, 2006.

The Company is now, inter alia, engaged in the Real Estate activities. The Real Estate market has been amongst the sectors worst hit by the economic downturn. The demonetization on 8th November, 2016, has further worsened the existing liquidity crunch. The residential space continues to face headwinds in the form of muted sales and subdued consumer demand. Furthermore, the sector has been challenged by frequent delays in project completion and a complex approval process. This has resulted in developers curtailing new project launches and focusing on executing existing projects to deliver within the committed timeframe.

The Company had leasehold land of an area of 92 acres and 10 gunthas (approx. 92.25 acres) at Thane-Belapur Road, Navi Mumbai, for a term of 100 years computed from 1.8.1965. The Company has transferred and assigned to LOMA IT Park Developers Private Limited (LOMA), Singapore in 2008 an area of 30 acres located within the larger property of approx. 92.25 acres, for the remaining tenure of the lease with Maharashtra Industrial Development Corporation (MIDC), leaving balance plot of 62.25 acres.

The Company has entered into a Memorandum of Understanding dated 1st September, 2016, with FEAT Properties Private Limited (K. Raheja group) to transfer and assign all its leasehold rights in 62.25 acres of the Company's leasehold property at Plot No. 4 situated at Trans Thane Creek Industrial Area in the villages of Ghansoli and Savali, Taluka Thane, District Thane, for a consideration of Rs.355,00,00,000/- (Rupees Three Hundred Fiftyfive Crores only) receivable in instalments. The transfer, assignment and consideration is subject to various conditions precedent getting satisfied including approval of MIDC and other terms and conditions specified in the aforesaid MOU.

With the above steps and the efforts and initiatives of Shri D. H. Parekh, as Executive Director & KMP, the Company has diversified its operations for improving its performance. The Company proposes to appropriately remunerate the Executive Director & KMP, for these efforts, role and responsibility.

Section 197 read with Schedule V to the Companies Act, 2013 specifies the ceiling [as percentage of the net profits] on the remuneration payable to its managerial personnel. In the event of remuneration payable to Shri D. H. Parekh during his tenure as Executive Director & KMP, exceeding the specified ceiling, he shall be paid the minimum remuneration as per the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. Hence, the Special Resolution at Item No. 9 of the accompanying Notice.

IV. Disclosures:

As Shri D. H. Parekh is re-appointed Executive Director with effect from 2nd August, 2017, his remuneration will be reflected in Corporate Governance for the next year.

The remuneration paid to Shri D. H. Parekh, Executive Director, during the Financial Year 2016-17, is as under:

(₹ in lakhs)

	Salary	Perquisites	Contributions	Total
Shri D. H. Parekh	23.64	4.62	7.42*	35.68

* Includes the Company's contribution to Provident Fund; Superannuation Fund & Gratuity.

Shri D. H. Parekh will not be entitled to sitting fees for attending meetings of the Board of Directors or Committees thereof of the Company.

Shri D. H. Parekh shall not be liable to retire by rotation as long as he holds office of Executive Director & KMP.

Shri D. H. Parekh shall be entitled to Earned/ Privilege Leave on full pay and Allowances as per the Rules of the Company but not more than 1 month's leave for every 11 months' service.

Shri D. H. Parekh shall be entitled to reimbursement of expenses actually and properly incurred by him for the business of the Company.

Shri D. H. Parekh shall not enter into any buying or selling agency agreement with the Company, nor shall be or become interested or otherwise concerned directly or through his wife and/or children in any buying or selling agency of the Company without the prior approval of the Central Government.

Shri D. H. Parekh's services are liable to be terminated by giving three months' notice from either side or by giving him three months' salary in lieu of notice.

Shri D. H. Parekh will not be granted any stock options.

The Board is of the opinion that having regard to his qualification, experience and dedication, the appointment of Shri D. H. Parekh as Executive Director & KMP, would be in the interest of the Company.

As per Section 197 read with Section II of Part II of Schedule V of the Companies Act, 2013, appointment of Shri D. H. Parekh as Executive Director & KMP of the Company including the terms of his appointment are placed before the Members in General Meeting for their approval by Special Resolution.

Shri D. H. Parekh may be regarded as interested in the Resolution as the same concerns his appointment. None of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in this Resolution.

By Order of the Board

TANAZ B. PANTHAKI
Vice President (Legal)
& Company Secretary

Registered Office:

Plot No. 4, TTC Industrial Area,
Thane Belapur Road,
P.O. Millenium Business Park,
Navi Mumbai – 400 710.
CIN: L17110MH1892PLC000089

Dated: 16.05.2017

ROUTE MAP TO THE VENUE

Reaching The Park Navi Mumbai

