

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Dirk India Private Limited

Report on the Financial Statements

I have audited the accompanying financial statements of DIRK INDIA PRIVATE LIMITED ('the Company') which comprise of the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I have conducted my audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Opinion

In my opinion and to the best of my information and according to the explanations given to me, the financial statements subject to the notes thereon 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:

(i) In the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;

(ii) In the case of the statement of profit and loss, of the loss for the year ended on that date;

and

(iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, I give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, I report that :

- a. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit ;
- b. In my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In my opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement subject to notes thereon comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13th September, 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013; and



- e. On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



Anand S. Daga
Chartered Accountant
Proprietor
Membership No. 048684



Place : Nashik

Date : 22 SEP 2014

ANNEXURE

**Annexure referred to in paragraph 1 of my report of even date
Re: Dirk India Private Limited ('the Company')**

(i) (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company has a program for physical verification on a rotational basis, which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. Accordingly, certain fixed assets have been physically verified by the management during the period and no material discrepancies were noticed on such verification.

(c) Fixed Assets disposed-off during the year were not substantial hence going concern status is not affected.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations given to me, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company and hence not commented upon.

(b) According to information and explanations given to me, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company and hence not commented upon.

(iv) In my opinion and according to the information and explanations given to me, there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of my audit, no major weakness has been noticed in the internal control system in respect of these areas. During the course of my audit, I have not observed any continuing failure to correct major weakness in internal control system of the company. The company does not render any services.

(v) (a) According to the information and explanations provided by the management, I am of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.



(b) In my opinion and according to the information and explanations given to me, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the period at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) The company has not accepted any deposits from the public.

(vii) In my opinion, the company has an adequate internal audit system commensurate with the size and nature of its business.

(viii) I have broadly reviewed the Cost Records maintained by the company pursuant to the Companies (Cost Accounting Records) Rules, 2011 as prescribed by the Central Government under section 209(1)(d) of the Companies Act 1956 and am of the opinion that prima-facie the prescribed accounts & records have been maintained. I have not however made a detailed examination of the said records in respect of their accuracy and completeness.

(ix)(a) The company is generally regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax / Vat, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, barring few months.

(b) According to the information and explanations given to me, no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income-Tax, Service Tax, Sales-Tax / Vat, Customs Duty, Excise Duty, Cess and other material statutory dues were outstanding, at March 31, 2014, for a period of more than six months from the date they became payable.

(c) I am informed that Investor Education and Protection Fund and Wealth-Tax are not applicable to the company.

(d) According to the records of the company, there are no any dues outstanding of Income-Tax, Sales-Tax, Service Tax, Customs Duty, Excise Duty and Cess on account of any dispute, except the following :

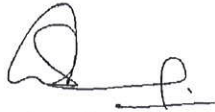
Name of Statute	Nature of Dues / Issue	Amount (Rs. In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Excise Duty on Advance DTA Sale.	84.42	2009-10	CESTAT
		2.00	2009-10	
	Excise Duty on Advance DTA Sale.	88.02	2010-11	CESTAT



- (x) The company's accumulated loss at the end of the financial year is more than fifty per cent of its net worth . The company has incurred cash loss in the current financial year and also in the immediately preceding financial year.
- (xi) Based on my audit procedures and as per the information and explanations given by the management, except some delays in payment of installments – the company has not defaulted in repayment of dues to bank. Besides the bank loan – the company has not taken any loans from financial institutions nor has it issued any debentures.
- (xii) According to the information and explanations given to me and based on the documents and records produced to me, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In my opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In my opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
- (xv) According to the information and explanations given to me, the company has not given any guarantee for loan taken by others from banks or financial institutions .
- (xvi) Term Loan taken by the company during the year was utilized for the purpose for which it was obtained.
- (xvii) According to the information and explanations given to me and on an overall examination of the balance sheet of the Company, I report that funds raised on short-term basis to the extent of Rs. 916.32 Lakhs have been used for long-term investments and funding the loss incurred by the company.
- (xviii) The company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The company has not issued any debentures during this period.
- (xx) The company has not raised any money through a public issue during this period. Accordingly, the provisions of clause (xx) of the Order are not applicable to the company.



(xxi) To the best of my knowledge, and according to the information and explanations given to me, no fraud by the Company and no material fraud on the Company, has been noticed or reported during the year.



Anand S. Daga
Chartered Accountant
Proprietor
Membership No. 048684



Place : Nashik
Date : 22 SEP 2014

Dirk India Private Limited
Balance Sheet as at 31st March, 2014

	Note	As at 31.03.2014 ₹	As at 31.03.2013 ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	20,753,830	20,753,830
Reserves and surplus	3	(202,639,481)	13,871,088
		(181,885,651)	34,624,918
Non-current liabilities			
Long-term borrowings	4	129,635,669	67,708,337
Long-term provisions	5	6,831,711	10,192,663
		136,467,380	77,901,000
Current liabilities			
Short-term borrowings	6	242,000,000	89,380,171
Trade payables	7	38,133,216	122,781,572
Other current liabilities	8	67,708,142	84,076,577
Short-term provisions	5	419,839	536,035
		348,261,197	296,774,355
TOTAL		302,842,926	409,300,273
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	203,199,146	212,246,421
Intangible assets	9	2,773,692	3,724,043
Capital work in progress		17,465,580	-
		223,438,418	215,970,464
Deferred tax assets (net)	10	-	2,028,000
Long-term loans and advances	11	14,715,421	14,547,128
Other non-current assets	12	1,276,780	1,906,306
		15,992,201	18,481,434
Current assets			
Inventories	13	14,331,279	13,962,739
Trade receivables	14	16,605,923	68,626,814
Cash and bank balances	15	8,885,421	9,433,797
Short-term loans and advances	11	23,164,532	77,200,750
Other current assets	16	425,152	5,624,275
		63,412,307	174,848,375
TOTAL		302,842,926	409,300,273

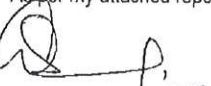
Significant accounting policies

1(B)

The accompanying notes are integral part of these financial statements.

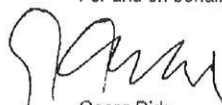
As per my attached report of even date

For and on behalf of the Board

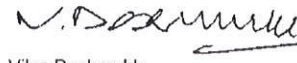


Anand Daga
Chartered Accountant
Proprietor
Membership No. 048684
Place : Nashik
Date : 22.09.2014

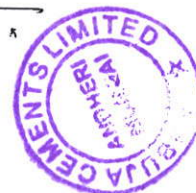




Georg Dirk
Chairman



Vilas Deshmukh
Director



Dirk India Private Limited
Statement of Profit and Loss for the year ended 31st March, 2014

	Note	2013-14 ₹	2012-13 ₹
Revenue			
Sale of products (gross)		165,389,358	518,602,582
Less : Excise duty		4,868,708	16,470,583
Sale of products (net)		160,520,650	502,131,999
Other operating revenues	17	129,787	2,798,342
Revenue from operation (net)		160,650,437	504,930,341
Other income	18	326,067	5,975,753
Total revenue		160,976,504	510,906,094
Expenses			
Cost of raw materials consumed	19	63,477,295	70,212,963
Changes in inventories of finished goods	20	(1,937,106)	2,233,421
Employee benefits expense	21	47,676,643	83,437,987
Power & fuel		14,443,283	36,936,505
Freight and forwarding expenses	22	63,167,530	192,204,200
Finance costs	23	39,025,412	25,021,030
Depreciation and amortization expense	24	27,155,687	25,170,282
Other expenses	25	86,081,641	115,082,460
Total expenses		339,090,386	550,298,848
Loss before tax		(178,113,882)	(39,392,754)
Tax expense :			
For the current year :			
Deferred tax (credit) / charge		2,028,000	(11,520,000)
		2,028,000	(11,520,000)
Relating to earlier years :			
Current tax		420,611	-
Deferred tax (credit) / charge		-	-
		420,611	-
		2,448,611	(11,520,000)
Loss for the year		(180,562,493)	(27,872,754)
Earnings per equity share of ₹ 10 each	26		
Basic		(87.00)	(13.43)
Diluted		(87.00)	(13.43)

Significant accounting policies 1(B)
The accompanying notes are integral part of these financial statements.

As per my attached report of even date

For and on behalf of the Board

Anand Daga
Chartered Accountant
Proprietor
Membership No. 048684
Place : Nashik
Date : 22.09.2014



Georg Dirk
Chairman

Vilas Deshmukh
Director



Dirk India Private Limited
Cash Flow Statement for the year ended 31st March, 2014

	2013-14	2012-13
	₹	₹
Cash flows from operating activities		
Net Profit before tax	(178,113,882)	(39,392,754)
Adjustments for :		
Depreciation and amortisation	27,155,687	25,170,282
Loss on sale of assets (Net)	7,187,382	76,579
Finance costs	39,025,412	25,021,030
Interest income	(328,067)	(5,975,753)
Operating profit before working capital changes	73,042,414	44,292,138
	(105,071,468)	4,899,384
Adjustment for :		
Trade receivables, loans & advances and other assets	53,544,933	(38,658,279)
Inventories	1,649,589	389,284
Trade payables, other liabilities and provisions	(111,798,282)	37,796,426
	(56,603,760)	(472,589)
Cash generated from / (used in) operations	(161,675,228)	4,426,815
Direct taxes Paid	(680,227)	(4,301,191)
Net cash used in operating activities (A)	(162,355,455)	125,624
Cash flows from investing activities		
Purchase of assets, including capital work in progress and capital advances	(2,219,326)	(31,157,290)
Proceeds from sale of fixed assets	2,779,670	463,184
Redemption / (Investment) in bank deposit (having original maturity of more than three months)	-	1,174,972
Redemption / (Investment) in bank deposit (having original maturity of more than twelve months) - Net	529,526	(1,806,306)
Interest received	326,067	5,975,753
Net cash flow from / (used in) investing activities (B)	1,415,937	(25,349,687)
Cash flows from financing activities		
Repayment of long-term borrowings - Others	(25,955,657)	(34,009,876)
Repayment of long-term borrowings - Holding company	(39,514,226)	(4,166,686)
Proceeds of short-term borrowings - Others	-	31,054,102
Proceeds of long-term borrowings - Holding company	110,738,908	34,305,896
Inter corporate deposits from Holding company	242,000,000	-
Repayment of short term borrowings - Others	(89,380,171)	-
Subsidy received from State Government	1,500,000	-
Interest paid	(39,025,412)	(25,021,030)
Net cash flow from financing activities (C)	160,363,442	2,162,426
Net decrease in cash & cash equivalent (A+B+C)	(576,076)	(23,061,637)
Cash and cash equivalent at the beginning of the year	9,433,797	32,495,435
Cash and cash equivalent acquired on account of amalgamation	27,700	-
Cash and cash equivalent at the end of the year	8,885,421	9,433,797
	576,076	(23,061,638)
Components of cash and cash equivalents		
Cash on hand	186,511	52,977
With banks - in current account	1,806,306	9,380,820
With banks - demand deposit with maturity less than 3 months	6,892,604	-
	8,885,421	9,433,797
Cash and bank balance as per note no. 15	8,885,421	9,433,797

Notes :

- Figures in brackets represent cash outflow.
- Direct taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- The amalgamation of Dirk Pozzocrete (MP) Private Limited with company in the current year was non-cash transaction and hence, had no impact on the Company's cash flow for the current year

Significant accounting policies : Note 1(B)
The accompanying notes are integral part of these financial statements.

As per my attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. 048684
Place : Nashik



22 SEP 2014

For and on behalf of the Board

Georg Dirk
Chairman

Vilas Deshmukh
Director



1 (A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

- (i) The financial statements have been prepared in compliance with all material aspects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956, read with General Circular No.15/2013 dated 13th September 2013, issued by the ministry of Corporate Affairs, in respect of Section 133 of Companies Act, 2013
- (ii) Financial statements are based on historical cost and are prepared on accrual basis
- (iii) Accounting policies have been consistently applied by the company and are consistent with those used in the previous year.
- (iv) The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

(B) SIGNIFICANT ACCOUNTING POLICIES :

(a) Fixed Assets:

- (i) Fixed Assets are stated at their original cost of acquisition/installation (net of Modvat / Cenvat credit availed), net of accumulated depreciation, amortisation and impairment losses.
- (ii) Capital work in progress is stated at the amount expended up to the date of Balance Sheet.
- (iii) Expenditure during construction period (including financing cost relating to borrowed funds for construction or acquisition of qualifying fixed assets) incurred on projects under implementation are treated as Pre-operative expenses pending allocation to the assets, and are included under "Capital Work in Progress". These expenses are apportioned to fixed assets on commencement of commercial production.

(b) Depreciation on Fixed Assets :

(i) Tangible Assets :

- (i) Depreciation on all assets, other than Vehicles is provided on the "Straight Line Method" and on Vehicles on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- (ii) Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of acquisition or installation, and in the case of a new project, from the date of commencement of commercial production. Depreciation on assets sold, discarded, demolished or scrapped is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

(ii) Intangible Assets :

Expenditure on computer software is amortised on straight line method over the period of expected benefit not exceeding five years.

(c) Inventories :

Inventories are valued at lower of cost less provision for slow and non-moving inventory, if any, and net realizable value. Cost of WIP and Finished Goods includes direct material, labour and appropriate proportion of manufacturing overheads. Cost of finished goods includes excise duty. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(d) Provisions / Contingencies :

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow of resources is remote.

(e) Foreign Currency Conversion :

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or expenses in the year in which they arise.

(f) Revenue recognition :

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Accordingly, domestic sales are accounted on dispatch of products to customers and Export sales are accounted on the basis of date of Bill of Lading. Sales are disclosed net of sales tax / VAT, discounts and returns, as applicable.
- (ii) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(g) Employee Benefits :

(i) Defined Contribution Plan

Employee benefits in the form of contribution to Provident Fund managed by Government Authorities and Labour Welfare Fund are considered as defined contribution plan and the same are charged to the Profit & Loss Account of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefit in the form of Gratuity, is considered as defined benefit obligation and is provided for on the basis of actuarial valuation, using the projected unit credit method, as at the date of Balance Sheet. Actuarial gain / loss, if any, is immediately recognised in Profit & Loss Account.

(h) Borrowing Costs :

- (i) Borrowing cost attributable to acquisition and construction of assets that necessarily takes substantial period of time are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use.
- (ii) Other borrowing costs are charged as expense in the year in which these are incurred.



Notes to Financial Statements (Contd.)

(i) Taxation :

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income-Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realised in future whereas in case of existence of carry forward of losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realisation backed by convincing evidence.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(j) Leases :

Where the Company is the lessee -

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

(k) Segment Reporting Policies :

(i) Identification of segments :

The Company considers 'Cementitious Materials' as one business segment. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

(ii) Segment Policies :

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(l) Cash and Bank balances :

(i) Cash and Bank balances in the Balance Sheet comprise cash at bank including fixed deposits, cheques in hand and cash on hand.

(ii) Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank, cash on hand and short-term investments with an original maturity of three months or less.

(m) Investments :

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost.

(n) Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



2 Share capital

Authorised

3,500,000 (Previous year - 3,000,000) Equity Shares of ₹ 10 each

Issued

2,075,383 (Previous year - 2,075,383) Equity Shares of ₹ 10 each fully paid up

Subscribed and fully paid up

2,075,383 (Previous year - 2,075,383) Equity Shares of ₹ 10 each fully paid up

As at 31.03.2014 ₹	As at 31.03.2013 ₹
35,000,000	30,000,000
20,753,830	20,753,830
20,753,830	20,753,830

Notes :

	As at 31.03.2014		As at 31.03.2013	
	No. of shares	₹	No. of shares	₹
a) Reconciliation of equity shares outstanding				
At the beginning of the year	2,075,383	20,753,830	2,075,383	20,753,830
At the end of the year	2,075,383	20,753,830	2,075,383	20,753,830

b) Rights, preferences & restrictions attached to equity shares

i) The Company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

ii) 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.

c) The authorised share capital stands increased pursuant to scheme of amalgamation the details of which are given in Note 27 (iv)

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
d) Shares held by holding, ultimate holding company and their subsidiaries		
Out of above equity shares issued by the company, shares held by its holding company, and their subsidiaries are as below :		
Ambuja Cements Limited - Holding Company		
1,660,306 (Previous year - 1,660,306) Equity Shares of ₹ 10 each fully paid-up	16,603,060	16,603,060

e) Details of shareholders holding more than 5% shares in the Company

	As at 31.03.2014		As at 31.03.2013	
	No. of shares	% holding	No. of shares	% holding
i) Ambuja Cements Limited - Holding Company	1,660,306	80.00%	1,660,306	80.00%
ii) Milbank Ltd.	415,077	20.00%	415,077	20.00%

3 Reserves and surplus

Subsidies :

Cash subsidies from government and other authorities

Balance as per the last financial statements

Additions during the year, as capital investment subsidy from State Government

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
(A)	1,500,000	-
	1,500,000	-

General reserve :

Balance as per the last financial statements

(B)	36,083,142	36,083,142
	36,083,142	36,083,142

Deficit in the statement of profit and loss

Balance as per the last financial statements

Loss for the year

Less : Adjustment pursuant to amalgamation of Dirk Pozzocrete (MP) Pvt Ltd - Balance in statement of profit and loss as on April 01, 2013

	(22,212,054)	5,660,700
	(180,562,493)	(27,872,754)
	(37,448,076)	-

Net Deficit in the statement of profit and loss

(C)	(240,222,623)	(22,212,054)
-----	---------------	--------------



	Non-current		Current	
	As at 31.03.2014 ₹	As at 31.03.2013 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
4 Long-term borrowings				
Term loans				
Loan from Bank of Maharashtra #	-	-	9,258,624	20,247,965
Loans from Ambuja Cements Limited ##	129,635,669	67,708,337	46,728,243	37,430,893
	<u>129,635,669</u>	<u>67,708,337</u>	<u>55,986,867</u>	<u>57,678,858</u>
Amount disclosed under the head "Other current liabilities" (Refer Note 8)	-	-	(55,986,867)	(57,678,858)
Total	<u>129,635,669</u>	<u>67,708,337</u>	<u>-</u>	<u>-</u>
The above amount includes				
Secured borrowings	-	-	9,258,624	20,247,965
Unsecured borrowings	129,635,669	67,708,337	46,728,243	37,430,893
Net amount	<u>129,635,669</u>	<u>67,708,337</u>	<u>55,986,867</u>	<u>57,678,858</u>

Terms of repayment of loan from Bank of Maharashtra
Loan of ₹ 25,000,000 - repayable in 48 monthly installment of ₹ 4,68,750 w.e.f. April, 2011

Loan from Bank of Maharashtra
Term loan from the bank with floating interest @ 13.75% p.a. (As on 31st March, 2014). Interest is payable monthly.

Secured by :
Secured against plant and machinery, factory land & building at village Khanpura, dist. Raipur (MP), hypothecation of finished goods, debtors and current assets of Madhya Pradesh operations

Terms of repayment of loans from Ambuja Cements Limited
(a) Loan of ₹ 50,000,000 - repayable in 36 monthly installment of ₹ 1,388,889 w.e.f. January, 2013
(b) Loan of ₹ 25,000,000 - repayable in 36 monthly installment of ₹ 694,444 w.e.f. January, 2013
(c) Loan of ₹ 25,000,000 - repayable in 24 monthly installment of ₹ 1,041,667 w.e.f. January, 2014
(d) Loan of ₹ 36,000,000 - repayable in 36 monthly installment of ₹ 1,000,000 w.e.f. January, 2015
(e) Loan of ₹ 74,738,908 - repayable in 36 monthly installment of ₹ 2,076,081 w.e.f. January, 2015

Term Loans from Ambuja Cements Limited with fixed interest @ 12% p.a. (As on 31st March, 2014). Interest is payable every year on 31st March.

	Long-Term		Short-Term	
	As at 31.03.2014 ₹	As at 31.03.2013 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
5 Provisions				
Provision for employee benefits :				
Provision for gratuity	6,831,711	10,192,663	419,839	536,035
Total	<u>6,831,711</u>	<u>10,192,663</u>	<u>419,839</u>	<u>536,035</u>

6 Short-term borrowings

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
From Bank of Maharashtra		
Cash credit #	-	74,338,669
Negotiations of export documents	-	15,041,502
Inter-corporate deposit from Ambuja Cements Limited	242,000,000	-
Total	<u>242,000,000</u>	<u>89,380,171</u>
The above amount includes		
Secured borrowings	-	89,380,171

Secured by :
Hypothecation of inventory & receivables.

Rate of interest :
Cash credit



Dirk India Private Limited
Notes to Financial Statements (Contd.)

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
7 Trade payables		
Trade Payables (Refer note 38)	38,133,216	122,781,572
Total	<u>38,133,216</u>	<u>122,781,572</u>
8 Other current liabilities		
Current maturities of Long-term borrowing (refer note 4)	55,986,867	57,678,858
Statutory dues payable		
Excise duty payable	99,501	19,397
Service tax payable	979,071	4,083,815
TDS payable	4,904,173	5,329,653
Sales tax payable	139,546	5,716,187
Trade payable - capital goods	392,159	626,486
Advance received from customer	1,739,592	1,028,665
Security deposit	1,377,568	2,947,716
Others	2,089,665	6,645,800
Total	<u>67,708,142</u>	<u>84,076,577</u>



Dirk India Private Limited
Consolidated ICGAP Schedule
Notes to Financial Statements (Contd.)
9 Tangible and intangible assets

	Tangible assets							Amount in Rs.	
	Freehold land	Buildings and roads	Plant and machinery	Electrical installations	Furniture and fixtures	Office & other equipments	Vehicles	Total	Intangible assets
Gross carrying value, at cost									
Operating as on 1st Apr, 2012	1,996,890	61,495,074	210,010,427	9,211,495	8,247,702	4,382,996	98,264	295,442,848	3,211,503
Additions	-	2,623,902	58,158,683	1,623,219	414,456	458,063	-	63,278,333	2,221,970
Deductions / Transfers	-	-	798,316	-	-	115,188	-	913,504	-
As at 31st Mar, 2013	1,996,890	64,118,976	267,370,804	10,834,714	8,662,158	4,725,871	98,264	357,807,677	5,433,473
Additions on account of amalgamation	6,170,210	9,494,347	9,299,009	2,454,814	851,581	146,783	-	28,416,744	-
Additions	-	202,490	526,813	405,141	114,827	265,588	-	1,514,859	-
Deductions / Transfers	896,890	-	10,939,395	726,045	1,048,240	120,661	-	13,731,231	-
At 31st Mar, 2014	7,270,210	73,815,813	266,257,231	12,968,624	8,580,326	5,017,581	98,264	374,008,049	5,433,473
Depreciation / amortisation									
Operating as on 1st Apr, 2012	-	1,364,215	111,009,763	5,722,894	952,450	2,433,930	2,858	121,486,110	988,035
Charge for the year	-	1,768,373	20,763,225	904,678	537,694	449,478	25,439	24,448,887	721,395
Deductions / Transfers	-	-	345,153	-	-	28,588	-	373,741	-
As at 31st Mar, 2013	-	3,132,588	131,427,835	6,627,572	1,490,144	2,854,820	28,297	145,561,256	1,709,430
Additions on account of amalgamation	-	613,632	1,569,661	394,831	186,150	42,188	-	2,806,492	-
Charge for the year	-	2,120,814	21,848,483	1,164,202	595,906	450,488	25,441	26,205,334	950,351
Deductions / Transfers	-	-	3,019,663	327,761	347,669	69,086	-	3,764,179	-
At 31st Mar, 2014	-	5,867,034	151,826,316	7,858,844	1,924,561	3,278,410	53,738	170,808,903	2,659,781
Net carrying value									
As at 31st Mar, 2013	1,996,890	60,986,388	135,942,969	4,207,142	7,172,014	1,871,051	69,967	212,246,421	3,724,043
At 31st Mar, 2014	7,270,210	67,948,779	114,430,915	5,109,780	6,655,765	1,739,171	44,526	203,199,146	2,773,692



	As at 31.03.2014 ₹	As at 31.03.2013 ₹
10 Deferred tax assets (net)		
Break-up of deferred tax assets and liabilities are as under :		
a) Deferred tax assets, on account of :		
Employee benefits	2,212,000	3,480,000
Unabsorbed loss	10,038,000	1,953,000
Unabsorbed depreciation	-	12,563,000
Total	12,250,000	17,996,000
b) Deferred tax liabilities, on account of :		
Depreciation	(12,250,000)	(15,968,000)
Total	(12,250,000)	(15,968,000)
	-	2,028,000

	Non-current		Current	
	As at 31.03.2014 ₹	As at 31.03.2013 ₹	As at 31.03.2014 ₹	As at 31.03.2013 ₹
11 Loans and advances				
Unsecured, considered good				
Capital advances	500,834	635,230	-	-
Security deposit	4,893,370	4,610,070	-	-
Dirk Pozzocrete (MP) Pvt Ltd	-	-	-	56,606,770
Advances recoverable in cash or kind	-	-	1,299,974	2,257,203
Other Loans and advances				
Service tax receivable	-	-	14,543,769	12,107,900
MAT credit entitlement	9,321,217	9,301,828	-	-
Electricity duty receivable	-	-	1,087,605	1,087,605
TDS / Income tax receivable	-	-	636,445	375,149
Excise duty balance	-	-	4,097,846	2,489,877
Loan / advances to employees	-	-	816,595	903,906
Prepaid expenses	-	-	682,299	1,372,340
Total	14,715,421	14,547,128	23,164,532	77,200,750

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
12 Other non-current assets		
Investment in equity shares in Dirk Pozzocrete MP Pvt Ltd (Previous year 10,000 equity shares of face value ₹ 10 each fully paid up.)	-	100,000
Deposits with original maturity for more than 12 months	1,276,780	1,806,306
Total	1,276,780	1,906,306

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
13 Inventories (At cost, less provision for slow and non moving inventory and net realisable value whichever is lower).		
Raw materials	538,756	160,427
Finished goods	2,519,797	555,603
Stores and spares parts	5,047,046	8,957,395
Packing materials	6,225,680	4,289,314
Total	14,331,279	13,962,739



14 Trade receivables

Outstanding for a period exceeding six months from the date they are due for payment

Unsecured considered good

Unsecured considered doubtful

Less : Provision for doubtful receivables

Others

Unsecured, considered good

Total

As at 31.03.2014 ₹	As at 31.03.2013 ₹
748,860	5,655,838
2,660,277	-
3,409,137	5,655,838
(2,660,277)	-
748,860	5,655,838
15,857,062	62,970,976
16,605,923	68,626,814

15 Cash and bank balances

Cash and cash equivalents

Balances with bank :

In current accounts

Deposit with original maturity upto 3 months #

Cash on hand

Other bank balances :

Fixed deposit with banks

Original maturity more than 12 months #

Less : Amount disclosed under Non-current assets (Refer note 12)

Total

6,892,604	9,380,820
1,806,306	-
186,511	52,977
8,885,421	9,433,797
1,276,780	1,806,306
(1,276,780)	(1,806,306)
8,885,421	9,433,797

Deposits are offered as security for loan / kept as margin money against bank guarantees

16 Other current assets

Unsecured, considered good

Interest accrued on fixed deposit

Interest accrued - Dirk Pozzocrete (MP) Pvt Ltd

Total

425,152	151,878
-	5,472,398
425,152	5,624,276



Dirk India Private Limited
Notes to Financial Statements (Contd.)

	2013-14	2012-13
17 Other Operating Revenue		
Sale of scrap / Other Misc	129,787	514,336
Profit on sales of traded goods	-	2,284,006
Total	129,787	2,798,342
18 Other income		
Interest income :		
Interest on bank deposits	326,067	503,355
Interest - Dirk Pozzocrete (MP) Pvt. Ltd.	-	5,472,398
Total	326,067	5,975,753
19 Cost of raw materials consumed		
Opening stock	160,427	84,750
Add : Acquired on amalgamation	169,560	-
Add : Purchases	63,686,064	70,288,640
Less : Closing stock	538,756	160,427
Total	63,477,295	70,212,963
Break-up of raw materials consumed		
Fly ash	60,620,153	66,935,127
Cement	2,857,142	3,277,836
	63,477,295	70,212,963
20 Changes in inventories of finished goods		
Closing stock :		
Finished goods	2,519,797	555,603
Opening stock :		
Finished goods	555,603	2,789,024
Finished goods acquired on account of amalgamation	27,088	-
(Increase) / Decrease	(1,937,106)	2,233,421
21 Employee benefits expense		
Salaries and wages (Refer note 39)	43,770,820	78,116,215
Contribution to provident and other fund	1,051,854	997,624
Staff welfare expenses	2,853,969	4,324,147
Total	47,676,643	83,437,986
22 Freight and forwarding expenses		
On finished products	63,167,530	192,204,202
Total	63,167,530	192,204,202
23 Finance costs		
Interest :		
On term loans	2,582,151	5,009,882
On working capital loans	1,783,681	10,981,109
On others	34,659,580	7,750,573
Total	39,025,412	23,741,564
Other borrowing cost	-	1,279,466
Total	39,025,412	25,021,030



Dirk India Private Limited
Notes to Financial Statements (Contd.)

	2013-14 ₹	2012-13 ₹
24 Depreciation and amortization expense		
Depreciation on tangible assets	26,205,336	24,448,887
Depreciation on intangible assets	950,351	721,395
Total	27,155,687	25,170,282
25 Other expenses		
Stores & spares consumed	3,575,561	7,823,404
Provision for slow and non-moving spares	1,660,024	-
Packing material consumed	14,029,612	29,453,828
Repairs and maintenance :		
Building	774,194	3,250,520
Machinery	2,159,525	2,429,000
Other	180,960	40,850
Rent :	4,059,767	3,651,017
Insurance	1,000,069	746,961
Advertisement & publicity	3,124,813	6,321,008
Commission on sales	1,626,387	3,223,240
Selling & distribution expenses	4,725,028	7,827,005
Loss on sale of assets (Net)	7,187,382	76,579
Donation	13,100	91,501
Miscellaneous expenses #	22,414,274	35,786,025
Legal and professional fees	14,193,256	12,511,674
Provision for Doubtful Debts	2,660,277	-
Excise duty variation on opening and closing stock	78,428	19,397
Technology and know how fees	1,642,260	1,060,259
Loss on sale of traded goods (Net)	773,544	-
Exchange rate variation (Net)	203,180	770,192
Total	86,081,641	115,082,460
# Miscellaneous expenses include payment to statutory auditors (excluding service tax)		
As auditors	676,000	600,000
For other services	424,000	400,000
	1,100,000	1,000,000
26 Earnings per share (EPS)		
i Loss attributable to equity shareholders for basic and diluted EPS	(180,562,493)	(27,872,754)
ii Weighted average number of equity shares for basic & diluted EPS	Nos. 2,075,383	Nos. 2,075,383
iii Nominal Value of equity shares (₹)	₹ 10	₹ 10
iv Earnings per equity share :		
Basic	(87.00)	(13.43)
Diluted	(87.00)	(13.43)



27. AMALGAMATION OF WHOLLY OWNED SUBSIDIARY COMPANY - DIRK POZZOCRETE (MP) PRIVATE LIMITED :

- (i) The scheme of amalgamation under section 391 read with section 394 of the Companies Act, 1956 for the amalgamation of Dirk Pozzocrete (MP) Pvt Ltd (referred to as 'Transferor Company') with Dirk India Pvt Ltd (referred to as 'Transferee Company' or 'Company') with effect from 1st April, 2013 being the appointed date, has been sanctioned by Hon'ble High Court of Judicature at Mumbai on 28th August, 2014. Accordingly the scheme was given effect to in this financial statements of the current year.
The erstwhile Dirk Pozzocrete (MP) Pvt Ltd was engaged in the business of processing of Flyash
- (ii) Consequently in terms of the scheme the entire business and undertaking of Transferor Company including all assets and liabilities, as a going concern, stand transferred to and vested in the company (here-in-after referred to as 'Amalgamation') with effect from 1st April, 2013 being the Merger Appointed Date.
- (iii) The Transferor Company is a wholly owned subsidiary of the Transferee Company and its entire share capital is held by the Transferee Company in its own name and / or jointly with its nominee. Accordingly there is no issue of shares of the Transferee Company to the shareholders of the Transferor Company. Pursuant to the merger of the Transferor Company with the Transferee Company, the investment in the shares of the Transferor Company, appearing in the books of accounts of the Transferee Company stands cancelled.
- (iv) The Authorised share capital of the Transferor Company stands transferred to and combined with the Authorised Share Capital of the Transferee Company.
- (v) Accounting for amalgamation : Subject to the above, amalgamation of the Transferor Company with the Company is accounted as per the Accounting Standard (AS) - 14 on Accounting for amalgamations specified in the Company(Accounting Standard) Rules 2006 and in terms of the Scheme. Accordingly, the accounting treatment has been given as under :-
 - (a) The assets and liabilities of the Transferor Company are transferred to the Transferee Company at its book values.
 - (b) Debit balance in the statement of Profit and Loss of Dirk Pozzocrete (MP) Pvt Ltd as at 1st April, 2013 amounted to ₹ 37,448,076 was adjusted in "Deficit in the statement of Profit and Loss"
 - (c) 10,000 equity shares of Rs 10 each fully paid in Dirk Pozzocrete (MP) Pvt Ltd held as investment by the company stands cancelled.
 - (d) The reserves and the balance in profit and loss account of the Transferor Company are merged with those of the Transferee Company in the same form as they appear in the financial statement of the Transferor Company.
- (vi) Pursuant to the scheme of amalgamation, the bank accounts, licenses, immovable properties etc are in the process of being transferred in the name of the company.

In view of above amalgamation, the figures for the year ended 31st March 2014, are not strictly comparable to the previous year.



28 Related party disclosure

(a) List of related parties and relationships :

Party	Relation
I. Enterprises who control the reporting enterprise/ Major Shareholders :	
Holcim Ltd., Switzerland	Ultimate Holding Company
Ambuja Cements Ltd	Holding Company
Milbank Ltd	Major Shareholder
II. Key Management Personnel :	
Mr.Georg Dirk	Chairman
Mr. Saji Pillai	Chief Executive Officer (w.e.f 05th September 2013)
III. Relatives of Key Management Personnel	
Mr Georg S Dirk	Son of Mr.Georg Dirk
Mrs Ivana Dirk	Wife of Mr.Georg Dirk
Mr.Ajit Pillai	Brother of Mr.Saji Pillai
IV. Enterprises over which significant influence is exercised by Directors/Group Companies :	
Dirk Pozzocrete (I) Pvt Ltd.	Chairman having significant influence.
ACC Ltd	Fellow Subsidiary
Holcim Singapore PTE Ltd	Fellow Subsidiary
Holcim Lanka Ltd	Fellow Subsidiary

Note: Only enterprises / parties with whom there are transactions during the current period / previous period are considered above.



Note 28 - Related party disclosure (Contd.)
(b) Details of related party transactions

(Amounts in ₹)

01st April 2013 to 31st March 2014

Description	Holding Company	Shareholders having Significant Influence/Group Companies					Key Management Personnel			Relatives of Key Management Personnel			Enterprises over which significant influence exercised by Directors & Major Shareholders
		Milbank Ltd.	ACC Ltd.	Holcim Singapore PTE Ltd.	Holcim Lanka Ltd.	George Dirk	Reinhard Sleszyk	Saji Pillai	Ivana Dirk	Ajit Pillai	Georg S. Dirk Pro Dirk Media	Dirk Pozzorelle(I) Pvt Ltd	
Sale of Goods	7,414 (66,795)	-	698,469 (115,673,138)	15,376,763 (9,023,982)	- (1,738,591)	-	-	-	-	-	-	-	-
Purchase of Goods	3,515,185 (4,114,376)	-	-	-	-	-	-	-	-	-	-	-	-
Technology & Know-How Fees	1,845,243 (1,191,307)	-	-	-	-	-	-	-	-	-	-	-	-
Salary/ Remuneration	-	-	-	-	-	3,335,981 (13,849,985)	(6,201,814)	679,988	5,751,220 (7,154,474)	155,460	-	-	-
Interest Received	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Paid / Provided	34,659,580 (10,339,894)	-	-	-	-	-	-	-	-	-	-	-	-
Other Payments / Recoveries / Advances	-	1,064,971	-	- (376,584)	-	-	-	-	-	-	276,509 (2,057,540)	720,000 (720,000)	-
Loan repaid during the period	30,208,330 (4,166,666)	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken during the period	110,738,908 (25,000,000)	-	-	-	-	-	-	-	-	-	-	-	-
Inter-corporate deposits taken during the period	242,000,000	-	-	-	-	-	-	-	-	-	-	-	-
Loan taken outstanding at the end of the year	418,363,912 (95,833,334)	-	-	-	-	-	-	-	-	-	-	-	-
Loan given during the period	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan given outstanding at the end of the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Amount Receivable	3,353 (2,866)	-	-	-	-	-	(6,614)	4,242	43,502	-	-	-	386,589 (386,589)
Amount Payable	282,949 (13,260,185)	(51,000)	51,000	-	-	(1,263,617)	(462,454)	-	-	2,889	-	-	103,935 (24,400)

Notes:

- 1) Related party relationship is as identified by the company on the basis of available information.
- 2) Figures for the previous year are shown in bracket wherever applicable.
- 3) Company's application for approval of salary of Mrs Ivana Dirk is pending with Ministry of Corporate Affairs, New Delhi.
- 4) Current period salary to Mr. Georg Dirk is net off the excess amount recoverable from him ₹ 60,33,470/- as per note no. 39
- 5) Figures in case of Mr. Saji Pillai & his brother Mr. Ajit Pillai are from September 2013 (Mr Saji Pillai was appointed as CEO from 05th September, 2013)



29 Dispute with Mahagenco

The Company's agreement with Maharashtra State Power Generation Company Limited (MAHAGENCO), for supply of Pulverized Fly Ash (PFA) is under dispute and supply of PFA stands discontinued. The Company is in the process of re-initiating arbitration process. Accordingly, the financial statements are prepared on a going concern basis.

	As at 31.03.2014 ₹	As at 31.03.2013 ₹
30 Contingent liabilities and commitments (to the extent not provided for)		
a. Claims against the company not acknowledged as debts - Dispute with suppliers	979,127	979,127
b. Bank Guarantee given to Central Excise and Customs Department for Duty Free Imports (EPCG License) / Other issues	374,341	374,341
c. Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	-	583,391

31 Segment reporting

a) Primary segment -

The company has only one business segment 'Cementitious Materials' as primary segment

b) The secondary segment is geographical, which is given as under :

i) Sale of product (Net of excise duty)

Within india
Outside india

Total

ii) Other operating revenue

Within india

Total

iii) Other income

Within india

Total

c) All the Assets / Liabilities of the company , except the following are within India.

Debtors / Advances to suppliers

Creditors / Payables / Advances from customers

	2013-14 ₹	2012-13 ₹
59,624,922	312,842,348	
100,895,728	189,289,651	
160,520,650	502,131,999	
129,787	2,798,342	
129,787	2,798,342	
326,067	5,975,753	
326,067	5,975,753	
As at 31.03.2014 ₹	As at 31.03.2013 ₹	
4,669,214	10,946,993	
168,679	4,689,397	

32 Unhedged foreign currency exposure

1 Outstanding trade payables for expenses

2 Outstanding trade receivables

3 Advance from customers

	As at 31.03.2014		As at 31.03.2013	
	Foreign Currency	₹	Foreign Currency	₹
In Euro	-	-	24,821	1,726,101
In GBP	-	-	11,657	964,750
In USD	-	-	32,137	1,743,443
In USD	77,704	4,669,214	201,306	10,946,993
In USD	2,807	168,679	4,691	255,103
			2013-14 ₹	2012-13 ₹

33 Employee defined benefits

a) Defined Contribution Plans -

The Company has recognised expenses towards the defined contribution plans as under :

Contribution to Provident Fund

Others

1,050,702	990,424
1,152	7,200

b) Defined Benefit Plans - As per Actuarial Valuation

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

The following table summarise the components of net benefit / expense recognised in the statement of profit and loss and the amounts recognised in the balance sheet.



Particulars	(Amount in `)	
	2013-14	2012-13
	Gratuity Non Funded	Gratuity Non Funded
I) Expense recognised in the Statement of Profit & Loss Account		
1. Current Service Cost	1,291,845	918,346
2. Interest Cost	896,315	577,858
3. Actuarial (Gains) / Losses	(4,839,628)	2,434,162
4. Total Expense	(2,651,468)	3,930,366
II) Net Asset / (Liability) recognised in the Balance Sheet		
1. Present Value of Defined Benefit Obligation	7,251,550	10,728,698
2. Net Asset/ (Liability)	(7,251,550)	(10,728,698)
III) Change in Obligation during the Year		
1. Present value of Defined Benefit Obligation at the beginning of the year	10,864,422	6,798,332
2. Current Service Cost	1,291,845	918,346
3. Interest Cost	896,315	577,858
4. Actuarial (Gains) / Losses	(4,839,628)	2,434,162
5. Benefits Payments	(961,404)	-
6. Present Value of Defined Benefit Obligation at the end of the year	7,251,550	10,728,698
IV) Actuarial Assumptions:		
1. Discount Rate	9.31%	8.25%
2. Expected rate of return on plan assets	NA	NA
3. Mortality	IA LM (2008-08)	IA LM (2006-08)
	Ultimate	Ultimate
4. Turnover rate	2.00%	2.00%
5. Medical premium inflation	NA	NA
6. Salary Escalation	8% p.a.	8.00%
V) Amounts recognized as an expense in respect of defined benefit plans as under:		
Gratuity	(2,651,468)	3,930,366

VI) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c) Amount for the current period and previous two periods are as follows:

	As at 31/03/2014	As at 31/03/2013	As at 31/03/2012
Gratuity - Non Funded			
Defined benefit obligation	7,251,550	10,728,698	6,798,332
Plan assets	-	-	-
Surplus / (deficit)	-	-	-
Experience adjustments on plan assets	-	-	-
Experience adjustments on plan liabilities	(3,925,832)	(92,974)	361,403
2013-14	2013-14	2012-13	2012-13
	%		%

34 Raw material / stores & spares consumption
(As certified by the management)

a) Raw materials consumed				
(i) Imported				
(ii) Indigenous	63,477,295	100.00	70,212,963	100.00
Total	63,477,295	100.00	70,212,963	100.00
b) Spares consumed				
(i) Imported	2,166,948	60.60	2,010,857	25.70
(ii) Indigenous	1,408,613	39.40	5,812,547	74.30
Total	3,575,561	100.00	7,823,404	100.00



	2013-14	2012-13
	₹	₹
35 CIF value of imports		
(i) Packing material	1,509,579	3,961,082
(ii) Spares	205,524	5,248,384
(iii) Capital goods	-	1,889,750
36 Expenditure in foreign currency (accrual basis) :		
(i) Legal & Professional fees	1,329,433	1,984,914
(ii) Travelling expenses	234,488	1,037,062
(iii) Other matters	11,918,988	20,001,087
37 Earnings in foreign exchange (accrual basis) :		
FOB value of exports	76,317,972	140,315,683

38 The company has not received any intimation from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence the disclosures, if any, relating to amounts unpaid as at the year end as required under the said Act have not been furnished.

39 The company had made application with Ministry of Corporate Affairs, Government of India for approval of directors remuneration and remuneration paid to relative of a director. The company has received the approval for a lower amount in case of directors. The figure shown in Salaries and wages is net off the excess amount recoverable from directors ₹ 60,33,470. This amount is taken as certified by the company's management and a practising company secretary. Approval in case of relative of a director is yet to be received.

40 Figures of the previous year have been regrouped / rearranged wherever necessary to conform to the current years presentation.

Signatures to notes 1 to 40

As per our attached report of even date

Anand Daga
Chartered Accountant
Proprietor
Membership No. 048684
Place : Nashik
Date : 22.09.2014



For and on behalf of the Board

Georg Dirk
Chairman

Vilas Deshmukh
Director

