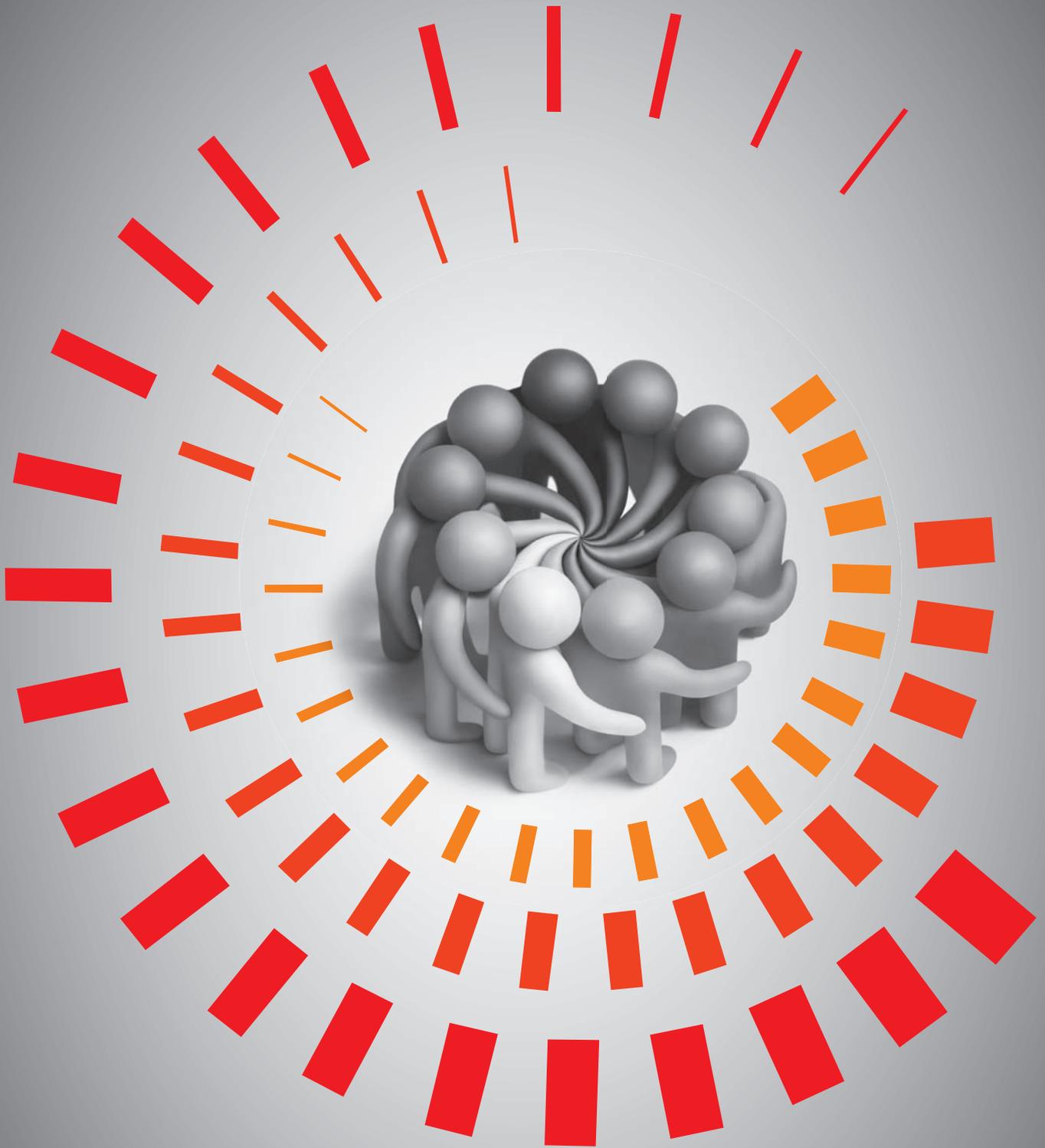


MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED
ANNUAL REPORT 2015-16



**COMMITTED
TO GROWTH**

Contents

Corporate Information	01
Directors' Report	02
Auditors' Report	16
Balance Sheet	20
Statement of Profit and Loss	21
Cash Flow Statement	22
Notes to the Financial Statements	23

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements, written or oral, that we periodically make, contain forward-looking statements that set out anticipated results based on management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion relating to future performance of the Company.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Information

CIN : U27107ML2002PTC006976

Board of Directors

Mr. Pankaj Kejriwal, Managing Director

Mr. Hari Prasad Agarwal, Director

Mr. Rajesh Kumar Agarwal, Director

Mr. Mangilal Jain, Director

Mr. Santanu Ray, Director

Mr. Edmund Carmel Suja, Director

Chief Financial Officer

Mr. Vivek Lahoti

Company Secretary

Mr. Mohit Mahana

Auditors

Kailash B. Goel & Co.
Chartered Accountants
70, Ganesh Chandra Avenue, 1st Floor
Kolkata - 700 013

Bankers

State Bank of India

Registered Office & Works

Vill:-Lumshnong, P.O. Khaliehriat
Dist :- East Jaintia Hills
Meghalaya - 793 210

Corporate Office

'Satyam Towers' 1st Floor, Unit No. 9B
3, Alipore Road
Kolkata - 700 027

Guwahati Office

Mayur Garden, 2nd Floor,
Opp. Rajiv Bhawan,
G.S. Road, Guwahati - 781 005

Delhi Office

281, Deepali
Pitampura
New Delhi - 110034

Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting Fourteenth Annual Report of the Company together with the Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss for the year ended on that date.

FINANCIAL HIGHLIGHTS

The highlights of the financial performance of the Company for the Financial Year ended 31st March, 2016 as compared to the previous Financial Year are as under:-

Particulars	₹ in Lacs	
	2015-16	2014-15
Net Sales/Income	15,271.35	19,799.78
Profit before Interest, Depreciation and Tax	1,276.22	2,831.96
Interest and Finance Charges	(135.68)	(150.03)
Depreciation	(405.23)	(780.31)
Exceptional Items	0.09	1.05
Profit before Tax	735.41	1,902.67
Provision for Taxation		
-Current Tax	(258.34)	(399.34)
Less: MAT Credit Entitlement	-	399.34
Net Current Tax	(258.34)	-
Income Tax for earlier years	7.64	-
Deferred Tax	-	7.97
Profit after Tax	484.71	1,910.64

INDIAN ECONOMIC SCENARIO AND CEMENT INDUSTRY

When global economy has been facing turbulent and volatile time, India as an economy has emerged as a refuge of stability and an outpost of opportunity. Its macro-economy has remained

robust and with kind of economic indicators posted during the FY 2015-16, it is likely to be the fastest growing major economy in the world during the years to come. India as an economy where exports have declined due to weak global demand has performed remarkably well and it gets reflected through implementation of a number of meaningful reforms in form of transparent auctions of public assets and non-interference in regulatory decisions viz. Liberalizing foreign direct investment (FDI) across-the-board, passage of the long-awaited insurance bill. FDI reforms reflect a decisive change in philosophy, from viewing FDI as a tolerable necessity to something to welcome.

Despite Global headwinds, Indian Economy fared well and registered GDP growth of 7.6%. The signs of recovery which started coming during later part of FY 2014-15 were sustained and confirmed during the year under review. On account of sharp fall witnessed in the prices of oil as also on account of base rate effect and softening of food prices, inflation was largely under control.

First half of FY 2015-16 witnessed slowdown in cement consumption and demand growth. However, second half of the Financial Year started with up-tick in demand which further consolidated during the last quarter of the Financial Year. Housing sector is the major demand driver. The slow growth in cement sector is expected to remain a short-term phenomenon with the Government's focus on constructing 50 million houses under



'Housing for All' scheme by 2022. Government's other initiatives such as 100 smart cities, AMRUT cities, affordable housing as well as initiatives undertaken towards development of ports, roads, bridges, freight corridor, etc. are likely to provide further impetus to cement demand in India. This also gets reflected with Government's intention to unshackle the impediments in economic and infrastructural growth. The years ahead are expected to bring more cheers for Indian Cement Industry.

OPERATIONAL PERFORMANCE

During the year under review, your Company produced 2,55,422 MT of Cement as against 3,20,836 MT in the previous year. In the year 2015-16, your Company has dispatched 2,57,697 MT of cement and sold 2,42,575 MT of cement as compared to 3,20,509 MT and 3,20,345 MT respectively recorded in the previous year. Drop in the volume was due to low demand in the first half of the Financial Year.

During the Financial Year under review, your Company's revenue stood at ₹ 15,271.35 Lacs as against ₹ 19,799.78 Lacs. The profit before tax stood at ₹ 735.41 Lacs as against ₹ 1,902.67 Lacs during the previous year. Your Company expects to improve the operational efficiencies in years to come.

MARKETING PERFORMANCE

Your Company markets its product under the Brand name **"STAR CEMENT"** under a Brand agreement with its holding Company M/s. Cement Manufacturing Company Limited (CMCL). Your Company along with its holding Company CMCL undertook a lot of marketing initiatives during the year under review. Marketing Initiatives like **"Kismat Ki Bori"**, **"Engineers' Workshop"**, **"Star Tech"** and **"Mason Certification Programme"** have been few of these initiatives undertaken during the FY 2015-16. Holding

Company's initiative **"Largest Idol of Goddess Durga"** was a huge success story of the year in the area of Brand Promotion.

On the network front, your Company along with its holding Company CMCL continued expanding its dealer and retailer network and at the close of FY 2015-16, it had more than 6000 dealers and retailers across length and breadth of North Eastern Region.

Brand **"STAR CEMENT"** continued to enjoy its market leadership in North Eastern Region.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2016 was ₹ 2,734.64 Lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options or sweat equity shares.

EXTRACT OF ANNUAL RETURN

In terms of requirement of section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual return in Form MGT-9 is annexed herewith and marked **Annexure-1**.

MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on the policies and strategies with respect to the business of the Company. During the year, five (5) Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The meetings were held on 28th April, 2015, 22nd July, 2015, 24th September, 2015, 2nd November, 2015 and 8th February, 2016.

The composition of the Board and the attendance details of the members are given below:

Name of the Director	Designation	No. of meetings	
		Held	Attended
Mr. Pankaj Kejriwal	Managing Director	5	2
Mr. Hari Prasad Agarwal	Non - Executive Director	5	5
Mr. Rajesh Kumar Agarwal	Non - Executive Director	5	3
Mr. Edmund Carmel Suja	Non - Executive Director	5	1
Mr. Mangilal Jain	Independent Director	5	5
Mr. Santanu Ray	Independent Director	5	5

MEETINGS OF INDEPENDENT DIRECTORS

During the year under review, a meeting of Independent Directors was held on 21st March, 2016 wherein the performance of the Non-Independent Directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to requirement of Section 134 (3) (c) read with section 134 (5) of the Companies Act, 2013 the Directors hereby confirm and state that:

- In the preparation of Annual Accounts, the applicable Accounting Standards have been followed along with the proper explanation relating to material departures;
- The Directors have selected such accounting policies and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2016 and of the profit and loss of the Company for the year under review;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets

of the Company and for preventing and detecting fraud and other irregularities;

- The Directors have prepared the annual accounts on going concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013. Mr. Mangilal Jain and Mr. Santanu Ray are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Act and the Rules made thereunder about their status as Independent Directors of the Company.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Board has framed a Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management staff. The Remuneration Policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and at other executive levels. The Remuneration Policy seeks to enable the Company to provide a well-balanced and performance-related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

AUDITORS & AUDITORS' REPORT

M/s. Kailash B. Goel & Co., Chartered Accountants (Firm Registration No. 322460E), Statutory Auditors of the Company, have been appointed by the members at the previous Annual General Meeting and shall hold office for a period of 2 years from the date of such meeting held on 26th May, 2015. The Board, in terms of Section 139 of the Act, on recommendation of the Audit Committee, has recommended for the ratification of the appointment of Statutory Auditors from the conclusion of the ensuing Annual General Meeting till the conclusion of the Fifteenth Annual General Meeting.

Members are requested to approve and ratify their appointment. Members are also requested to empower the Board for fixation of Auditors' Remuneration. The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm

Registration No. 000064) as Cost Auditors of the Company for the Financial Year ended 31st March, 2016 in the Board Meeting held on 28th April, 2015. The remuneration proposed to be paid to them for the Financial Year 2015-16, as recommended by Audit Committee, was ratified in the meeting of shareholders held on 26th May, 2015.

M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration No. 000064) have expressed their willingness to be appointed as Cost Auditors of the Company for ensuing Financial Year. The Board, on recommendation of the Audit Committee has appointed M/s. B. G. Chowdhury & Co., Cost Accountants, (Firm Registration No. 000064) as Cost Auditors of the Company for the Financial Year 2016-17 subject to ratification of their remuneration by shareholders in the General Meeting of the Company.

The cost audit report for the Financial Year 2014-15 was filed with the Ministry of Corporate Affairs on 23.09.2015.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Investments made in and Loans given by your Company to its Holding and Fellow Subsidiary falling under ambit of Section 186 (2) of the Companies Act, 2013 were within the limits prescribed.

Details of investments and loans covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

All Related Party Transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all Related Party Transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

RESERVES

During the year under review no amount was transferred to reserves.

DIVIDEND

In order to conserve resources to meet operational requirement, your Directors do not recommend any dividend for the year under review.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated in section 134 (3) (m) of the Act and rules framed there under is mentioned below:

(A) Steps taken towards Conservation of energy:

- Optimization of start stop time of equipment has resulted into reduction in idle running.
- Replacement of belt drives in bag filter by direct coupling.

(B) Steps taken toward Technical Absorption:

- Trial conducted for development of value added cement products.
- Optimization of Fly ash feeding system in mill outlet has reduced the variation in feed hence the color and quality consistency has increased.
- The Company has developed a Research & Development cell for carrying out R&D Projects in the plant with specific objective of development of advanced systems and quality improvement. During the year under review, your Company incurred Revenue Expenditure of ₹ 3.19 Lacs, Capital expenditure of ₹ 1.53 Lacs in Research & Development.

FOREIGN EXCHANGE EARNINGS AND OUT-GO

During the year under review, there was no Foreign Exchange earning and Foreign Exchange Outgo was ₹ 0.12 Lacs.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has demonstrated the degrees of responsibility towards society and environment and has often tried to establish a significant role in the society by participating in developmental agenda like nation building, rural development by assisting the projects like construction of schools, colleges, community halls, roads, drains, water storage facility and distribution system.

Your Company has been actively working on preventive healthcare through various specialized health camps to promote awareness on rural health and hygiene. Your Company provided relief and support in times of crisis such as floods, natural disaster, fire etc. During the year, the Company extended its support to people affected from flood by providing basic needs of the households for the affected families and their children. Similarly, your Company extended help to communities affected by fire in Dimapur, Nagaland by providing basic household amenities.

Efforts are also made to provide primary education through One Teacher School i.e. Ekal Vidyalaya in the vicinity of plants and many other areas through the Implementing Agency. Your Company offered its helping hand in form of financial aid to Guwahati Blind School, Assam to support the challenges faced by differently-abled children.

Annual Report on CSR as required to be annexed in terms of requirement of Section 135 of Companies Act, 2013 and rules framed thereunder is annexed herewith and marked **Annexure- 2**.

PERFORMANCE EVALUATION

In accordance with the requirements of the Companies Act, 2013, the performance evaluation of the Board was carried out during the year under review. The Board follows a formal mechanism for the evaluation of the performance of the Board as well as Committee. The evaluation reflected the overall engagement of the Board and the Committee.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

The Nomination and Remuneration Committee at its meeting established the criteria based on which the Board evaluate the performance of the Directors.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Non-Independent Directors and the Board as a whole was also carried out by the Independent Directors.

The Directors expressed their satisfaction over the evaluation process and results thereof.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Edmund Carmel Suja will retire by rotation and being eligible offers himself for re-appointment. In view of his considerable experience, your Directors recommend his re-appointment as Director of the Company.

The tenure of Mr. Pankaj Kejriwal, the Managing Director of the Company was due to expire on 31st March, 2016. The Board at its meeting held on 8th February, 2016, on the recommendations of Nomination and Remuneration Committee, have re - appointed Mr. Pankaj Kejriwal as the Managing Director of your Company for next three years with effect from 1st April, 2016 subject to necessary approval of the shareholders at the ensuing Annual General Meeting.

During the period under review, Mr. Mohit Mahana, Company Secretary and Key Managerial Personnel of the Company resigned with effect from 18th May, 2015 and on recommendation of Nomination and Remuneration Committee, was re-appointed as Company Secretary and Key Managerial Personnel with effect from 15th September, 2015. During the intervening period, on recommendations of Nomination and Remuneration Committee,

Mr. Divyang Jain was appointed as Company Secretary and Key Managerial Personnel of your Company, who tendered his resignation effective from 15th September, 2015.

The following personnel are Key Managerial Personnel of the Company:

1. Mr. Pankaj Kejriwal - Managing Director
2. Mr. Vivek Lahoti - Chief Financial Officer
3. Mr. Mohit Mahana - Company Secretary

HOLDING COMPANY

M/s Cement Manufacturing Company Limited remains the Holding Company with 100% stake in your Company and your Company continues to remain step down subsidiary of M/s. Star Ferro and Cement Limited.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE

The Company has no Subsidiaries, Associate Company and Joint Ventures.

DEPOSITS

During the year under report, the Company has not accepted any deposits from public or from any of the Members of the Company falling under the ambit of Section 73 of the Companies Act, 2013.

CHANGES IMPACTING GOING CONCERN STATUS AND COMPANY'S OPERATIONS

During the year under review, there have been no material orders passed by the Regulators/Courts impacting materially the going concern status or future operations of the Company.

There were no material changes and commitments affecting the financial position of the Company during the year under review.

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the

controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company has in place adequate Internal Financial Controls commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Company values the integrity and dignity of its employees. The Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). We affirm that adequate access has been provided to any complainants who wish to register a complaint under the policy. No complaint was received during the year.

RISK MANAGEMENT

Risk management refers to the practice of identifying potential risks in advance, analysing them and taking precautionary steps to reduce the risk. The Company has evolved a risk management framework to identify, assess and mitigate the key risk factors of the business. The Board of the Company is kept informed about the risk management of the Company.

COMMITTEES OF THE BOARD

The details of composition of the Committees of the Board of Directors are as under:-

a. Audit Committee

Your Company has an Audit Committee at the Board level, which acts as a link between the management, the statutory and internal auditors and the Board of Directors to oversee the financial reporting process.

During the year, the Committee met on 28th April 2015, 22nd July 2015, 2nd November 2015 and 8th February, 2016. The composition of the Committee and the attendance details of the members are given below:

Name of the Director	Category	Chairman/ Members	No of Meetings	
			Held	Attended
Mr. Santanu Ray	Independent	Chairman	4	4
Mr. Mangilal Jain	Independent	Member	4	4
Mr. Hari Prasad Agarwal	Non-Independent	Member	4	4

- Vigil mechanism

A Vigil (Whistle Blower) mechanism provides a formal mechanism to the Employees and Directors to report to the Management, concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Policy. The mechanism provides for

adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

b. Nomination and Remuneration Committee

The Committee identifies, screens and review individuals who are qualified to become Directors, Key Managerial Personnel and Senior Management staff. The Committee also makes recommendations to the Board for such appointment and removal and carries out evaluation of every Director performance.

During the year, the Committee met on 28th April 2015, 22nd July 2015, 14th September 2015 and 8th February, 2016. The composition of the Committee and the attendance details of the members are given below:

Name	Category	Chairman/ Members	No. of meetings	
			Held	Attended
Mr. Santanu Ray	Independent	Chairman	4	4
Mr. Mangilal Jain	Independent	Member	4	4
Mr. Hari Prasad Agarwal	Non-Independent	Member	4	4

c. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is responsible for the implementation / monitoring and review of the policy and the activities undertaken under the CSR policy as framed by the Company.

During the year, the Committee met on 12th February, 2016. The composition of the Committee and the attendance details of the members are given below:

Name of the Director	Category	Chairman/ Members	No. of meetings	
			Held	Attended
Mr. Hari Prasad Agarwal	Non-Independent	Chairman	1	1
Mr. Rajesh Kumar Agarwal	Non-Independent	Member	1	1
Mr. Santanu Ray	Independent	Member	1	1

HUMAN RESOURCE DEVELOPMENT & INDUSTRIAL RELATIONS

Employee relationship in your Company continues to remain cordial and harmonious. Your Company's Human Resource Management Systems and Process aim to enhance organizational performance. Your Directors place on record their appreciation for the valuable services rendered by the workmen and employees at all levels for their valuable support and expect their sustenance in years ahead.

PARTICULARS OF EMPLOYEES

The Company has no employee whose remuneration exceeds the limit prescribed under section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge and are grateful for continuous support received from the shareholders, banks, financial institutions, dealers, suppliers and other stakeholders. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution towards the progress of the organization.

For and on behalf of the Board of Directors

Place: Kolkata
Date: 2nd May, 2016

Pankaj Kejriwal
Managing Director
DIN: 00383635

Hari Prasad Agarwal
Director
DIN: 00266005

Annexure 1 to Directors' Report

FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

As on Financial Year ended on 31st March, 2016

[Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	U27107ML2002PTC006976
2	Registration Date	13th December, 2002
3	Name of the Company	Megha Technical & Engineers Private Limited
4	Category/Sub-category of the Company	Company limited by Shares/ Non - Govt. Company
5	Address of the Registered office & contact details	Village: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210 Phone No. : 03655 - 278215
6	Whether listed Company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the Company are stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to Total Turnover of the Company
1	Cement	23941	99.88

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Cement Manufacturing Company Limited (CMCL) Village: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	U26942ML2001PLC006663	Holding	100.00	2(46)
2	Star Ferro and Cement Limited (SFCL) Village: Lumshnong, P.O.: Khaliehriat, Dist.: East Jaintia Hills, Meghalaya – 793210	L27310ML2011PLC008564	SFCL holds 70.48% shares in CMCL, therefore the Company is a step down subsidiary of SFCL		2(46)

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) *Individual/ HUF	-	1	1	0.00	-	1	1	0.00	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	2,73,46,399	2,73,46,399	100.00	-	2,73,46,399	2,73,46,399	100.00	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub -total (A) (1)	-	2,73,46,400	2,73,46,400	100.00	-	2,73,46,400	2,73,46,400	100.00	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub - total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of promoter (A) = (A) (1) + (A) (2)	-	2,73,46,400	2,73,46,400	100.00	-	2,73,46,400	2,73,46,400	100.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	-	-	-	-	-	-	-	-	-

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2015]				No. of Shares held at the end of the year [As on 31-March-2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	2,73,46,400	2,73,46,400	100.00	-	2,73,46,400	2,73,46,400	100.00	-

* One individual holding one share as nominee of Cement Manufacturing Company Limited, Holding Company

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 01-April-2015]			Shareholding at the end of the year [As on 31-March-2016]			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Cement Manufacturing Company Limited*	2,73,46,400	100.00	-	2,73,46,400	100.00	-	-
	Total	2,73,46,400	100.00	-	2,73,46,400	100.00	-	-

* Cement Manufacturing Company Limited holds 100% share along with the nominee Mr. Edmund Carmel Suja

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

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
	At the beginning of the year			No change during the year			
	Changes during the year						
	At the end of the year						

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares	No. of Shares	% of total Shares
	At the beginning of the year			NOT APPLICABLE			
	Changes during the year						
	At the end of the year						

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Mr. Pankaj Kejriwal (Managing Director)						
	At the beginning of the year	01.04.2015		-		-	
	Changes during the year						
	At the end of the year	31.03.2016		-		-	
2	Mr. Hari Prasad Agarwal (Non-Executive Director)						
	At the beginning of the year	01.04.2015		-		-	
	Changes during the year						
	At the end of the year	31.03.2016		-		-	
3	Mr. Rajesh Kumar Agarwal (Non-Executive Director)						
	At the beginning of the year	01.04.2015		-		-	
	Changes during the year						
	At the end of the year	31.03.2016		-		-	
4	Mr. Mangilal Jain (Independent Director)						
	At the beginning of the year	01.04.2015		-	-		
	Changes during the year						
	At the end of the year	31.03.2016				-	-
5	Mr. Santanu Ray (Independent Director)						
	At the beginning of the year	01.04.2015		-	-		
	Changes during the year						
	At the end of the year	31.03.2016				-	-
6	Mr. Edmund Carmel Suja * (Non-Executive Director)						
	At the beginning of the year	01.04.2015		1	-		
	Changes during the year						
	No change during the year						
	At the end of the year	31.03.2016				1	-
7	Mr. Vivek Lahoti (Chief Financial Officer)						
	At the beginning of the year	01.04.2015		-	-		
	Changes during the year						
	At the end of the year	31.03.2016				-	-
8	Mr. Mohit Mahana (Company Secretary)						
	At the beginning of the year	01.04.2015		-	-		
	Changes during the year						
	At the end of the year	31.03.2016				-	-

* Mr. Edmund Carmel Suja holding one share as nominee of Cement Manufacturing Company Limited, Holding Company

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits**	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i) Principal Amount	73.65	-	-	73.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	73.65	-	-	73.65
Change in Indebtedness during the Financial Year				
* Addition	1,124.95	-	-	1,124.95
* Reduction	1.83	-	-	1.83
Net Change	1,123.12	-	-	1,123.12
Indebtedness at the end of the Financial Year				
i) Principal Amount	1,196.77	-	-	1,196.77
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,196.77	-	-	1,196.77

** Trade Deposits have not been included

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹/Lac)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	Name	Mr. Pankaj Kejriwal	
	Designation	Managing Director	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	42.00	42.00
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
5	Others, please specify	-	-
	Total (A)	42.00	42.00
	Ceiling as per the Act	5% of Net profit as calculated under Section 198 of the Companies Act, 2013	

B. Remuneration to other Directors

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount (₹/Lac)
		Mr. Santanu Ray	Mr. Mangilal Jain	Mr. Edmund Carmel Suja	
1	Independent Directors				
	Fee for attending Board /Committee meetings	0.53	0.50	-	1.03
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	0.53	0.50	-	1.03
2	Other Non-Executive Directors				
	Fee for attending Board /Committee meetings	-	-	0.05	0.05
	Commission	-	-	-	-
	Others, (remuneration paid for availing professional services)	-	-	2.40	2.40
	Total (2)	-	-	2.45	2.45
	Total (B)=(1+2)	0.53	0.50	2.45	3.48
	Total Managerial Remuneration				45.48
	Overall ceiling as per the Act	11% of Net profit as calculated under Section 198 of the Companies Act, 2013			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (₹/Lac)
		Mr. Vivek Lahoti	Mr. Mohit Mahana*	Divyang Jain#	
	Designation	CFO	CS	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	27.04	3.53	0.36	30.93
	(b) Value of perquisites under section 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	27.04	3.53	0.36	30.93

* Mr. Mohit Mahana resigned w.e.f 18th May, 2015 and was re-appointed as Company Secretary w.e.f. 15th September, 2015.

Mr. Divyang Jain, Company Secretary from 22nd July, 2015 to 14th September, 2015.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/Punishments/Compounding of Offences for breach of any provisions of the Companies Act, 2013 against the Company or its Directors or other Officers in default, during the year.

Annexure 2 to Directors' Report

REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES/ INITIATIVES

[Pursuant to Section 135 of the Companies Act, 2013 & Rules made thereunder]

1. A brief outline of the Company's CSR policy, including overview of the projects or programmes proposed to be undertaken and reference to the web-link to the CSR Policy and projects or programmes :

The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013. Your Company's CSR strategy ensures compliance with ethical standards in business practices; minimising environmental impacts and waste; addresses the challenges of improved access to education, health, sports, drinking water, sanitation and livelihood opportunities; and helping underprivileged communities to become resilient and self-reliant

2. The composition of the CSR Committee

- Mr. Hari Prasad Agarwal - Chairman
- Mr. Rajesh Kumar Agarwal - Non-Executive Director
- Mr. Santanu Ray - Independent Director

3. Average Net Profit of the Company for last 3 Financial Years: ₹ 1968.95 Lacs

4. Prescribed CSR expenditure (2% of amount): ₹ 39.38 Lacs

5. Details of CSR activities/projects undertaken during the year:

- a) Total amount to be spent for the Financial Year: ₹ 39.38 Lacs
- b) Amount un-spent, if any: NIL
- c) Manner in which the amount spent during Financial Year is detailed below:

(₹ in Lacs)

1	2	3	4	5	6	7	8
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects/Programs 1. Local area or other 2. Specify the state and district where project or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programs, 2. Overheads:	Cumulative expenditure upto the reporting period	Amount spent: Direct/ Through Implementing Agency*
1.	Providing non-formal primary education through cost effective One Teacher school (O.T.S.) i.e. Ekal Vidyalaya to rural and tribal people.	Education	In various parts of India	11.00	11.00	11.00	Through Implementing agency
2.	Disaster Relief, Health Care	Preventive Health Care, eradicating hunger, poverty and malnutrition	Assam	30.14	30.14	30.14	Through the registered trust

*Details of implementing Agency/ Trust: Friends of Tribal Society, Star Cement Charitable Trust

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: **Kolkata**
Date: **2nd May, 2016**

Hari Prasad Agarwal
Chairman – CSR Committee
DIN: 00266005

Rajesh Kumar Agarwal
Director
DIN: 00223718



Financials

Independent Auditors' Report

To
The Members of
Megha Technical & Engineers Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Megha Technical & Engineers Private Limited** ('the Company'), which comprise the balance sheet as at 31st March 2016, the statement of profit and loss and the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) on the basis of the written representations received from the Directors as on 31st March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;

- (f) with respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of its pending litigations on its financial position in its financial statements – Refer Note 2.30 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **KAILASH B. GOEL & CO.**
Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner

Place: Kolkata
Date: 2nd May, 2016

Membership No. 057329

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31st March, 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company are physically verified by management according to a phased programme on a rotational basis, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods in transit and materials lying with third parties, which have been substantially confirmed by them, has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable and no material discrepancies were observed.
- (iii) The Company has granted loans to two bodies corporate covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
- (b) In the case of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
- (c) There are no overdue amounts in respect of the loan granted to the bodies corporate listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act with respect to the loans and investments made.
- (v) On the basis of our examination of books and records of the Company, in our opinion and according to the information and explanations given to us, the Company has not accepted deposits during the year and therefore the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable to the Company.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determine that they are accurate.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added

tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable except as detailed below:

Nature of Due	Amount (₹ in lacs)
Cement Cess	9.23

(b) According to the information and explanations given to us, there are no material dues of duty of customs, income tax, sales tax, service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of duty of excise and service tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944 and Cenvat Credit Rules, 2004	Excise Duty	51.31	2008-09 & 2009-10	CESTAT
The Central Excise Act, 1944	Excise Duty	182.83	July, 2009 to March, 2014	CESTAT
The Central Excise Act, 1944	Excise Duty	6.26	April 2011 to December 2013	Additional Commissioner (Adjudication)

(viii) Based on our audit procedures and as per the information and explanation given by the management, the Company has not defaulted in repayment of dues to Financial Institution or Banks. The Company has not issued any debentures.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in

compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **KAILASH B. GOEL & CO.**
Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No. 057329

Place: Kolkata
Date: 2nd May, 2016

Annexure - B to the Auditors' Report

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

We have audited the Internal Financial Controls over Financial Reporting of Megha Technical & Engineers Private Limited ("the Company") as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over Financial Reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of Financial Reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over Financial Reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at 31st March, 2016, based on the Internal Financial Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **KAILASH B. GOEL & CO.**
Firm Registration No.322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner

Place: Kolkata
Date: 2nd May, 2016

Membership No. 057329

Balance Sheet

as at 31st March, 2016

(₹ in Lacs)

Particulars	Note	31.03.2016	31.03.2015
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	2,734.64	2,734.64
Reserves and Surplus	2.2	21,622.11	21,137.40
		24,356.75	23,872.04
NON-CURRENT LIABILITIES			
Long Term Provisions	2.3	-	0.14
Other Long Term Liabilities	2.4	1,588.85	1,698.15
Long Term Provisions	2.5	44.02	34.02
		1,632.87	1,732.31
CURRENT LIABILITIES			
Short Term Borrowings	2.6	1,196.63	71.68
Trade Payables		884.44	564.58
Other Current Liabilities	2.7	1,195.71	1,278.74
Short Term Provisions	2.8	5.05	5.75
		3,281.83	1,920.75
Total		29,271.45	27,525.10
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
-Tangible Assets	2.9	2,450.78	2,819.32
-Intangible Assets	2.9	0.22	0.24
-Capital Work in Progress		86.71	86.66
		2,537.72	2,906.22
Non Current Investments	2.10	2,983.33	2,983.33
Long Term Loans and Advances	2.11	18,810.32	16,416.54
Other Non Current Assets	2.12	1.82	36.18
		24,333.18	22,342.27
CURRENT ASSETS			
Inventories	2.13	1,301.77	558.31
Trade Receivables	2.14	1,888.18	2,306.34
Cash and Cash Equivalents	2.15	528.21	584.32
Short Term Loans and Advances	2.16	1,220.11	1,733.77
Other Current Assets	2.17	-	0.08
		4,938.27	5,182.83
Total		29,271.45	27,525.10
Significant accounting policies and notes on accounts	1 & 2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For and on behalf of the Board of Directors

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No: 057329

Vivek Lahoti
Chief Financial Officer

Hari Prasad Agarwal
Director
DIN: 00266005

Place: Kolkata
Date: 2nd May, 2016

Mohit Mahana
Company Secretary

Pankaj Kejriwal
Managing Director
DIN: 00383635

Statement of Profit and Loss

for the year ended 31st March, 2016

Particulars	Note	₹ in Lacs)	
		2015-16	2014-15
INCOME			
Revenue from Operations (Gross)	2.18	14,800.01	19,691.78
Less/(Add): Excise Duty		981.29	1,233.95
Revenue from Operations (Net)		13,818.72	18,457.83
Other Income	2.19	1,452.63	1,341.96
Total Revenue		15,271.35	19,799.78
EXPENSES			
Cost of materials consumed	2.20	5,340.53	7,491.37
(Increase)/ Decrease in Inventories	2.21	(759.01)	33.40
Employee Benefit Expenses	2.22	1,794.22	1,434.41
Finance Costs	2.23	135.68	150.03
Depreciation and Amortization Expenses		405.23	780.31
Other Expenses	2.24	7,619.38	8,008.65
Total Expenses		14,536.04	17,898.16
PROFIT/(LOSS) BEFORE EXCEPTIONAL AND EXTRAORDINARY ITEMS AND TAX		735.32	1,901.62
Exceptional Items		0.09	1.05
Profit before tax		735.41	1,902.67
Tax Expenses			
-Current Tax		258.34	399.34
Less: MAT Credit Entitlement		-	(399.34)
-Net Current Tax		258.34	-
-Income tax for earlier years		(7.64)	-
-Deferred Tax		-	7.97
Profit for the year		484.71	1,910.64
Earnings Per Equity Share (Face Value of ₹ 10/- each)			
Basic Earning Per Share		1.77	6.99
Diluted Earning Per Share		1.77	6.99
Significant accounting policies and notes on accounts	1 & 2		
The accompanying notes are an integral part of the financial statements			

As per our report of even date

For and on behalf of the Board of Directors

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No: 057329

Vivek Lahoti
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Director
DIN: 00266005

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Managing Director
DIN: 00383635

Cash Flow Statement

for the year ended 31st March, 2016

Sl. No.	Particulars	(₹ in Lacs)	
		2015-16	2014-15
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit / (Loss) before Tax and Exceptional Items	735.32	1,901.62
	Adjustments for :		
	Depreciation	405.23	780.31
	Interest Income	(1,416.92)	(1,336.36)
	Income Tax for earlier year	7.64	-
	Interest Expenses	135.68	150.03
	Provision for Bad & Doubtful Debts	(5.86)	-
	Operating Profit before Working Capital changes	(138.90)	1,495.60
	Adjustments for :		
	Trade receivables	424.02	(826.26)
	Inventories	(743.47)	32.34
	Other Receivables	(2,023.06)	1,307.32
	Trade & Other Payables	138.52	(627.27)
	Cash Generated from Operations	(2,342.89)	1,381.73
	Direct Taxes- Refund / (Paid) - Net	(115.31)	(305.00)
	Net Cash flow from Operating Activities	(2,458.20)	1,076.73
B	CASH FLOW FROM INVESTING ACTIVITIES		
	(Purchase) / Sale of Fixed Assets (including WIP) - Net	(26.61)	(101.85)
	Sale of Fixed Assets	(10.02)	(4.80)
	Interest Received	1,416.92	1,336.36
	Fixed Deposit / Margin Money given/refund	34.36	(7.18)
	Net Cash used in Investing Activities	1,414.64	1,222.54
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Interest paid	(135.68)	(150.03)
	Proceeds from / (Repayment of) Long Term Borrowings	(1.83)	(1.65)
	Proceeds from / (Repayment of) Working Capital Borrowings	1,124.95	(1,721.15)
	Net Cash used in Financing Activities	987.44	(1,872.83)
	Net Increase/(decrease) in cash and cash equivalents (A+B+C)	(56.12)	426.44
	Cash and Cash Equivalents		
	Opening Balance	584.32	157.88
	Closing Balance	528.21	584.32

As per our report of even date

For and on behalf of the Board of Directors

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
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DIN: 00266005

Place: Kolkata
Date: 2nd May, 2016

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Managing Director
DIN: 00383635

Notes To Financial Statements

Significant Accounting Policies and Notes to the Financial Statements for the year ended 31st March, 2016

Corporate information

Megha Technical & Engineers Private Limited is a private limited Company domiciled in India and incorporated on 13.12.2002 under the provisions of the Companies Act, 1956. The Company is engaged in the manufacturing of cement and generation of power. The manufacturing unit is located at Lumshnong, Meghalaya. The Company is selling its product across north eastern and eastern states of India.

1. Significant Accounting Policies

1.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013, to the extent notified. The financial statements are prepared under the historical cost convention on accrual basis and on the basis of going concern.

The accounting policies are consistently followed by the Company and changes in accounting policy are separately disclosed.

1.2 Use of Estimates

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

1.3 Fixed Assets

Fixed Assets are stated at their cost of acquisition, installation or construction (net of cenvat credit / other taxes, wherever applicable) less accumulated depreciation, amortization and impairment losses except freehold land which is carried at cost. Cost comprises the purchase price, installation and attributable cost of bringing the asset to its working condition for intended use.

1.4 Capital Work In Progress

Capital work in progress is carried at cost comprising direct cost and preoperative expenditure during construction period to be allocated to the fixed assets on the completion of construction.

1.5 Depreciation

Depreciation on fixed assets is provided on written down value method for cement division and on straight line method for power division in accordance with the provisions of Schedule II to the Companies Act, 2013 and considering the useful lives for computing depreciation specified in Part 'C', thereof. Depreciation is provided on components that have homogenous useful lives by using the WDV/SLM method so as to depreciate the initial cost down to the residual value over the estimated useful lives. Useful lives, components and residual amounts are reviewed annually. In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

1.6 Investments

Current Investments are stated at lower of cost and market value. Long-term investments are stated at cost after deducting provisions for permanent diminution in the value, if any.

1.7 Inventories

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials & labour and a part of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty.

Cost of Inventories is computed on weighted average basis.

Notes To Financial Statements (contd.)

Net realizable 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.

1.8 Retirement Benefits

(i) Defined Contribution Plan

Employee's benefits in the form of provident fund, ESIC and other labour welfare fund are considered as defined contribution plan and the contributions are charged to the statement of profit and loss account of the year when the contributions to the respective funds are due.

(ii) Defined Benefit Plan

Retirement benefits in the form of gratuity is considered as defined benefits obligations and are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

(iii) Other Long-term Benefits

Long-term compensated absences are provided for on the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Actuarial gain/losses, if any, are recognized in the Statement of Profit & Loss Account.

1.9 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset is capitalized as part of cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred. Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustment to the interest cost.

1.10 Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

1.11 Intangible Asset

Intangible assets are recognized when it is probable that the future economic benefit that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. The depreciable amount of an intangible asset is allocated over its estimated useful life. Expenditure on purchased / developed software is written off over a period of three years.

1.12 Foreign Currency Transactions

Foreign currency transactions are recorded at the rate prevailing on the dates of the transactions and exchange differences are dealt within the Statement of Profit & Loss. Monetary foreign currency assets and liabilities are translated at the year-end exchange rates. All exchange differences are dealt within the Statement of Profit and Loss, except to the extent that they are regarded as an adjustment to the interest cost and the resultant balance to the new projects, till the date of the capitalization, are carried to pre-operative expenses. Profit / Loss arising out of cancellation of forward contracts is taken to revenue in the year of cancellation.

1.13 Taxes on Income

Tax expense comprises current and deferred tax. Provision for the current tax is made on the basis of taxable income for the current accounting year in accordance with the provisions of Income Tax Act, 1961.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Notes To Financial Statements (contd.)

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized and carried forward for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The deferred tax in respect of timing differences which originate during the tax holiday period and is likely to reverse during the tax holiday period, is not recognized to the extent income is subject to deduction during the tax holiday period as per the requirements of the Income Tax Act, 1961. Deferred tax assets / liabilities are reviewed at each Balance Sheet date based on developments during the year to reassess realization / liabilities.

Minimum Alternate Tax (MAT) paid in the year is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the carrying amount of MAT at each reporting date and writes down MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

1.14 Revenue Recognition

Items of Income and Expenditure are recognized on accrual basis except stated otherwise. Sales are recorded on dispatch of goods to the customer. Sales include excise duty and are net of trade discounts, rebates and returns. Interest income is recognized on time proportion basis.

1.15 Government Grants / Subsidies

Government Grants / Subsidies are recognized when there is reasonable certainty that the same will be received. Revenue Grants, if any granted by way of recoupment / reimbursement of any item of expenditure are recognized in the Statement of Profit and Loss by way of deduction from related item of expenses. Capital Grants / Subsidies are credited to respective fixed assets where it relates to specific fixed assets. Other Grants / Subsidies are credited to the capital reserve.

1.16 Research and Development Expenditure

Revenue expenditure is charged to the Statement of Profit & Loss and capital expenditure is added to the cost of fixed assets in the year in which it is incurred.

1.17 Provisions and Contingencies

A provision is recognized 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 determined based on best estimates of the amount required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts. Contingent assets are neither recognized nor disclosed in the financial statements.

1.18 Segment Reporting

The Company has identified that its business segments are the primary segments. The Company's business are organized and managed separately accordingly to the nature of products / services, with each segment representing a strategic business unit that offers different product / services.

1.19 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash in hand, demand deposits with Banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

1.20 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.

Notes To Financial Statements (contd.)

2.1 Share Capital

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Authorised Capital		
3,50,00,000 (3,50,00,000 as at 31.03.15) Equity Shares of ₹ 10/- each	3,500.00	3,500.00
Issued, Subscribed & fully Paid up shares		
2,73,46,400 (2,73,46,400 as at 31.03.15) Equity Shares for ₹ 10/- each fully paid up in cash. The shares are held by the Holding Company, M/s Cement Manufacturing Company Limited and its nominee.	2,734.64	2,734.64

a) Terms/ Rights attached to Equity Shares

The Company has only one class of equity shares having par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of Interim Dividend.

In the event of liquidation of the Company, the holders of the 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.

b) Reconciliation of No. of shares outstanding as at 31.03.2016

Equity Shares	31.03.2016	31.03.2015
	No. of Shares	No. of Shares
At the beginning of the year	2,73,46,400	2,73,46,400
Issued during the year	-	-
Outstanding at the end of the year	2,73,46,400	2,73,46,400

c) Shares held by Holding Company

	No. of Shares	No. of Shares
Cement Manufacturing Company Limited	2,73,46,400	2,73,46,400

d) Shareholders holding more than 5% of Equity Share capital

	No. of Shares % of holding	No. of Shares % of holding
Cement Manufacturing Company Limited	2,73,46,400 (100%)	2,73,46,400 (100%)

As per records of the Company, including its register of shareholders / members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership.

2.2 Reserves & Surplus

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Capital Reserves		
Balance as per last account	1,011.48	1,011.48
Addition/(Deduction) during the Year	-	-
	1,011.48	1,011.48
Surplus as per Statement of Profit & Loss		
Balance as per last account	20,125.93	18,215.29
Add: Profit/(Loss) for the year	484.71	1,910.64
Net Surplus in the Statement of Profit and Loss	20,610.64	20,125.93
Total Reserves and Surplus	21,622.11	21,137.40

Notes To Financial Statements (contd.)

2.3 Long Term Borrowings

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Other Loans & Finance		
Hire Purchase finance from a Body Corporate	0.14	1.97
Less: Current Maturities of Long Term Borrowing	0.14	1.83
Total	-	0.14

Note:

- a) Hire Purchase Finance is secured by hypothecation of vehicle. It is to be repaid in further one instalment.
b) The Company does not have any continuing defaults in repayment of loans and interest as at reporting period.

2.4 Other Long Term Liabilities

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Other		
-Security Deposit	1,565.32	1,665.48
-Creditors for Capital Goods	-	13.57
-Retention Money	23.53	19.09
Total	1,588.85	1,698.15

2.5 Long Term Provisions

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Provisions for Employee Benefits		
- Leave Encashment	33.00	24.66
- Gratuity	11.02	9.36
Total	44.02	34.02

2.6 Short Term Borrowings

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Working Capital facilities from a Bank		
- Cash Credit (Secured)	1,196.63	71.68
Total	1,196.63	71.68

Note:

Working capital facilities are secured by first charge on current assets and second charge on fixed assets of the Company's cement grinding unit at Lumshnong, Meghalaya. The working capital facilities have also been guaranteed by its Holding Company, M/s Cement Manufacturing Company Limited.

2.7 Other Current Liabilities

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Current Maturities of long term borrowings	0.14	1.83
Other Payables		
-Statutory Liabilities (including excise duty on finished goods ₹ 1.97 Lacs, ₹ 4.82 Lacs as at 31.03.15)	286.84	282.09
-Advances from Customers	30.87	12.29
-Creditors-Micro, Small & Medium Enterprises (Refer Note no. 2.26)	-	-
-Salary and Bonus to Employees	27.75	26.46
-Other Liabilities	850.10	956.08
	1,195.57	1,276.91
Total	1,195.71	1,278.74

2.8 Short Term Provisions

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Provisions for Employee Benefits		
-Leave Encashment	2.41	2.94
-Gratuity	2.64	2.81
Total	5.05	5.75

Notes To Financial Statements (contd.)

2.9 Fixed Assets

(₹ in Lacs)

Particulars	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As at 01.04.2015	Additions Deduction/ Adjustment	As at 31.03.2016	For the year Deduction / Adjustment	As at 31.03.2016	As at 31.03.2015
A) Tangible Assets						
i) Power Division at Lumshnong, Meghalaya						
Plant, Machinery & Equipment	629.49	-	629.49	54.66	373.24	310.91
Tools & Tackles	3.53	-	3.53	0.06	3.35	0.24
Office Equipments	0.73	-	0.73	-	0.69	0.04
Computers	1.57	-	1.57	-	1.55	0.02
Total of Power Division (i)	635.31	-	635.31	54.72	378.84	311.20
ii) Cement Division at Lumshnong, Meghalaya						
Land	221.04	-	221.04	-	-	221.04
Factory Building	1,704.59	-	1,704.59	76.19	991.73	789.05
Non Factory Building	1,364.53	-	1,364.53	37.87	616.16	786.24
Plant, Machinery & Equipment	3,121.66	13.14	3,115.64	212.23	2,674.52	645.75
Tools & Tackles	51.07	-	51.07	3.25	45.74	8.57
Heavy Vehicles	28.80	-	28.80	-	27.36	1.44
Light Vehicles	147.40	30.12	143.62	12.06	98.64	31.24
Computers	92.25	2.19	94.44	3.25	88.45	7.05
Furniture & Fixture	59.01	0.40	59.41	4.64	49.22	14.43
Office Equipment	40.21	0.50	40.71	0.83	37.73	3.31
Total	6,830.55	46.35	6,823.84	350.31	4,629.54	2,508.13
B) Intangible Assets						
Computer Software	15.88	0.17	16.05	0.19	15.83	0.24
Total of (B)	15.88	0.17	16.05	0.19	15.83	0.24
Total of Cement Division (ii)	6,846.43	46.53	6,839.89	350.50	4,645.37	2,508.37
Total Tangible Assets (A)	7,465.86	46.35	7,459.16	405.03	5,008.37	2,819.32
Total Intangible Assets (B)	15.88	0.17	16.05	0.19	15.83	0.24
Gross Total	7,481.74	46.53	7,475.21	405.23	5,024.21	2,819.56
Previous Year Figures	7,408.81	95.01	7,481.74	780.31	4,662.18	3,508.59

Note:

-During the year Company has discarded fixed assets amounting to ₹ 16.55 Lacs (Previous Year ₹ 1.07 Lacs) and sold fixed assets amounting to ₹ 36.51 Lacs (Previous Year ₹ 21.01 Lacs)

Notes To Financial Statements (contd.)

2.10 Non Current Investments

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Investments in Unquoted Equity Instruments		
Trade Investments (valued at cost unless stated otherwise)		
Investments in Fellow Subsidiary		
-Star Cement Meghalaya Limited	2,983.33	2,983.33
37,29,162 Equity Shares (37,29,162 as at 31.03.15) of ₹ 10/- each fully paid up		
Total	2,983.33	2,983.33

2.11 Long Term Loans and Advances

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Capital Advances		
-Unsecured considered Good	94.41	17.56
Security Deposits		
-Unsecured, Considered Good	411.41	443.92
Loans and advances to Related Parties		
-Loans (unsecured)	13,808.00	11,648.00
Others		
-Balances with / Receivable from Statutory/Government Authorities	815.22	541.76
-Advance Income Tax (Net of Provision for Taxation) including MAT Credit Entitlement	3,681.29	3,765.30
Total	18,810.32	16,416.54

2.12 Other Non-Current Assets

	(₹ in Lacs)	
	31.03.2016	31.03.2015
-Held as Deposits with Original Maturity of more than 12 months	1.82	36.18
Total	1.82	36.18

2.13 Inventories

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Raw Materials	78.88	85.13
Finished Goods (Including in transit ₹ 232.06 Lacs, ₹ 57.06 Lacs as on 31.03.15)	968.35	209.34
Fuels, Packing materials, etc.	136.69	70.54
Stores & Spares parts	117.85	193.30
Total	1,301.77	558.31

Notes To Financial Statements (contd.)

2.14 Trade Receivables

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Secured Considered Good		
Over Six Months	23.52	28.33
Other Debts	446.67	491.31
	470.19	519.63
Unsecured		
Over Six Months		
I Considered Good	66.21	105.12
Considered Doubtful	78.38	84.24
Less: Provision for Bad & Doubtful Debts	(78.38)	(84.24)
	66.21	105.12
II Claims due from Central Government - Considered Good	210.76	210.76
Other Debts		
I Considered Good	1,141.03	1,470.83
	1,351.78	1,681.59
Total	1,888.18	2,306.34

Note:

Periodically, the Company evaluates realisability of all customer dues. The need for provisions is assessed based on various factors including collectibility of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could effect the customer's ability to settle. The Company normally provides for debtor dues outstanding for six months or longer from the invoice date, at the balance sheet date. The Company pursues the recovery of the dues, in part or full.

2.15 Cash and Cash Equivalents

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Cash on Hand	6.80	8.18
Cheques in Hand	365.44	470.66
Balances with Banks		
- Current Accounts	155.97	105.48
Total	528.21	584.32

2.16 Short Term Loans and Advances

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Loans and Advances to Related Parties		
Advances recoverable (Unsecured considered Good)	53.70	164.70
	53.70	164.70
Others		
Unsecured considered Good		
-Advances to Suppliers	18.34	58.35
-Advances for Services and Expenses	124.71	112.34
-Prepaid Expenses	8.22	13.53
-Subsidies/Incentives Receivable from Central/State Government	305.97	287.57
-Balances with/Receivable from Statutory/Government Authorities	700.21	1,082.75
-Loan and advances to employees	8.33	14.53
	1,165.78	1,569.07
Unsecured considered doubtful		
-Loan and advances to employees	6.79	-
Less : Provision for doubtful advance	(6.16)	-
	0.63	-
Total	1,220.11	1,733.77

Notes To Financial Statements (contd.)

2.17 Other Current Assets

	(₹ in Lacs)	
	31.03.2016	31.03.2015
Other Receivables		
Interest Receivable on Fixed Deposit	-	0.08
Total	-	0.08

2.18 Revenue from Operations

	(₹ in Lacs)	
	2015-16	2014-15
Sale of Products	14,739.16	19,597.83
Add : Captive Consumption	17.26	70.17
	14,756.42	19,668.00
Other Operating Income		
-Shortage Recovery of Cement & Clinker	43.59	23.77
Revenue from Operations (Gross)	14,800.01	19,691.78
Details of Products Sold		
Cement	14,739.16	19,597.83
Total	14,739.16	19,597.83

2.19 Other Income

	(₹ in Lacs)	
	2015-16	2014-15
Interest Income on		
-Bank deposits	0.47	3.32
-Loans	1,416.44	1,333.04
Miscellaneous Income	35.72	5.60
Total	1,452.63	1,341.96

2.20 Cost of Materials Consumed

	(₹ in Lacs)	
	2015-16	2014-15
Inventory at the beginning of the year	85.13	84.68
Add : Purchases	5,334.29	7,491.82
	5,419.42	7,576.50
Less : Inventory at the end of the year	78.88	85.13
Cost of Materials Consumed	5,340.53	7,491.37
Details of Raw Material consumed		
Clinker	4,881.86	7,000.69
Others	458.67	490.68
Total	5,340.53	7,491.37

2.21 (Increase) / Decrease in Inventories

	(₹ in Lacs)	
	2015-16	2014-15
Finished Goods		
Opening Stock	209.34	242.74
Closing Stock	968.35	209.34
(Increase) / Decrease	(759.01)	33.40

Notes To Financial Statements (contd.)

2.22 Employee Benefit Expenses

	(₹ in Lacs)	
	2015-16	2014-15
Salaries and Wages	1,724.86	1,371.44
Contribution to Provident Fund and other funds	37.78	36.29
Welfare Expenses	31.58	26.68
Total	1,794.22	1,434.41

2.23 Finance Costs

	(₹ in Lacs)	
	2015-16	2014-15
Interest Expense		
-On Fixed Loan	0.12	-
-On Others	129.56	138.32
Other Finance Costs	6.00	11.70
Total	135.68	150.03

2.24 Other Expenses

	(₹ in Lacs)	
	2015-16	2014-15
Consumption of Stores & Spare Parts	77.54	69.87
Packing Materials	455.72	651.50
Power & Fuel	710.78	925.85
Repairs & Maintenance		
- Building	15.32	56.18
- Plant & Machinery	17.05	2.25
- Others	11.09	9.03
Insurance	19.04	30.35
Rent, Rates & Taxes	122.52	171.92
Heavy Vehicle / Equipment Running Expenses	20.83	18.55
Excise duty variation on opening/closing stock	74.60	(3.71)
Research and Development Expenses	3.19	4.34
Charity & Donation	1.72	89.96
Corporate Social Responsibility	41.14	62.00
Travelling and Conveyance	89.83	84.99
Advertisement & Publicity	396.91	371.53
Sales promotion Expenses	737.16	213.40
Outward Freight Charges	3,287.53	3,956.81
Commission, Discount & Incentives on Sale	1,438.31	1,190.31
Miscellaneous Expenses	99.09	103.51
Total	7,619.38	8,008.65

2.25 In the opinion of the Management and to the best of their knowledge and belief the value on realization of loans, advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

2.26 There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of the information available with the Company.

Notes To Financial Statements (contd.)

2.27 Excise Duty Refund

Against Company's claim for refund of differential excise duty, Hon'ble High Court at Guwahati (Shillong Bench) vide its order dated 12th September, 2012, has directed the Excise Department to release 50% of the disputed amount against furnishing of solvent surety in line with the Interim Order dated 13th January, 2012 passed by Hon'ble Supreme Court in case of "VVF Ltd and others". Based on the said judgment of the Hon'ble High Court in favour of the Company and legal opinion obtained by the Company, the differential excise duty refund of ₹ Nil (P.Y. ₹ 418.02 lacs) has been recognized as revenue in the books of accounts.

2.28 Ministry of Corporate Affairs (MCA) vide notification dated 29th August, 2014 has amended Schedule II to the Companies Act, 2013 requiring mandatory componentization of fixed assets for financial statements in respect of Financial Years commencing on or after 1st April, 2015. During the year, the Company has undertaken the componentization of fixed assets w.e.f. 1st April, 2015 on the basis of technical evaluation and useful life thereof. However, on evaluation by technical department it was observed that the life of significant components were not materially different from the main component and accordingly no separate component with different useful life has been recognized and hence there is no effect on the depreciation charged during the year.

2.29 Disclosure in respect of related parties pursuant to Accounting Standard 18 "Related Party Disclosures"

A. Names of the Related Parties where control exists		Nature of relationship
Star Ferro and Cement Limited (SFCL)		Ultimate Holding Company
Cement Manufacturing Company Limited (CMCL)		Holding Company
Star Cement Meghalaya Limited (SCML)		Fellow Subsidiary
Meghalaya Power Limited (MPL)		Fellow Subsidiary
NE Hills Hydro Limited (NEHL)		Fellow Subsidiary
B. Others - with whom transactions have taken place during the year		
Key Managerial Personnel		
Name of the Related Party	Nature of relationship	
Mr. Pankaj Kejriwal	Managing Director	
Mr. Vivek Lahoti	Chief Financial Officer	
Mr. Divyang Jain	Company Secretary (from 22nd July, 2015 to 14th September, 2015)	
Mr. Mohit Mahana	Company Secretary (upto 18th May, 2015 & w.e.f. 15th September, 2015)	

During the year following transactions were carried with the related parties in the ordinary course of business. Disclosure of transactions between the Company and the related parties and the status of their outstanding balances as at 31st March, 2016.

Sl. No.	Type of Transactions	(₹ in Lacs)					
		Holding Company		Fellow Subsidiaries		Key Managerial Personnel	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
1	Sale Transactions						
	CMCL	-	1.37	-	-	-	-
	SCML	-	-	129.49	142.29	-	-
	MPL	-	-	45.32	39.92	-	-
	SCFL	-	-	-	1.22	-	-
2	Sale of Capital Goods						
	CMCL	0.41	-	-	-	-	-
3	Purchase Transactions						
	CMCL	875.82	2,284.86	-	-	-	-
	SCML	-	-	5,298.76	5,907.97	-	-
	MPL	-	-	1,139.12	1,286.22	-	-
4	Services Received						
	CMCL	4.85	7.16	-	-	-	-
	SCML	-	-	-	5.51	-	-
5	Security Deposit Refund						

Notes To Financial Statements (contd.)

(₹ in Lacs)

Sl. No.	Type of Transactions	Holding Company		Fellow Subsidiaries		Key Managerial Personnel	
		2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
	MPL	-	-	-	200.00	-	-
6	Loans Given						
	CMCL	11,500.00	-	-	-	-	-
	SCML	-	-	600.00	-	-	-
7	Loans Received Back						
	CMCL	7,000.00	500.00	-	-	-	-
	SCML	-	-	2,940.00	110.00	-	-
8	Interest Received						
	CMCL	1,103.49	989.02	-	-	-	-
	SCML	-	-	312.60	329.24	-	-
9	Remuneration Paid						
	Mr. Pankaj Kejriwal	-	-	-	-	42.00	42.00
	Mr. Vivek Lahoti	-	-	-	-	27.04	12.88*
	Mr. Mohit Mahana	-	-	-	-	3.53	4.51
	Mr. Divyang Jain	-	-	-	-	0.36	-
10	Balance Outstanding as at 31st March, 2016						
A	Advance to Suppliers						
	SCML	-	-	53.70	164.70	-	-
B	Sundry Creditors						
	MPL	-	-	-	13.28	-	-
C	Loans Given						
	CMCL	13,208.00	8,708.00	-	-	-	-
	SCML	-	-	600.00	2,940.00	-	-
D	Share Capital						
	CMCL	2,734.64	2,734.64	-	-	-	-
E	Investments						
	SCML	-	-	2,983.33	2,983.33	-	-
F	Guarantee Obtained						
	CMCL	1,800.00	2,500.00	-	-	-	-

* In 2014-15, for part of the year

2.30 Contingent Liabilities & Commitments

(₹ in Lacs)

Particulars	31.03.2016	31.03.2015
Claims against the Company not acknowledged as debts- Excise / VAT / Income Tax matters	240.40	1,519.51
Bank Guarantee issued by Bank	24.43	25.10
Letter of Credit issued by Bank	-	35.61
Solvent surety furnished to Excise Department against differential excise duty refund (Refer note no. 2.27)	1,211.20	1,211.20

Note: Based on discussion with the solicitors/favourable decisions in similar cases/legal opinion taken by the Company, the management believes that the Company has a good chance of success in cases mentioned herein above and hence, no provision there against is considered necessary.

Notes To Financial Statements (contd.)

2.31 Payments to Auditors

Particulars	(₹ in Lacs)	
	31.03.2016	31.03.2015
As Auditor		
-Audit Fees	2.50	2.50
-Tax Audit Fees	1.00	1.00
In Other Capacity		
Certification and Other Services	1.58	2.45
Total	5.08	5.95

2.32 Earnings per Share

Particulars	(₹ in Lacs)	
	31.03.2016	31.03.2015
Total Operations for the year		
-Profit/(Loss) after tax	484.71	1,910.64
Equity Share Capital	2,734.64	2,734.64
Weighted average number of equity shares in calculating basic EPS	2,73,46,400	2,73,46,400
Weighted average number of equity shares in calculating diluted EPS	2,73,46,400	2,73,46,400
Basic Earnings Per Share (Face Value of ₹ 10/- each)	1.77	6.99
Diluted Earnings Per Share (Face Value of ₹ 10/- each)	1.77	6.99

2.33 Employee Defined Benefits

- (a) Defined Contribution Plans: The Company has recognized an expense of ₹ 37.78 Lacs (Previous Year ₹ 36.29 Lacs towards the defined contribution plans).
- (b) The Company has a defined benefit gratuity plan. Every employee who has completed five years or more service is entitled to Gratuity on terms not less than the provisions of The Payment of Gratuity Act, 1972. The Scheme is funded with an Insurance Company. The following tables summarize the components of net benefit expenses recognized in the Statement of Profit & Loss and the funded status and amounts recognized in the balance sheet for the Gratuity.
- (c) Under leave encashment scheme, the Company allows its employees to encash accumulated leave over and above thirty days at any time during the year. The scheme is not funded by the Company.
- (d) Defined Benefit Plans – As per Actuarial Valuation as at 31st March, 2016.

Particulars	2015-16		2014-15	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I. Expense recognized in the statement of Profit and Loss for the year ended 31st March, 2016				
1. Current Service Cost	8.62	11.57	6.92	10.29
2. Interest Cost	3.37	2.53	2.52	1.84
3. Employee Contribution	-	-	-	-
4. Expected Return on Plan Assets	(2.32)	-	(1.83)	-
5. Actuarial Gains/(Losses)	3.38	6.67	4.25	8.32
6. Actuarial Gains/(Losses) on plan Assets	-	-	-	-
7. Total Expense	13.04	20.77	11.87	20.45
II. Net Asset/(Liability) recognized in the Balance Sheet as at 31st March, 2016				
1. Present Value of Defined Benefit Obligation	48.47	35.41	35.43	27.60
2. Fair Value of Plan Assets	34.81	-	23.26	-
3. Funded Status [Surplus/(Deficit)]	(13.66)	(35.41)	(12.17)	(27.60)

Notes To Financial Statements (contd.)

(₹ in Lacs)

Particulars	2015-16		2014-15	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
4. Net Asset/(Liability) as at 31st March, 2016	(13.66)	(35.41)	(12.17)	(27.60)
III. Change in Obligation during the Year ended 31st March, 2016				
1. Present value of Defined Benefit Obligation at the beginning of the year	35.43	27.60	27.53	18.29
2. Current Service Cost	8.62	11.57	6.92	10.29
3. Interest Cost	3.37	2.53	2.52	1.84
4. Past Service Cost	-	-	-	-
5. Employee Contribution	-	-	-	-
6. Liabilities assumed on acquisition/(settled on divesture)	-	-	-	-
7. Actuarial Gains/(Losses)	2.89	6.67	2.52	8.32
8. Benefits Payments	(1.83)	(12.96)	(4.06)	(11.14)
9. Present Value of Defined Benefit Obligation at the end of the year	48.47	35.41	35.43	27.60
IV. Change in assets during the Year ended 31st March, 2016				
1. Plan Assets at the beginning of the year	23.26	-	22.49	-
2. Assets acquired on amalgamation in previous year	-	-	-	-
3. Expected return on plan assets	2.32	-	1.83	-
4. Contributions by employer	11.55	12.96	4.73	11.14
5. Actual Benefit Paid	(1.83)	(12.96)	(4.06)	(11.14)
6. Actuarial Gains/(Losses)	(0.49)	-	(1.73)	-
7. Plan Assets at the end of the year	34.81	-	23.26	-
V. The major categories of plan assets as a percentage of the fair value of total plan assets				
- Funded with Insurer	100%	100%	100%	100%
VI. The Principal actuarial assumptions are as follows:				
- Discount Rate	8.00%	8.00%	8.00%	8.00%
- Expected Return on Plan Assets	8%	-	8%	-
- Salary increase	6%	6%	5%	5%
- Withdrawal rates (Varying between per annum depending upon the duration and age of the employees)	1%-8%	1%-8%	1%-8%	1%-8%

2.34 Expenditure incurred in foreign currency

(₹ in Lacs)

Particulars	2015-16	2014-15
(i) Travelling Expenses	0.12	0.43
(ii) Others	-	1.18
Total	0.12	1.61

2.35 Value of imported and indigenous Stores and spare parts consumed and their percentage to total consumption

(₹ in Lacs)

Particulars	2015-16		2014-15	
	Value (₹ in Lacs)	%	Value (₹ in Lacs)	%
Stores and Spare parts				
(i) Imported	49.71	64.10	14.38	20.57
(ii) Indigenous	27.83	35.90	55.49	79.43
Total	77.54	100.00	69.87	100.00

Notes To Financial Statements (contd.)

2.36 Segment Reporting

(₹ in Lacs)

Sl. No.	Particulars	2015-16				2014-15			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
1	External Revenue	-	14,782.75	-	14,782.75	-	19,621.60	-	19,621.60
	Inter Segment Adjustment	17.26	-	-	17.26	70.17	-	-	70.17
	Total Revenue	17.26	14,782.75	-	14,800.01	70.17	19,621.60	-	19,691.78
2	Results Profit / (Loss)	(64.81)	984.87	-	920.06	(76.25)	1,035.34	-	959.09
3	Interest & Finance Charges (Net)	-	-	1,316.95	1,316.95	-	-	1,191.93	1,191.93
4	Other un-allocable expenses net of unallocable income	-	-	(1,501.70)	(1,501.70)	-	-	(249.40)	(249.40)
5	Total Profit before Tax before Exceptional Item	-	-	-	735.32	-	-	-	1,901.62
6	Exceptional Item	-	-	-	0.09	-	-	-	1.05
7	Total Profit before Tax	-	-	-	735.41	-	-	-	1,902.67
8	Other Information								
	-Segment Assets	312.52	25,975.61	2,983.33	29,271.45	430.47	24,111.30	2,983.33	27,525.10
	-Segment Liabilities	0.00	3,668.99	1,245.70	4,914.70	3.19	3,538.27	111.59	3,653.06
	-Capital Expenditure	-	(6.48)	-	(6.48)	-	89.35	-	89.35
	-Depreciation	54.72	350.50	-	405.23	56.88	723.43	-	780.31

Notes:

- (a) Business Segments: The business segments have been identified on the basis of the products/activities of the Company. Accordingly, the Company has identified following business segments:

Cement - Manufacturing of Cement
Power - Generation of Power

- (b) Geographical Segments: The Company operates predominantly within the geographical limits of India and accordingly secondary segments have not been considered.

2.37 Deferred Tax

Deferred Tax Assets is not recognized in respect of timing difference of depreciation and expenditures allowable on payment basis for tax purpose, considering the principle of prudence. However, the position will be reviewed every year.

- 2.38** As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three Financial Years on Corporate Social Responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural developments projects.

A CSR Committee has been formed by Company as per the Act. The funds were primarily utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

- a) Gross Amount required to be spent by the Company during the year is ₹ 39.38 Lacs (₹ 61.48 Lacs)
b) Amount spent during the year:

(₹ in Lacs)

Sl. No.	Nature of Expenditure	2015-16	2014-15
(i)	Education	11.00	55.00
(ii)	Amount spent through Trust. (Areas covered - Disaster relief, education, healthcare and animal welfare)	30.14	7.00
	Total	41.14	62.00

Notes To Financial Statements (contd.)

2.39 Capital Work-in-progress Includes:

Particulars	(₹ in Lacs)	
	As at 31.03.2016	As at 31.03.2015
a) Expenditure during construction for project as under:		
Opening Balance	27.87	3.82
Add: Addition during the year	10.61	24.05
Less: Capitalized during the year	10.56	-
Closing Balance	27.92	27.87
b) Others	58.79	58.79
Total Capital work-in-progress	86.71	86.66

2.40 Previous Year's figures have been regrouped/rearranged/reclassified to confirm to current year's classification.

2.41 Figures have been rounded off to the nearest ₹ in Lacs.

In terms of our report of even date

For and on behalf of the Board of Directors

For **Kailash B. Goel & Co.**
Firm Registration No. 322460E
Chartered Accountants

CA. Arun Kumar Sharma
Partner
Membership No: 057329

Vivek Lahoti
Chief Financial Officer

Hari Prasad Agarwal
Director
DIN: 00266005

Place: Kolkata
Date: 2nd May, 2016

Mohit Mahana
Company Secretary

Pankaj Kejriwal
Managing Director
DIN: 00383635



Regd. Office:

Vill: Lumshnong, PO: Khaliehriat,

Dist.: East Jaintia Hills, Meghalaya - 793210

CIN: U27107ML2002PTC006976