



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Report on the Financial Statement

We have audited the accompanying financial statements of **Megha Technical & Engineers Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, and the Statement of Profit and Loss and 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 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 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 true and fair view in order to design audit procedures controls that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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 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:

- (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2015;
- (ii) in the case of the Statement of Profit and Loss account, of the Profit of the Company for the year ended on that date; and
- (iii) in the case of Cash Flow Statement, of the Cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order") as amended, issued by the Central Government of India in terms of sub-section (11) Section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 & 4 of the said Order, to the extent applicable.
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 purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In 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 written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note no.2.31 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

Place : Kolkata
Date : 28th April, 2015

CA. Arun Kumar Sharma
Partner



Annexure referred to in Paragraph (1) under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.

(b) The fixed assets 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.
2. (a) 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.

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

(c) The Company is maintaining proper records of inventory. No material discrepancies have been noticed on physical verification of Inventory as compared to book records
3. The Company has not granted any unsecured loan to company covered in the register maintained u/s 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business. During the course of our audit, no major weakness has been noticed in these internal controls.
5. 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.
6. 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.
7. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other statutory dues applicable to it. There are no undisputed amount payable in respect of Income tax and other applicable Statutory dues which were in arrears as at 31.03.2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and the records of the Company examined by us, the particulars of disputed taxes and duties as at March 31, 2015 which have not been deposited, are as under.



Name of the Statute	Nature of the dues	Amount (₹ in lacs)	Period to which 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 Income Tax Act, 1961	Income Tax	1376.79	2010-11	Commissioner of Income Tax (Appeals)
The Central Excise Act, 1944	Excise Duty	91.41	July'09 to March'14	Commissioner, Central Excise, Shillong.
Total		1519.51		

(c) According to the information & explanation give to us, there is no such amount which is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made thereunder.

8. The Company has no accumulated losses at the end of the financial year. It has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and as per the information & 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.
10. The Company has not given any guarantee for loan taken by others from banks and financial institution.
11. In our opinion and on the basis of information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
12. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

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

Place : Kolkata
Date : 28th April, 2015

CA. Arun Kumar Sharma
Partner
Membership No. 57329

Balance Sheet as at 31st March 2015

(₹ in Lacs)

Particulars	Note	31.03.2015	31.03.2014
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders' Funds</u>			
Share Capital	2.1	2,734.64	2,734.64
Reserves and Surplus	2.2	21,137.40	19,226.77
		23,872.04	21,961.41
<u>Non-current liabilities</u>			
Long Term Borrowings	2.3	0.14	1.97
Deferred Tax Liabilities (Net)	2.4	-	7.97
Other Long Term Liabilities	2.5	1,698.15	1,963.26
Long Term Provisions	2.6	34.02	23.17
		1,732.31	1,996.36
<u>Current liabilities</u>			
Short Term Borrowings	2.7	71.68	1,792.83
Trade Payables		564.58	695.49
Other Current Liabilities	2.8	1,278.74	1,526.25
Short Term Provisions	2.9	5.75	0.16
		1,920.75	4,014.73
Total		27,525.10	27,972.50
<u>ASSETS</u>			
<u>Non-current Assets</u>			
Fixed Assets			
-Tangible Assets	2.10	2,819.32	3,508.59
-Intangible Assets	2.10	0.24	-
-Capital Work in Progress		86.66	70.24
		2,906.22	3,578.84
Non Current Investments	2.11	2,983.33	2,983.33
Long Term Loans and Advances	2.12	16,416.54	16,191.91
Other Non Current Assets	2.13	36.18	29.00
		22,342.27	22,783.07
<u>Current Assets</u>			
Inventories	2.14	558.31	590.65
Trade Receivables	2.15	2,306.34	1,480.08
Cash and Cash Equivalents	2.16	584.32	157.88
Short Term Loans and Advances	2.17	1,733.77	2,960.81
Other Current Assets	2.18	0.08	-
		5,182.83	5,189.43
Total		27,525.10	27,972.50
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 & on behalf of the Board

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

Vivek Lahoti
 Chief Financial Officer

Hari Prasad Agarwal
 Director
 DIN : 00266005

CA. Arun Kumar Sharma
 Partner
 Membership No : 57329
 Place : Kolkata
 Date : 28th April, 2015

Mohit Mahana
 Company Secretary

Pankaj Kejriwal
 Managing Director
 DIN : 00383635

Statement of Profit and Loss for the year ended 31st March 2015

(₹ in Lacs)

Particulars	Note	2014-15	2013-14
<u>INCOME</u>			
Revenue from Operations (Gross)	2.19	19,691.78	23,286.45
Less/(Add): Excise Duty		1,233.95	(394.94)
Revenue from Operations (Net)	2.19	18,457.83	23,681.40
Other Income	2.20	1,341.96	570.95
Total Revenue		19,799.78	24,252.35
<u>EXPENSES</u>			
Cost of materials consumed	2.21	7,491.37	11,633.69
(Increase)/ Decrease in Inventories	2.22	33.40	(138.40)
Employee Benefit Expenses	2.23	1,434.41	1,020.95
Finance Costs	2.24	150.03	304.49
Depreciation and Amortization Expenses		780.31	389.24
Other Expenses	2.25	8,008.65	10,893.60
Total Expenses		17,898.16	24,103.57
Profit before exceptional and extraordinary items and tax		1,901.62	148.78
Exceptional items		1.05	4.82
Profit before tax		1,902.67	153.60
Tax Expenses			
-Current Tax		399.34	30.17
Less: MAT Credit Entitlement		(399.34)	-
-Net Current Tax		-	30.17
-MAT Credit Entitlement for earlier years		-	(1.73)
-Deferred Tax		7.97	0.11
Profit for the year		1,910.64	121.80
<u>Earnings Per Equity Share (Face Value of ₹ 10/- each)</u>			
Basic Earning Per Share		6.99	0.45
Diluted Earning Per Share		6.99	0.45
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 & on the behalf of Board

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

Vivek Lahoti
 Chief Financial Officer

Hari Prasad Agarwal
 Director
 DIN : 00266005

CA. Arun Kumar Sharma
 Partner
 Membership No : 57329
 Place : Kolkata
 Date : 28th April, 2015

Mohit Mahana
 Company Secretary

Pankaj Kejriwal
 Managing Director
 DIN : 00383635

Cash Flow Statement for the year ended 31st March 2015

(₹ in Lacs)

Particulars	2014-15	2013-14
A Cash Flow from Operating Activities		
Net Profit / (Loss) before Tax and Exceptional Items	1,901.62	148.78
Adjustments for :		
Depreciation	780.31	389.24
Interest Income	(1,336.36)	(562.97)
Provision for Wealth Tax	-	0.02
Interest Expenses	150.03	304.49
Provision for Bad & Doubtful Debts	-	(2.80)
Operating Profit before Working Capital changes	1,495.60	276.76
Adjustments for :		
Trade receivables	(826.26)	4,880.24
Inventories	32.34	135.62
Other Receivables	1,307.32	(4,662.44)
Trade & Other Payables	(627.27)	(369.21)
Cash Generated from Operations	1,381.73	260.97
Direct Taxes- Refund / (Paid) - Net	(305.00)	(30.17)
Net Cash flow from Operating Activities	1,076.73	230.80
B Cash flow from Investing Activities		
(Purchase) / sale of Fixed Assets (including WIP) - Net	(101.85)	12.77
Sale of Fixed Assets	(4.80)	-
Interest Received	1,336.36	562.97
Fixed Deposit / Margin Money given/refund	(7.18)	(1.52)
Net Cash used in Investing Activities	1,222.54	574.22
C Cash Flow from Financing Activities		
Interest paid	(150.03)	(304.49)
Proceeds from / (Repayment of) Long Term Borrowings	(1.65)	(569.34)
Proceeds from / (Repayment of) working capital Borrowings	(1,721.15)	(436.17)
Net Cash used in Financing Activities	(1,872.83)	(1,310.00)
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	426.44	(504.98)
Cash and Cash Equivalents		
Opening Balance	157.88	662.87
Closing Balance	584.32	157.88

As per our report of even date

For & on the behalf of Board

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

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 Director
 DIN : 00266005

CA. Arun Kumar Sharma
 Partner
 Membership No.: 57329
 Place : Kolkata
 Date : 28th April, 2015

Mohit Mahana
 Company Secretary

Pankaj Kejriwal
 Managing Director
 DIN : 00383635

Notes to Financial Statements**Significant Accounting Policies and Notes to the financial statements for the year ended 31st March 2015****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, where ever 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'. 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.

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED**Notes to Financial Statements (*contd.*)****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.

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.

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED**Notes to Financial Statements (contd.)****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.

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.

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (*contd.*)

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 & 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.

MEGHA TECHNICAL & ENGINEERS PRIVATE LTD

STAR CEMENT

Notes to financial statements (Contd.)

(₹ in Lacs)

2.1 - Share Capital	31.03.2015	31.03.2014
Authorised Capital 3,50,00,000 (3,50,00,000 as at 31.03.14) 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 31.03.14) 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 31.03.2015

Equity Shares

At the beginning of the period

Issued during the year

Outstanding at the end of the period

	No. of Shares	No. of Shares
	2,73,46,400	2,73,46,400
	-	-
	<u>2,73,46,400</u>	<u>2,73,46,400</u>

c) Shares held by Holding Company

Cement Manufacturing Company Limited

	No. of Shares	No. of Shares
	<u>2,73,46,400</u>	<u>2,73,46,400</u>

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

Cement Manufacturing Company Limited

	No. of Shares	No. of Shares
	% of holding	% of holding
	<u>2,73,46,400</u>	<u>2,73,46,400</u>
	(100%)	(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.

(₹ in Lacs)

2.2 - Reserves & Surplus	31.03.2015	31.03.2014
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	18,215.29	18,093.48
Add: Profit/(Loss) for the period	1,910.64	121.80
Net Surplus in the Statement of Profit and Loss	20,125.93	18,215.29
Total Reserves and Surplus	21,137.40	19,226.77

MEGHA TECHNICAL & ENGINEERS PRIVATE LTD**STAR CEMENT****Notes to financial statements (Contd.)****(₹ in Lacs)**

2.3 - Long Term Borrowings	31.03.2015	31.03.2014
Other Loans & Finance		
Hire Purchase finance from a Body Corporate	1.97	3.62
Less: Current Maturities of Long Term Borrowing	1.83	1.65
Total	0.14	1.97

Note :

- a) Hire Purchase finance is secured by hypothecation of vehicle and is repayable within 2 years.
- b) The Company does not have any continuing defaults in repayment of loans and interest as at reporting period.

(₹ in Lacs)

2.4 - Deferred Tax Liabilities/Assets (Net)	31.03.2015	31.03.2014
Deferred Tax Liabilities		
-Fixed Assets	-	42.87
Gross Deferred Tax Liabilities	-	42.87
Deferred Tax Assets		
-Leave Encashment	-	5.94
-Gratuity	-	1.63
-Trade Receivables	-	27.33
Gross Deferred Tax Assets	-	34.90
Deferred Tax Liabilities/Assets (Net)	-	7.97

Note :

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.

Notes to financial statements (Contd.)

(₹ in Lacs)

2.5 - Other Long Term Liabilities	31.03.2015	31.03.2014
Others		
-Security Deposit	1,665.48	1,938.61
-Creditors for Capital Goods	13.57	13.57
-Retention Money	19.09	11.07
Total	1,698.15	1,963.26

(₹ in Lacs)

2.6 - Long Term Provisions	31.03.2015	31.03.2014
Provisions for Employee Benefits		
- Leave Encashment	24.66	18.14
- Gratuity	9.36	5.03
Total	34.02	23.17

(₹ in Lacs)

2.7 - Short Term Borrowings	31.03.2015	31.03.2014
Working Capital facilities from a Bank		
- Cash Credit (Secured)	71.68	292.83
- Short Term Loan from a Bank (Secured)	-	1,500.00
Total	71.68	1,792.83

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.

MEGHA TECHNICAL AND ENGINEERS PRIVATE LIMITED

STAR CEMENT

Notes to financial statements (Contd.)

(₹ in Lacs)

2.8 - Other Current Liabilities	31.03.2015	31.03.2014
Current Maturities of long term borrowings	1.83	1.65
Other Payables		
-Statutory Liabilities (including excise duty on finished goods ₹ 4.82 Lacs, ₹ 4.36 Lacs as at 31.03.14)	282.09	212.14
-Advances from customers	12.29	23.38
-Creditors-Micro, Small & Medium Enterprises (Refer Note no. 2.27)	-	-
-Salary and Bonus to employees	26.46	52.07
-Other Liabilities	956.08	1,237.02
	1,276.91	1,524.60
Total	1,278.74	1,526.25

(₹ in Lacs)

2.9 - Short Term Provisions	31.03.2015	31.03.2014
Provisions for Employee Benefits		
-Leave Encashment	2.94	0.16
-Gratuity	2.81	-
Total	5.75	0.16

Notes to financial statements (Contd.)

2.10 - Fixed Assets

(₹ in Lacs)

A- Tangible Assets	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As on 01.04.2014	Additions	Deduction/ Adjustment	As on 31.03.2015	Upto 31.03.2014	For the year	Deduction / Adjustment	As on 31.03.2015	As on 31.03.2015	As on 31.03.2014
i) Power Division at Lumshnong, Meghalaya										
Plant, Machinery & Equipment	629.49	-	-	629.49	263.92	54.66		318.58	310.91	365.57
Tools & Tackles	3.53	-	-	3.53	1.60	1.70		3.29	0.24	1.93
Office Equipments	0.73	-	-	0.73	0.29	0.40		0.69	0.04	0.44
Computers	1.57	-	-	1.57	1.44	0.12		1.55	0.02	0.13
Total of Power Division (i)	635.31	-	-	635.31	267.24	56.88	-	324.12	311.20	368.07
ii) Cement Division at Lumshnong, Meghalaya										
Land	145.65	75.39	-	221.04	-	-	-	-	221.04	145.65
Factory Building	1,704.59	-	-	1,704.59	833.67	81.87	-	915.54	789.05	870.92
Non Factory Building	1,364.53	-	-	1,364.53	340.18	238.11	-	578.29	786.24	1,024.35
Plant, Machinery & Equipment	3,115.10	7.62	1.05	3,121.66	2,126.53	350.24	0.86	2,475.91	645.75	988.57
Tools & Tackles	51.07	-	-	51.07	31.58	10.92	-	42.49	8.57	19.49
Heavy Vehicles	28.80	-	-	28.80	26.84	0.52	-	27.36	1.44	1.96
Light Vehicles	159.81	8.60	21.01	147.40	120.00	13.62	17.47	116.15	31.24	39.81
Computers	91.79	0.46	-	92.25	78.00	7.20	-	85.20	7.05	13.79
Furniture & Fixture	56.85	2.15	-	59.01	37.75	6.85	0.02	44.58	14.43	19.11
Office Equipment	39.98	0.25	0.02	40.21	23.11	13.79	-	36.90	3.31	16.87
Total	6,758.17	94.46	22.08	6,830.55	3,617.66	723.11	18.35	4,322.42	2,508.13	3,140.52
B) Intangible Assets										
Computer Software	15.32	0.55	-	15.88	15.32	0.31	-	15.64	0.24	-
Total of (B)	15.32	0.55	-	15.88	15.32	0.31	-	15.64	0.24	-
Total of Cement Division (ii)	6,773.50	95.01	22.08	6,846.43	3,632.98	723.43	18.35	4,338.06	2,508.37	3,140.52
Total Tangible Assets (A)	7,393.49	94.46	22.08	7,465.86	3,884.89	779.99	18.35	4,646.54	2,819.32	3,508.59
Total Intangible Assets (B)	15.32	0.55	-	15.88	15.32	0.31	-	15.64	0.24	-
Gross Total	7,408.81	95.01	22.08	7,481.74	3,900.22	780.31	18.35	4,662.18	2,819.56	3,508.59
Previous Year Figures	7,506.70	27.68	125.57	7,408.81	3,589.10	389.24	78.12	3,900.22	3,508.59	3,917.61

Note :

-During the year Company has discarded fixed assets amounting to ₹ 1.07 Lacs (P.Y. ₹ Nil) and sold fixed assets amounting to ₹ 21.01 Lacs (P.Y. ₹ 125.57 Lacs)

MEGHA TECHNICAL AND ENGINEERS PRIVATE LIMITED



Notes to financial statements (Contd.)

(₹ in Lacs)

2.11 - Non Current Investments	31.03.2015	31.03.2014
Investments in Unquoted Equity Instruments Trade Investments (valued at cost unless stated otherwise) Investments in Fellow Subsidiary -Star Cement Meghalaya Limited 37,29,162 Equity Shares (37,29,162 as at 31.03.14) of ₹ 10/- each fully paid up	2,983.33	2,983.33
Total	2,983.33	2,983.33

(₹ in Lacs)

2.12 - Long Term Loans and Advances	31.03.2015	31.03.2014
Capital Advances -Unsecured considered Good	17.56	17.56
	17.56	17.56
Security Deposits -Unsecured, Considered Good	443.92	254.08
	443.92	254.08
Loans and advances to Related Parties -Loans (unsecured)	11,648.00	12,258.00
	11,648.00	12,258.00
Others -Balances with / Receivable from Statutory/Government Authorities -Advance Income Tax (Net of Provision for Taxation) including MAT Credit Entitlement	541.76	332.75
	3,765.30	3,329.52
	4,307.06	3,662.27
Total	16,416.54	16,191.91

(₹ in Lacs)

2.13 - Other Non-Current Assets	31.03.2015	31.03.2014
-Held as Deposits with Original Maturity of more than 12 months	36.18	29.00
Total	36.18	29.00

MEGHA TECHNICAL AND ENGINEERS PRIVATE LIMITED

STAR CEMENT

Notes to financial statements (Contd.)

(₹ in Lacs)

2.14 - Inventories	31.03.2015	31.03.2014
Raw Materials	85.13	84.68
Finished Goods (Including in transit ₹ 57.06 Lacs, ₹ 42.30 Lacs as on 31.03.14)	209.34	242.74
Fuels, Packing materials, etc.	70.54	87.43
Stores & Spares parts	193.30	175.80
Total	558.31	590.65

(₹ in Lacs)

2.15 - Trade Receivables	31.03.2015	31.03.2014
Secured Considered Good		
Over Six Months	28.33	40.10
Other Debts	491.31	473.37
	519.63	513.47
Unsecured Over Six Months		
I Considered Good	105.12	51.16
Considered Doubtful	84.24	84.24
Less: Provision for Bad & Doubtful Debts	(84.24)	(84.24)
	105.12	51.16
II Claims due from Central Government - Considered Good	210.76	210.76
Other Debts		
I Considered Good	1,470.83	704.70
	1,681.59	915.46
Total	2,306.34	1,480.08

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.

(₹ in Lacs)

2.16 - Cash & Cash Equivalents	31.03.2015	31.03.2014
Cash on Hand	8.18	7.59
Cheques in Hand	470.66	103.81
Balances with Banks		
- Current Accounts	105.48	45.86
Balances with Bank		
-Held as Margin Money with original maturity upto 3 months	-	0.62
Total	584.32	157.88

MEGHA TECHNICAL AND ENGINEERS PRIVATE LIMITED

STATEMENT

Notes to financial statements (Contd.)

(₹ In Lacs)

2.17 - Short Term Loans and Advances	31.03.2015	31.03.2014
Loans and Advances to Related Parties		
Advances recoverable (Unsecured considered Good)	164.70	165.50
	164.70	165.50
Others		
Unsecured considered Good		
-Advances to Suppliers	58.35	2.66
-Advances for Services and Expenses	112.34	43.68
-Prepaid Expenses	13.53	10.93
-Intercorporate Deposits	-	800.00
-Subsidies/Incentives Receivable from Central/State Government	287.57	329.62
-Balances with/Receivable from Statutory/Government Authorities	1,082.75	1,597.49
-Loan and advances to employees	14.53	10.94
	1,569.07	2,795.32
Total	1,733.77	2,960.81

2.18 - Other Current Assets	31.03.2015	31.03.2014
Other Receivables		
Interest Receivable on Fixed Deposit	0.08	-
Total	0.08	-

Notes to financial statements (Contd.)

(₹ in Lacs)

2.19 - Revenue from Operations	2014-15	2013-14
Sale of Products	19,597.83	23,215.88
Add : Captive Consumption	70.17	46.39
	19,668.00	23,262.27
Other Operating Income		
-Shortage Recovery of Cement & Clinker	23.77	21.38
-Miscellaneous Income	-	2.80
Revenue from Operations (Gross)	19,691.78	23,286.45
Details of Products Sold		
Cement	19,597.83	23,151.32
Power	-	22.94
Flyash	-	41.62
	19,597.83	23,215.88

(₹ in Lacs)

2.20 - Other Income	2014-15	2013-14
Interest Income on		
-Bank deposits	3.32	1.69
-Loans	1,333.04	561.28
Miscellaneous Income	5.60	7.98
Total	1,341.96	570.95

(₹ in Lacs)

2.21 - Cost of Materials Consumed	2014-15	2013-14
Inventory at the beginning of the year	84.68	366.52
Add Purchases	7,491.82	11,351.86
	7,576.50	11,718.38
Less: Inventory at the end of the year	85.13	84.68
Cost of Materials Consumed	7,491.37	11,633.69
Details of Raw Material consumed		
Clinker	7,000.69	9,757.63
Dry Fly Ash	488.13	1,764.82
Gypsum	2.55	111.24
	7,491.37	11,633.69

MEGHA TECHNICAL AND ENGINEERS PRIVATE LIMITED**Notes to financial statements (Contd.)**

(₹ in Lacs)

2.22 - Increase / (Decrease) in Inventories	2014-15	2013-14
Finished Goods		
Opening Stock	242.74	104.33
Closing Stock	209.34	242.74
(Increase) / Decrease	33.40	(138.40)

(₹ in Lacs)

2.23 - Employee Benefit Expenses	2014-15	2013-14
Salaries and Wages	1,371.44	970.38
Contribution to Provident Fund and other funds	36.29	31.97
Welfare Expenses	26.68	18.60
Total	1,434.41	1,020.95

Notes to financial statements (Contd.)

(₹ in Lacs)

2.24 - Finance Costs	2014-15	2013-14
Interest Expense		
-On Fixed Loans	-	33.63
-On Others	138.32	266.53
Other Finance Costs	11.70	4.33
Total	150.03	304.49

(₹ in Lacs)

2.25 - Other Expenses	2014-15	2013-14
Consumption of Stores & Spare Parts	69.87	142.92
Packing Materials	651.50	772.94
Power & Fuel	925.85	993.66
Repairs & Maintenance		
- Building	56.18	15.19
- Plant & Machinery	2.25	28.84
- Others	9.03	9.38
Insurance(Net)	30.35	30.88
Rent, Rates & Taxes	171.92	249.68
Heavy Vehicle / Equipment Running Expenses	18.55	46.03
Excise duty variation on opening/closing stock	(3.71)	4.77
Research and Development Expenses	4.34	3.80
Charity & Donation	151.96	148.95
Travelling and Conveyance	84.99	80.16
Advertisement & Publicity	371.53	351.37
Sales promotion Expenses	213.40	973.73
Outward Freight Charges (Net)	3,956.81	5,284.84
Commission, Discount & Incentives on Sale	1,190.31	1,594.49
Miscellaneous Expenses	103.51	161.96
Total	8,008.65	10,893.60

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (contd.)

2.26 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.

2.27 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.

2.28 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 ₹ 418.02 (PY ₹ 1,866.21) Lacs has been recognized as revenue in the books of accounts.

2.29 The Company has charged depreciation based on the remaining useful life of the assets as per the provisions and requirements of Schedule II to the Companies Act, 2013 effective from April 1, 2014. Had there not been any change in useful life of the Assets, depreciation for the year would have been lower by ₹ 386.91 Lacs and consequently profit before tax for the year would have been higher by ₹ 386.91 Lacs.

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

	Names of the related parties where control exists	Nature of relationship
A.	Star Ferro & 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	
a)	Name of the other Related Party	Nature of relationship
	Century Plyboards (India) Limited (CPIL)	Associate
	Shyam Century Ferrous Limited (SCFL)	Associate
b)	Key Management Personnel	
	Name of the Related Party	Nature of relationship
	Mr. Pankaj Kejriwal	Managing Director
	Mr. Vivek Lahoti	Chief Financial Officer (w.e.f. 20 th September, 2014)
	Mr. Mohit Mahana	Company Secretary

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (contd.)

- c) 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 2015.

(₹ in Lacs)

Sl. No.	Type of Transactions	Holding Company		Associate / Fellow Subsidiaries		Key Management Personnel	
		2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
1	Sale Transactions						
	CMCL	1.37	44.67	-	-	-	-
	SCML	-	-	142.29	199.49	-	-
	MPL	-	-	39.92	26.20	-	-
	CPIL	-	-	-	0.68	-	-
	SCFL	-	-	1.22	-	-	-
2	Sale of Capital Goods						
	CMCL	-	43.23	-	-	-	-
3	Purchase Transactions						
	CMCL	2,284.86	684.50	-	-	-	-
	SCML	-	-	5,907.97	10,138.06	-	-
	MPL	-	-	1,286.22	1,139.08	-	-
4	Services Received						
	CMCL	7.16	8.86	-	-	-	-
	SCML	-	-	5.51	-	-	-
5	Security Deposit Given						
	MPL	-	-	-	200.00	-	-
6	Security Deposit Refund						
	MPL	-	-	200.00	-	-	-
7	Loans Given						
	SFCL	-	30.00	-	-	-	-
	CMCL	-	8,101.00	-	-	-	-
	SCML	-	-	-	3,275.00	-	-
8	Loans Received Back						
	SFCL	-	590.00	-	-	-	-
	CMCL	500.00	706.00	-	-	-	-
	SCML	-	-	110.00	2,675.00	-	-
9	Interest Received						

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED
Notes to Financial Statements (contd.)

	SFCL	-	20.24	-	-	-	-
	CMCL	989.02	347.16	-	-	-	-
	SCML	-	-	329.24	81.83	-	-
10	Remuneration Paid						
	Mr. Pankaj Kejriwal	-	-	-	-	42.00	24.00
	Mr. Vivek Lahoti	-	-	-	-	12.88	-
	Mr. Mohit Mahana	-	-	-	-	4.51	3.74
11	Balance Outstanding as at 31st March, 2015						
A	Advance to Suppliers						
	CMCL	-	165.50	-	-	-	-
	SCML	-	-	164.70	-	-	-
B	Sundry Creditors						
	SCML	-	-	-	489.13	-	-
	MPL	-	-	13.28	111.77	-	-
C	Security Deposit paid						
	MPL	-	-	-	200.00	-	-
D	Loans Given						
	CMCL	8,708.00	9,208.00		-	-	-
	SCML	-	-	2,940.00	3,050.00	-	-
E	Share Capital						
	CMCL	2,734.64	2,734.64		-	-	-
F	Investments						
	SCML		-	2,983.33	2,983.33	-	-
G	Guarantee Obtained						
	CMCL	2,500.00	4,350.00		-	-	-

2.31 Contingent Liabilities & Commitments

(₹ in Lacs)

Particulars	31-03-2015	31-03-2014
Claims against the company not acknowledged as debts- Excise / VAT / Income Tax matters	1,519.51	3,105.18
Bank Guarantee issued by Bank	25.10	25.10
Letter of Credit issued by Bank	35.61	-
Solvent surety furnished to Excise Department against differential excise duty refund (Refer note no. 2.28)	1,211.20	961.10

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (contd.)

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 here-in-above and hence, no provision there against is considered necessary.

2.32 Payments to Auditors

(₹ in Lacs)

Particulars	31-03-2015	31-03-2014
As Auditor		
-Audit Fees	2.50	2.50
-Tax Audit Fees	1.00	0.75
In Other Capacity		
Certification and Other Services	2.45	1.70
Total	5.95	4.95

2.33 Earnings per Share

(₹ in Lacs)

Particulars	31-03-2015	31-03-2014
Total Operations for the year		
-Profit/(Loss) after tax	1,910.64	121.80
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)	6.99	0.45
Diluted Earnings Per Share (Face Value of ₹ 10/- each)	6.99	0.45

2.34 Employee Defined Benefits

- (a) Defined Contribution Plans: The Company has recognized an expense of ₹ 32.70 Lacs (Previous year ₹ 28.43 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'2015.

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED
Notes to Financial Statements (contd.)

(₹ in Lacs)

Particulars	2014-15		2013-14	
	Gratuity	Leave Encashment	Gratuity	Leave Encashment
I. Expense recognized in the statement of Profit and Loss for the year ended 31 st March'2015				
1. Current Service Cost	6.92	10.29	5.15	4.04
2. Interest Cost	2.52	1.84	2.33	1.52
3. Employee Contribution		-	-	-
4. Expected Return on Plan Assets	(1.83)	-	(1.62)	-
5. Actuarial (Gains)/Losses	4.25	8.32	(5.40)	7.14
6. Actuarial (Gains)/Losses on plan Assets		-		-
7. Total Expense	11.87	20.45	0.46	12.70
II. Net Asset/(Liability) recognized in the Balance Sheet as at 31 st March'2015				
1. Present Value of Defined Benefit Obligation	35.43	27.60	27.53	18.29
2. Fair Value of Plan Assets	23.26	-	22.49	-
3. Funded Status [Surplus/(Deficit)]	(12.17)	(27.60)	(5.03)	(18.29)
4. Net Asset/(Liability) as at 31 st March'2015	(12.17)	(27.60)	(5.03)	(18.29)
III. Change in Obligation during the Year ended 31 st March'2015				
1. Present value of Defined Benefit Obligation at the beginning of the year	27.53	18.29	24.15	15.47
2. Current Service Cost	6.92	10.29	5.15	4.04
3. Interest Cost	2.52	1.84	2.33	1.52
4. Past Service Cost		-	-	-
5. Employee Contribution		-	-	-
6. Liabilities assumed on acquisition/(settled on divesture)		-	-	-
7. Actuarial (Gains/Losses)	2.52	8.32	(4.09)	7.14
8. Benefits Payments	(4.06)	(11.14)	-	(9.87)
9. Present Value of Defined Benefit Obligation at the end of the year	35.43	27.60	27.53	18.30
IV. Change in assets during the Year ended March'2014				
1. Plan Assets at the beginning of the year	22.49	-	13.45	-
2. Assets acquired on amalgamation in previous year		-	-	-
3. Actual return on plan assets	1.83	-	2.92	-
4. Contributions by employer	4.73	11.14	6.12	9.87

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED
Notes to Financial Statements (contd.)

5.	Actual Benefit Paid	(4.06)	(11.14)	-	(9.87)
6.	Actuarial Gains/(Losses)	(1.73)	-	1.30	-
7.	Plan Assets at the end of the year	23.26	-	22.49	-
8.	Actual Return on plan assets	-	-	-	-
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%	8.25%	8.25%
	- Expected Return on Plan Assets	8%	-	9%	-
	- Salary increase	5%	5%	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%

2.35 Expenditure incurred in foreign currency
(₹ in Lacs)

Particulars	2014-15	2013-14
(i) Purchase of stores and spare parts and components	-	11.02
(ii) Travelling Expenses	0.43	-
(iii) Others	1.18	-

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

Particulars	2014-15		2013-14	
	Value (₹ in Lacs)	%	Value (₹ in Lacs)	%
Stores and Spare parts				
(i) Imported	14.38	20.57	11.02	7.71
(ii) Indigenous	55.49	79.43	131.90	92.29

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (contd.)

2.37 Segment Reporting

(₹ in Lacs)

Sl. No	Particulars	2014-15				2013-14			
		Power	Cement	Unallocated	Total	Power	Cement	Unallocated	Total
1	External Revenue		19,621.60	-	19,621.60	69.33	23,217.12	-	23,286.45
	Inter Segment Adjustment	70.17	-	-	70.17	-	-	-	-
	Total Revenue	70.17	19,621.60	-	19,691.78	69.33	23,217.12	-	23,286.45
2	Results Profit/ (Loss)	(76.25)	1,035.34	-	959.09	(84.90)	209.13	-	124.23
3	Interest & Finance Charges	-	-	1,191.93	1,191.93	-	-	266.46	266.46
4	Other un-allocable expenses net of unallocable income	-	-	(249.40)	(249.40)	-	-	(241.91)	(241.91)
5	Total Profit before Tax before Exceptional Item	-	-	-	1,901.62	-	-	-	148.78
6	Exceptional Item	-	-	-	1.05	-	-	-	4.82
7	Total Profit before Tax	-	-	-	1,902.67	-	-	-	153.60
8	Other Information								
	-Segment Assets	430.47	24,111.30	2,983.33	27,525.10	530.79	20,328.86	7,112.85	27,972.50
	-Segment Liabilities	3.19	3,538.27	111.59	3,653.06	6.04	4,178.96	1,826.10	6,011.10
	-Capital Expenditure	-	89.35	-	89.35	-	(86.07)	-	(86.07)
	-Depreciation	56.88	723.43	-	780.31	30.16	359.08	-	389.24

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.

MEGHA TECHNICAL & ENGINEERS PRIVATE LIMITED

Notes to Financial Statements (contd.)

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

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

In terms of our report of even date

For Kailash B. Goel & Co.

Firm Registration No. 322460E

Chartered Accountants

For & on behalf of the Board

Vivek Lahoti
Company Secretary

Hari Prasad Agarwal
Director
DIN : 00266005

CA. Arun Kumar Sharma

Partner

Membership No. – 57329

Place : Kolkata

Date : 28th April, 2015

Mohit Mahana
Company Secretary

Pankaj Kejriwal
Managing Director
DIN : 00383635