

**RMC READYMIX PORSELANO  
(INDIA) LIMITED**

**2014-15**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF  
RMC READYMIX PORSELANO (INDIA) LIMITED**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of **RMC READYMIX PORSELANO (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**2. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards 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.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. 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.

#### **4. 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,

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

#### **5. Report on Other Legal and Regulatory Requirements**

1. As required by Companies (Auditor's Report) Order, 2015 ("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 statement on the matter specified under Paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by the 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, 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 the written representations received from the directors as on March 31, 2015 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 Section 164 (2) 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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Borkar & Muzumdar  
Chartered Accountants  
Firm Reg. No. 101569W**

**Place: Mumbai  
Date: April 25, 2015**

**Devang Vaghani  
Partner  
M.No. 109386**

**ANNEXURE REFERRED TO IN PARAGRAPH 5(1) OF THE AUDITORS' REPORT ON  
ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2015**

**1. FIXED ASSETS**

The Company has no fixed asset, clause (i) of paragraph 3 of the Order is not applicable to the Company.

**2. INVENTORIES**

As the Company had no inventories during the year, clause (ii) of paragraph 3 of the Order is not applicable to the company.

**3. LOAN AND ADAVNCS**

As informed to us the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

**4. INTERNAL CONTROLS**

In our opinion there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

**5. DEPOSIT**

According to the information and explanations given to us the Company has not accepted any deposits, in terms of 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 and the rules framed there under.

**6. COST RECORDS**

In respect of business activities of the Company, maintenance of cost records has been specified by the Central Government under sub-section (I) of section 148 of the Companies Act, 2013. However, the Company has not commenced its commercial operation.

**7. STATUTORY DUES**

- a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the amounts deducted/accrued in the books of the account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at March 31, 2015 for a period of more than six month from the date they became payable..

- b. According to the information and explanations given to us and based on the records produced before us, there are no dues payable by the Company on account of any dispute in case of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Service tax, Cess and any other dues.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
8. The Company has accumulated losses at the end of the financial year which is less than 50% of its networth, and it has not incurred any cash losses during the financial year covered by our audit but has incurred cash losses in the immediately preceding financial year.
  9. The Company did not have any outstanding dues to financial institutions, banks or debentures holders during the year.
  10. In our opinion and according to information and explanations given to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
  11. The Company did not have any term loans outstanding during the year.
  12. Based upon the audit procedures performed and information and explanations given by the management, we report that, no fraud on or by the Company has been noticed or reported during the course of our audit.

**For Borkar & Muzumdar  
Chartered Accountants  
Firm Reg. No. 101569W**

**Place: Mumbai  
Date: April 25, 2015**

**Devang Vaghani  
Partner  
M.No. 109386**

RMC READYMIX PORSELANO (INDIA) LIMITED				
BALANCE SHEET AS AT 31st MARCH, 2015				
			(Amount in Rs)	
	Particulars	Note No.	As at 31-03-2015	As at 31-03-2014
I.	<b>EQUITY AND LIABILITIES</b>			
	<b>1 Shareholders' funds</b>			
	(a) Share capital	3	5,00,000	5,00,000
	(b) Reserves and surplus	4	(47,043)	(51,098)
	<b>2 Current liabilities</b>			
	(a) Other current Liabilities	5	19,101	25,281
	<b>TOTAL</b>		<b>4,72,058</b>	<b>4,74,183</b>
II.	<b>ASSETS</b>			
	<b>1 Current assets</b>			
	(a) Cash , cash equivalent and bank balance			
	i. Cash in Hand		4,118	718
	ii. Balance with Banks		40,522	75,703
	iii Fixed deposit with banks		3,93,000	3,93,000
	(b) Short-term loans and advances			
	i. Interest Receivable		31,974	1,376
	ii. Advance Income Tax (Net of Provision)		2,444	3,386
	<b>TOTAL</b>		<b>4,72,058</b>	<b>4,74,183</b>

**Significant Accounting Policies:**

2

The notes are an integral part of these financial Statement

As per our report of even date

For and on Behalf of  
**BORKAR & MUZUMDAR**  
**CHARTERED ACCOUNTANTS**  
**FRN-101569W**

**RAJNISH SACHETI**  
**(DIRECTOR)**  
**DIN : 00535231**

**DEVANG VAGHANI**  
**PARTNER**  
**(M.No. 109386)**

**JAGRUTI SHAH**  
**(DIRECTOR)**  
**DIN:00490069**

**MUMBAI**  
**DATED : 25.04.2015**

<b>RMC READYMIX PORSELANO (INDIA) LIMITED</b>			
<b>STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31st MARCH, 2015</b>			
		<b>(Amount in Rs )</b>	
<b>Particulars</b>		<b>Year Ended 31.03.2015</b>	<b>Year Ended 31.03.2014</b>
<b>I.</b>	Interest Income	34,170	27,787
<b>II.</b>	<b>Total Revenue</b>	34,170	27,787
<b>III.</b>	<b>Expenses:</b>		
	Audit Fees	13,483	11,236
	Legal & Professional Fees	14,045	14,045
	Bank Charges	33	-
	Rates & Taxes	1,600	1,800
	<b>Total expenses</b>	29,161	27,081
<b>VI.</b>	<b>Profit (Loss) for before Tax (II-III)</b>	5,009	706
	Less : Current Tax	954	135
	Less: Provision of Income Tax of earlier years		782
<b>VII</b>	<b>Profit/(Loss) for the year</b>	4,055	(211)
<b>VIII</b>	<b>Earning Per Share:</b>		
	<b>Basic</b>	0.08	(0.00)
	<b>Diluted</b>	0.08	(0.00)

As per our report of even date

For and on Behalf of  
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**FRN-101569W**

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**MUMBAI**  
**DATED : 25.04.2015**



**RMC READYMIX PORSELANO (INDIA) LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

(Amount in Rs.)

	2014-2015		2013-2014	
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash Flow from Operating Activities</b>				
Profit/(Loss) before taxation		5,009		706
<i>Adjustment for:</i>				
Interest Income	(34,170)		(27,787)	
		(34,170)		(27,787)
<b>Operating profit before working capital changes</b>		(29,161)		(27,081)
<b>Changes in Working Capital</b>				
Increase / (Decrease) in other current liabilities	(6,180)		19,663	
(Increase) / Decrease in short term loans and advances	0		0	
(Increase) / Decrease in long term loans and advances	0		0	
(Increase) / Decrease in other current assets	0		0	
(Increase) / Decrease in other non-current assets	0		0	
		(6,180)		19,663
Cash Generated from Operations				
Income tax Paid (Net of refunds)		(12)		(1,730)
Net cash generated from operations		(6,192)		17,933
<b>Net cash generated from Operating activities</b>		(35,353)		(9,148)
<b>B. Cash flow from Investing Activities</b>				
Interest received	3,572		65,701	
Fixed deposit Matured	3,93,000		3,50,000	
Fixed deposit created	(3,93,000)		(3,93,000)	
Dividend received	0		0	
<b>Net cash generated from Investing activities</b>		3,572		22,701
<b>C. Cash flow from Financing Activities</b>				
Dividend Distribution Tax				
Interest Paid				
Additions to Borrowings				
Repayment of Borrowings				
<b>Net cash generated from Financing Activities</b>		0		0
<b>Net increase in cash and cash equivalents</b>		(31,781)		13,553
<b>Cash and cash equivalents at the beginning of the year</b>		76,421		62,869
<b>Cash and cash equivalents and the end of the year</b>		44,640		76,422
Cash and cash equivalents comprises of:				
Cash on hand		4,118		718
Cheques on hand		0		0
Balance with Banks		40,522		75,703
<b>Total</b>		44,640		76,422

As per our report of even date

For and on Behalf of  
**BORKAR & MUZUMDAR**  
 CHARTERED ACCOUNTANTS  
 FRN-101569W

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 PARTNER  
 (M.No. 109386)

**JAGRUTI SHAH**  
 (DIRECTOR)  
 DIN:00490069

MUMBAI  
 DATED : 25.04.2015

## 1 Background

Porselano Tiles Private Limited ('the Company') was incorporated in India on 29th March, 2006 to do Manufacturing and trading in tiles, sanitary wares and bathroom accessories. The Company was converted into a Public Company with effect from 9th January, 2008. The name of Company is changed from "Porselano Tiles Limited" to "RMC READYMIX PORSELANO (INDIA) LIMITED" w.e.f 03th June., 2010. The Company is a 100% subsidiary of Prism Cement Limited. The Company has not yet started any commercial activities

## 2 Statement of Significant Accounting Policies:

### a Basis of Preparation of Financial Statements:

The financial statements are prepared under historical cost convention on an accrual basis and are in accordance with the generally accepted accounting principles in India, the applicable mandatory accounting standards as notified by Companies (Accounting Standards) Rules, 2014 and the relevant provisions of The Companies Act, 2013.

### b. Taxes on Income:

i. Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

ii. Deferred Tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future.

iii. Minimum alternative tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the year, in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendation contained in the guidance note issued by the ICAI, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay income tax higher than MAT during the specified period.

## 3 Share capital

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount in Rs.	Amount in Rs.
<b>Authorized</b> Equity shares Rs.10/- par value 50,000(50,000) Equity Shares	5,00,000	5,00,000
<b>Issued Subscribed and Paid-up :</b> Equity Shares Rs. 10/- par Value 50,000(50,000) Equity Shares	5,00,000	5,00,000
<b>Total</b>	<b>5,00,000</b>	<b>5,00,000</b>

### (a) Reconciliation of the Number of Share

Balance as at the beginning of the year	50,000	50,000
Add/Less: Share issued or redeemed during the year	0	0
Balance as at the end of the year	50,000	50,000

(b) Equity share: The Company has one class of Equity Shares at face value of Rs.10/- per Share. Each Shareholder is eligible for one vote per share held

The details of Shareholder holding more than 5% shares at March 31, 2015 and March 31, 2014 is set out below

Name of the Shareholder	As at 31st March 2015		As at 31st March 2014	
	No of Shares	% held	No of Shares	% held
<b>Prism Cement Limited (Holding Company)</b>	50,000	100	50,000	100

## 4 Reserves and surplus

Particulars	As at 31st March 2015	As at 31st March 2014
	Amount in Rs.	Amount in Rs.
<b>Surplus in Profit and Loss Statement</b>		
Opening balance	(51,098)	(50,887)
(+) Net Profit/(Net Loss) For the current year	4054.8	(211)
Closing Balance	<b>(47,043)</b>	<b>(51,098)</b>

**5 Other Current Liabilities**

Particulars	As at 31 March 2015	As at 31 March 2014
	Amount in Rs.	Amount in Rs.
a) Audit Fees fees payable	13,483	11,236
b) Other Expenses payable	5,618	14,045
	<b>19,101</b>	<b>25,281</b>

**6 Earning per Share**

Earning per shares (EPS) computed in accordance with Accounting Standard 20 "Earning per Shares"

Particulars	As at 31 March 2015	As at 31 March 2014
	Amount in Rs.	Amount in Rs.
Profit/(Loss) as per Profit & Loss Statement	4,055	(211)
Weighted average number of Equity shares outstanding	50,000	50,000
<b>Basic &amp; Diluted EPS (Rupees) of face value Rs. 10(In Rupees)</b>	0.08	(0.00)

**7 Auditors Remuneration**

	2014-15	2013-14
a) Audit Fees(Including Service Tax)	13,483	11,236
b) Other Services(Including Service Tax)	-	-

**8 The Company has no contingent liabilities.**

As per our report of even date

For and on Behalf of  
**BORKAR & MUZUMDAR**  
 CHARTERED ACCOUNTANTS  
 FRN-101569W

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 (DIRECTOR)  
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