

**SILICA CERAMICA  
PRIVATE LIMITED  
2014-15**

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBER OF  
SILICA CERAMICA PRIVATE LIMITED**

**1. Report on the Financial Statements**

We have audited the accompanying financial statements of **SILICA CERAMICA PRIVATE 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 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 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 Loss 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: May 4, 2015

Dilip Muzumdar  
Partner  
M.No. 8701

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

1. FIXED ASSETS

- a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

2. INVENTORIES

- a. Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials.
- b. In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. In our opinion the Company is maintaining proper records of inventories. The discrepancies noticed on such verification between the physical stocks and book records were not significant and the same have been properly dealt with in the books of account.

3. LOAN AND ADVANCES

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

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. The Company has maintained prescribed cost records. We have, however, not made a detailed examination of the cost records with a view of determine whether they are accurate or complete.

## 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. In our opinion, and according to the information and explanations given to us, 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 more than fifty percent of its net worth. The Company has incurred cash losses during the current financial year and also in the immediately preceding financial year.
  9. Based on our audit procedures and on the basis of information and explanations given to us by the management, we are of the opinion that there is no default in repayment of dues to the Financial Institutions, banks or debenture holders as at the year end.
  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. In our opinion term loans were applied for the purpose for which the loans were obtained by the Company.
  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: May 4, 2015

Dilip Muzumdar  
Partner  
M.No. 8701

# SILICA CERAMICA PRIVATE LIMITED

## BALANCE SHEET AS AT MARCH 31, 2015

Particulars	Note No.	As at 31-03-2015		As at 31-03-2014	
		₹ Crores	₹ Crores	₹ Crores	₹ Crores
<b>I. EQUITY AND LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
a. Share Capital	3	8.69		3.69	
b. Reserves and Surplus	4	33.16	41.85	50.93	54.62
<b>2. Non-Current Liabilities</b>					
a. Long-term Borrowings	5	145.31		86.09	
b. Deferred Tax Liability (Net)		0.00		0.00	
c. Other Long-term liabilities	6	0.09		0.46	
d. Long-term provisions	7	0.29	145.69	0.21	86.76
<b>3. Current Liabilities</b>					
a. Short-term borrowings	8	36.38		57.80	
b. Trade Payables	9	39.64		41.32	
c. Other Current Liabilities	10	85.67		41.23	
d. Short-term provisions	11	0.01	161.70	0.01	140.36
<b>TOTAL</b>			<b>349.24</b>		<b>281.74</b>
<b>II. ASSETS</b>					
<b>1. Non-current Assets</b>					
a. Fixed Assets	12				
i. Tangible Assets		166.32		176.07	
ii. Intangible Assets		0.44		0.55	
iii. Capital Work in Progress		1.79		0.44	
b. Deferred Tax Asset	13	9.40		9.40	
c. Non-current investments		0.00		0.00	
d. Long-term loans and advances	14	4.56		4.51	
e. Other non-current assets	15	19.31	201.82	20.83	211.80
<b>2. Current Assets</b>					
a. Inventories	16	60.79		46.72	
b. Trade Receivables	17	47.25		0.08	
c. Cash, Cash equivalent and Bank balances	18	14.37		13.00	
d. Short-term loans and advances	19	7.48		5.16	
e. Other Current Assets	20	17.53	147.42	4.98	69.94
<b>TOTAL</b>			<b>349.24</b>		<b>281.74</b>

Significant Accounting Policies

2

The Notes forms integral part of the Financial Statements

As per our report of even date

For and on behalf of

Borkar & Muzumdar  
Chartered Accountants  
FRN - 101569W

For and on behalf of the Board

Dilip Muzumdar  
Partner  
Membership No:008701

D R Kulkarni  
Director  
DIN : 02534285

Sunil Kumar Sethi  
Director  
DIN : 06442737

Place: Mumbai  
Dated: 4th May,2015

Place: Mumbai  
Dated: 4th May,2015

# SILICA CERAMICA PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Note No.	2014-2015		2013-2014	
		₹ Crores	₹ Crores	₹ Crores	₹ Crores
<b>Revenue from Operations</b>					
Sales of products and services		248.14		198.36	
Other Operating Income	21	3.74		1.89	
		<u>251.88</u>		<u>200.25</u>	
Less: Excise Duty		29.61		23.90	
<b>Total Revenue from Operations</b>			<b>222.27</b>		176.35
Other Income	22		2.29		3.98
<b>Total Revenue</b>			<b>224.56</b>		<b>180.33</b>
<b>Expenses</b>					
- Cost of Materials consumed	23	109.07		69.74	
- Changes in inventories	24	(11.15)		8.01	
- Manufacturing expenses	25	96.66		76.90	
- Employees benefit expenses	26	16.94		13.29	
- Finance cost	27	29.92		22.80	
- Depreciation and Amortisation expenses	12	12.22		10.74	
- Other expenses	28	3.67		5.76	
<b>Total Expenses</b>			<b>257.33</b>		207.24
<b>Profit/(Loss) Before Exceptional items and Tax</b>			<b>(32.77)</b>		(26.91)
Exceptional items			-		-
<b>Profit/(Loss) before Tax</b>			<b>(32.77)</b>		(26.91)
Tax Expenses					
- Current Tax		-		-	
- Income Tax earlier years		-		-	
- Deferred Tax	13	-	-	2.22	2.22
<b>Profit/(Loss) for the year</b>			<b>(32.77)</b>		<b>(24.69)</b>
Earning per Equity Share (Face Value of ₹ 10/- each)					
Basic and Diluted (₹)	31		<b>(86.98)</b>		<b>(78.34)</b>

Significant Accounting Policies

1

The Notes forms integral part of the Financial Statements

As per our report of even date

For and on behalf of

Chartered Accountants

FRN - 101569W

For and on behalf of the Board

Dilip Muzumdar

Partner

Membership No:008701

Place: Mumbai

Dated: 4th May,2015

D R Kulkarni

Director

DIN : 02534285

Place: Mumbai

Dated: 4th May,2015

Sunil Kumar Sethi

Director

DIN : 06442737

# SILICA CERAMICA PRIVATE LIMITED

## Cash Flow Statement for the year ended March 31, 2015

	As at 31-03-2015		As at 31-03-2014	
	₹ Crores	₹ Crores	₹ Crores	₹ Crores
<b>A. Cash Flow from Operating Activities</b>				
Profit/(Loss) before taxation as per Statement of Profit and Loss		(32.77)		(26.91)
<i>Adjustment for:</i>				
Depreciation & amortisation	12.22		10.74	
Provision for Bad and Doubtful Advances	0.03		0.13	
(Profit)/Loss on sale of assets (net)	(0.01)		0.38	
Interest Income	(1.54)		(1.13)	
Interest Expenditure	29.92	40.62	22.80	32.92
<b>Operating Profit/(Loss) before working capital changes</b>		<b>7.85</b>		<b>6.01</b>
<b>Changes in Working Capital</b>				
Increase / (Decrease) in trade and other payables	(1.68)		20.79	
Increase / (Decrease) in long term provisions	0.08		0.07	
Increase / (Decrease) in short term provisions	-		-	
Increase / (Decrease) in other current liabilities	65.73		3.58	
Increase / (Decrease) in other long term liabilities	(0.37)		0.24	
(Increase) / Decrease in trade receivable	(47.17)		25.04	
(Increase) / Decrease in inventories	(14.07)		(0.51)	
(Increase) / Decrease in Other Bank Balances under Lien	(1.02)		(7.31)	
(Increase) / Decrease in short term loans and advances	(2.35)		(1.45)	
(Increase) / Decrease in long term loans and advances	(0.05)		(0.36)	
(Increase) / Decrease in other non-current assets	1.52		(9.57)	
(Increase) / Decrease in other current assets	(12.55)	(11.93)	(4.64)	25.88
<b>Cash Generated from Operations</b>		<b>(4.08)</b>		<b>31.89</b>
Direct taxes Paid (Net of refunds)		-		-
<b>Net cash used in/generated from operating activities (A)</b>		<b>(4.08)</b>		<b>31.89</b>
<b>B. Cash flow from Investing Activities</b>				
Purchase of fixed assets and additions in CWIP	(3.71)		(19.23)	
Proceeds from sales of fixed assets	0.01		5.24	
Interest received	1.54		1.13	
<b>Net cash generated from/used in investing activities (B)</b>		<b>(2.16)</b>		<b>(12.86)</b>
<b>C. Cash flow from Financing Activities</b>				
Increase in Share Capital including Share Premium	20.00		14.92	
Additions to Borrowings	75.00		75.00	
Repayment of Borrowings	(58.49)		(86.22)	
Interest Paid	(29.92)		(22.80)	
<b>Net cash generated from financing activities (C)</b>		<b>6.59</b>		<b>(19.10)</b>
<b>Net increase/(decrease) in cash and cash equivalents during the year (A+B+C)</b>		<b>0.35</b>		<b>(0.07)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>0.11</b>		<b>0.18</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>0.46</b>		<b>0.11</b>
Cash and cash equivalents comprises of:				
Cash on hand		0.07		-
Balance with Banks		0.39		0.11
<b>Total</b>		<b>0.46</b>		<b>0.11</b>

As per our report of even date  
For and on behalf of  
Chartered Accountants  
FRN - 101569W

For and on behalf of the Board

Dilip Muzumdar  
Partner  
Membership No:008701  
Place: Mumbai  
Dated: 4th May,2015

D R Kulkarni      Sunil Kumar Sethi  
Director            Director  
DIN : 02534285    DIN : 06442737  
Place: Mumbai  
Dated: 4th May,2015

## SILICA CERAMICA PRIVATE LIMITED

### NOTE – 1

#### Back Ground:

Incorporated on 12<sup>th</sup> December, 2006, started its commercial production on 27<sup>th</sup> March, 2009. The Company is engaged in the manufacturing of Vitrified Floor Tiles. It is currently a subsidiary of Prism Cement Limited.

### NOTE - 2

#### A. Significant Accounting Policies:

##### 1. Basis of Preparation of Financial Statements:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified 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 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year

##### 2. Operating Cycle:

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

##### 3. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although such estimates were on a reasonable and prudent basis taking into account all available information, actual results could differ from estimates and such differences are recognized in the year in which the results are ascertained.

##### 4. Inventories:

a. **Raw materials, Packing Materials, Stores & Spares:** Material cost is ascertained on weighted average basis and conversion & other costs incurred for bringing the inventories to their present location and conditions are allocated to the extent required.

- b. **Work in Process:** Valued at cost.
- c. **Finished Goods:** Valued at lower of cost or net realizable value.

#### **5. Fixed Assets and Depreciation:**

- i. Fixed Assets are carried at historical cost less depreciation accumulated thereon.
- ii. Depreciation other than on Lease hold land and Investment made at Kavitam, in connection with Natural Gas well is provided on Fixed Assets on straight line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.
- iii. Cost of acquisition of leasehold land is amortised over the period of lease.
- iv. Cost of acquisition for assets made at Kavitam for Natural Gas extraction is amortised over a period to right to extract Gas is agreed.
- v. Depreciation on fixed Assets purchased / disposed off during the year, is provided on pro-rata basis with reference to the date of put to use / disposal.
- vi. Assets individually costing below Rs. 5000 are depreciated fully in the year of purchase.
- vii. Depreciation on Software is provided at the rate of 33.33% p.a. on straight line basis.

#### **6. Revenue Recognition:**

Sales: Revenue is recognised when the sale is completed with the passing of risks and rewards attached to goods. Sales are recognized after adjustment in respect of current year's sales return, value added tax, discounts and inclusive of excise.

Interest: Interest income is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

#### **7. Foreign Currency Transactions:**

Transactions in foreign currency are accounted at the exchange rates prevailing at the time of entering into the transaction or at the contracted rates.

Transactions remaining unsettled at the yearend are translated at the exchange rates prevailing as at the Balance Sheet date or at contracted rates as may be applicable and gain/loss arising from such transactions as also those arising from settled transactions are adjusted in the Profit & Loss Account.

Forward contracts are entered into to hedge the foreign currency risk of the underlying outstanding at the Balance Sheet date. The premium or discount on such contracts is amortised as income or expense over the life of the contract. Any profit or loss arising on the cancellation or renewal of forward contracts is recognised as an income or expense for the period.

For Accounting of Foreign Exchange Company has availed Option Provided under Paragraph 46A of Accounting Standard 11-The Effects of Changes in Foreign Exchange Rates vide Notification dated December 29,2011 issued by MCA. Exchange difference arising on principal amount of borrowing are not considered as borrowing cost and treated as a part of foreign exchange difference. Consequently , the exchange difference on long term foreign currency monetary items , which were being recognized in Profit and Loss Statement in earlier years , are now being dealt with in the following manner:-

- Foreign exchange difference on long term borrowing utilized for acquisition of depreciable asset is treated as adjustment to the cost of depreciable asset and the same is depreciated over the balance useful life of asset.
  
- Foreign exchange difference arising from other long term monetary items are accumulated in a Foreign Currency Monetary Item Translation Difference Account, and amortized over the balance period of said asset or liability.

## **8. Investments**

Long-Term Investments:

Long-term investments in shares are stated at cost. The provision for diminution in value of such investments is made if such diminution is considered other than temporary.

Current Investments:

Current investments are recorded at lower of cost or fair value.

## **9. Employee Benefits**

### **a. Defined Contribution Plans**

Provident Fund is defined contribution plans. Contributions paid / payable to defined contribution plan comprising of Provident Funds to employees is recognised in the Statement of Profit and Loss each year. Employees are entitled to medical benefit of which premium is paid by the Company.

### **b. Defined Benefit Plans**

Gratuity Benefits are treated as defined benefit plans. Employees are entitled to carry forward unutilized leave, the liability of which is arrived based on actuarial valuation.

Post employment benefits are recognized as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment benefits are charged to the Statement of Profit and Loss.

## **10. Borrowing Cost**

Borrowing Costs that are attributable to the acquisitions, construction or production of qualifying assets are capitalized as part of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

## **11. Accounting for Lease**

Lease rentals in respect of assets taken on 'Operating Lease' are charged to Statement of Profit and Loss on the basis of underlying agreements.

## **12. Taxes on Income:**

Tax expense comprises of current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Minimum Alternate tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of tax credit against future Income Tax liability, is recognised as an asset in the balance sheet if there is convincing evidence that the Company will normal tax and such amounts can be measured reasonably.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized 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. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred Tax Asset/liability, recognised in the books is reassessed at the balance sheet date for the appropriateness of their carrying values.

### **13. Impairment:**

The Company assesses at each Balance Sheet date whether there is any indication that assets may be impaired. If any such indications exist, the Company estimates the recoverable amount of the assets of Cash Generating Unit and if the same is less than carrying amount, carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and recognised in the Profit & Loss Account. If at the Balance Sheet date there is any indication that if a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the assets are reflected at the recoverable amount.

### **14. Provisions, Contingent Liabilities & Contingent Assets:**

- a) A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are reviewed on each Balance Sheet date and are to effect the current best estimation.
- b) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspect of the matter involved in the case of:
  - i. A probable obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - ii. A possible obligation, unless the probability of outflow of resources is remote.
- c) Contingent Assets are neither recognised nor disclosed.

### **15. Incentives from Government:**

Government grants are recognised only if there is reasonable assurance that (i) the enterprise will comply with the conditions attached to them, and (ii) the grants will be received.

Government grants related to revenue are recognised in the Statement of Profit & Loss Account on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate.

## 3 Share Capital

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Authorised :</b> 87.00 Lac Equity shares of ₹ 10/- each (Previous year : 37.00 Lac Equity shares of ₹10/- each)	<b>8.70</b>	3.70
<b>Total</b>	<b>8.70</b>	3.70
<b>Issued, Subscribed and Fully Paid up :</b> 86.85 Lac Equity shares of ₹ 10/- each fully paid-up (Previous year : 36.85 Lac Equity shares of ₹ 10/- each)	<b>8.69</b>	3.69
<b>Total</b>	<b>8.69</b>	3.69

**Additional Information :****a) Reconciliation of number of equity shares outstanding**

Particulars	As at 31-03-2015	As at 31-03-2014
At the beginning of the year	<b>36,85,000</b>	29,00,000
Issued During the year	<b>50,00,000</b>	7,85,000
At the end of the year	<b>86,85,000</b>	36,85,000

**b) Rights, Preferences and Restrictions attached to Equity Shares**

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

**c) Details of Shareholders holding more than 5% of the issued shares**

Name of the Shareholder	As at 31-03-2015		As at 31-03-2014	
	Total shares held	As a % of total shares	Total shares held	As a % of total shares
Prism Cement Limited (Holding Company)	<b>86,22,500</b>	99.28%	36,22,500	98.30%

4 Reserves and Surplus

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Securities Premium Account</b>		
Opening Balance	89.71	75.58
Add: Received during the Year	15.00	14.13
Closing Balance	104.71	89.71
<b>Surplus in Statement of Profit and Loss</b>		
Opening Balance	-38.78	-14.09
Add : Net Profit/(Loss) for the current year	-32.77	-24.69
Less: Transferred to General Reserve		
Closing Balance	-71.55	-38.78
<b>Total</b>	<b>33.16</b>	<b>50.93</b>

5 Long-term Borrowings

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Secured Loans :</b>		
<b>From Banks</b>		
- Term Loans (refer Note 1 below)	1.54	32.45
- Buyers Credit	0.00	6.16
- From NBFC (refer Note 2 below)	150.00	75.00
	0.00	0.00
	151.54	113.61
Less: Disclosed under Other Current Liabilities		
- Current maturities of long-term borrowings	6.23	27.52
<b>Total</b>	<b>145.31</b>	<b>86.09</b>

**Secured Loans**

**(a) Term Loan from Banks and Others**

Sr. No.	Security	As at 31-03-2015 (₹ Crores)	Repayment Terms
1	Secured by equitable mortgage of Land and Buildings and first pari-passu Charge on the existing & future Fixed Assets (movable or immovable) owned by the Company and Second pari-passu charge on Current Assets of the Company,		
	a. Axis Bank Ltd.,	1.54	Payable within Five (5) years in equal monthly installments commencing from August 2010.
2	First pari passu charge on all fixed assets and Corporate Gurantee of Prism Cement Limited (Holding Company).		
	a.Axis Finance Ltd	75.00	Payment terms in 16 equal quarterly installments commencing from March 2017.
3	First pari passu charge on all fixed assets.		
	b. Indostar Capital Finance Pvt Ltd.,	75.00	Payment terms in 16 equal quarterly installments commencing from January 2016.

6 Other Long Term Liabilities

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Security deposit from customers/others	0.09	0.46
Other liabilities	0.00	0.00
<b>Total</b>	<b>0.09</b>	<b>0.46</b>

7 Long Term Provisions

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees' benefit	0.29	0.21
Others	0.00	0.00
<b>Total</b>	<b>0.29</b>	<b>0.21</b>

Short Term Borrowings

Particulars	₹ Crores	₹ Crores
<b>Secured Loans :</b>		
<b>Loans repayable to banks</b>		
On Demand (refer Note 1 below)	30.72	33.84
Others (refer Note 2 & 3 below)	5.66	23.96
	<b>36.38</b>	57.80
<b>Total</b>	<b>36.38</b>	<b>57.80</b>

Details of Secured Loans

1	Secured by first pari passu charge by way of hypothecation of stocks and book debts & second pari passu charge on the assets by way of mortgage and hypothecation in respect of those assets which are first charged to Term Loan Lenders	30.72	On Demand
	Axis Bank Ltd.,	15.03	
	Karur Vysya Bank Ltd.,	8.31	
	Yes Bank Ltd.,	7.38	
2	Secured by first pari passu charge by way of hypothecation of stocks and book debts & second pari passu charge on the assets by way of mortgage and hypothecation in respect of those assets which are first charged to Term Loan Lenders	5.66	
	Axis Bank Ltd : Buyers Credit	0.20	As per due dates of respective buyer's
3	Secured by 100% cash margin in the form of Deposits		
	Yes Bank Ltd : Buyers Credit	5.46	As per due dates of respective buyer's
	<b>Total</b>	<b>36.38</b>	

9 Trade Payables

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Dues to Micro, Small and Medium Enterprises (Due for 45 days or less)	0.00	0.00
Dues to Others	39.64	41.32
<b>Total</b>	<b>39.64</b>	41.32

10 Other Current Liabilities

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Current maturities of long-term borrowings	6.23	27.52
Creditors for capital items	0.18	0.40
Advance from Related Parties	4.13	2.68
Bills Payable	62.14	0.00
Interest accrued but not due	0.17	0.43
Other Employee Dues	0.20	0.58
Statutory Liabilities	4.35	3.64
Liability for expenses	4.20	3.29
Provision for Excise Duty on Finished Goods	3.37	2.61
Other Liabilities	0.70	0.08
<b>Total</b>	<b>85.67</b>	41.23

11 Short term Provisions

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
For Employees benefit	0.01	0.01
Others	0.00	0.00
<b>Total</b>	<b>0.01</b>	0.01

13 The breakup of Net Deferred Tax Asset (DTA) is as follows :

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Deferred Tax Assets</b>		
Unabsorbed Depreciation as per Income Tax	30.76	35.19
Expenses provided but allowable in Income Tax on payment	0.08	0.08
<b>Total (A)</b>	<b>30.84</b>	35.27
<b>Deferred Tax Liability</b>		
Fixed Assets : Impact of difference between tax depreciation & depreciation provided	21.44	25.87
<b>Total (B)</b>	<b>21.44</b>	25.87
<b>Net Deferred Tax Asset (A – B)</b>	<b>9.40</b>	9.40

14 Long Term Loans and Advances

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
<b>Considered Good unless otherwise stated</b>		
<b>Security Deposits</b>		
Unsecured	3.45	3.45
<b>Capital Advances</b>		
Unsecured	0.22	0.17
<b>Other Loans and Advances</b>		
MAT Entitlement	0.89	0.89
<b>Total</b>	<b>4.56</b>	4.51

15 Other Non-current Assets

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Margin Money	0.00	0.04
Prepaid Expenses	0.00	0.02
Incentive/Subsidy Receivable	19.31	20.77
<b>Total</b>	<b>19.31</b>	20.83

16 Inventories

Particulars	As at 31-03-2015 ₹ Crores	As at 31-03-2014 ₹ Crores
Raw Materials	15.75	17.48
Stock in transit	0.84	1.00
Work-in-Progress	3.50	2.87
Finished goods	24.14	13.62
Stock in transit	0.00	0.00
Stores and Spares	15.98	9.90
Stock in transit	0.58	1.85
<b>Total</b>	<b>60.79</b>	46.72

17 Trade Receivables

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Unsecured - Considered Good :</b>				
Over six months due	0.07		0.07	
Others due	47.18	47.25	0.01	0.08
<b>Total</b>		<b>47.25</b>		<b>0.08</b>

18 Cash, Cash Equivalent and Bank Balances

18.1 Cash and cash equivalents

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Cash in hand		0.07		0.00
Balances with banks in current accounts		0.39		0.11
<b>Total A</b>		<b>0.46</b>		<b>0.11</b>

18.2 Other Bank Balances

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Margin money with banks (Maturity more than 3 months but less than 12 months )		13.91		12.89
<b>Total B</b>		<b>13.91</b>		<b>12.89</b>
<b>Total (A+B)</b>		<b>14.37</b>		<b>13.00</b>

19 Short-term loans and advances

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
<b>Considered Doubtful:</b>				
Advance recoverable in cash or in kind	0.16		0.13	
Less : Provision for Doubtful Advances	0.16	-	0.13	-
<b>Considered Good:</b>				
Advance recoverable in cash or in kind		3.46		3.43
Income tax (net of provisions)		0.29		0.14
VAT / Service Tax recoverable		0.47		0.08
Prepaid Expenses		0.87		0.11
Balances with Excise and Customs		2.34		1.37
Others		0.05		0.03
<b>Total</b>		<b>7.48</b>		<b>5.16</b>

20 Other Current Assets

Particulars	As at 31-03-2015 ₹ Crores		As at 31-03-2014 ₹ Crores	
Insurance Claim Receivable				
VAT recoverable				
Incentive/Subsidy Receivable		16.96		4.51
Interest Receivable but not due		0.57		0.47
Incentive Receivable		0.00		0.00
Others		0.00		0.00
<b>Total</b>		<b>17.53</b>		<b>4.98</b>

**SILICA CERAMICA PRIVATE LIMITED**

**Note 11 Fixed Assets**

Rs. In Crores

S. No.	Particular of Assets		Gross Block				Depreciation					Net Block	
			Cost as at 1st April 2014	Additions During the Year	Deductions During the Year	Cost as at 31st March 2015	Upto 1st April 2014	Transferred from Retained Earnings*	For the Year	Deductions During the Year	Upto 31st March 2015	As at 31st March 2015	As at 31st March 2014
	<b>Tangible Assets</b>												
1	Leasehold Land	C Y	-	-	-	-	-	-	-	-	-	-	-
		P Y	0.03	-	0.03	-	0.03	-	-	0.03	-	-	-
2	Freehold Land	C Y	4.65	-	-	4.65	-	-	-	-	-	4.65	4.65
		P Y	4.65	-	-	4.65	-	-	-	-	-	4.65	4.65
3	Roads & Buildings	C Y	30.10	0.43	-	30.53	3.01	0.03	1.23	-	4.27	26.26	27.09
		P Y	27.33	1.50	-	28.83	1.87	-	1.14	-	3.01	25.82	25.46
4	Plant & Machinery	C Y	156.73	1.64	-	158.37	22.84	-	8.71	-	31.55	126.82	133.89
		P Y	140.85	22.56	5.41	158.00	14.23	-	8.79	0.17	22.85	135.15	126.62
5	Furniture & Fixtures	C Y	0.39	0.03	-	0.42	0.12	-	0.04	-	0.16	0.26	0.27
		P Y	0.27	0.12	-	0.39	0.10	-	0.02	-	0.12	0.27	0.17
6	Electrical Equipments	C Y	11.48	0.05	-	11.53	1.79	-	1.72	-	3.51	8.02	9.69
		P Y	10.80	0.69	-	11.49	1.13	-	0.67	-	1.80	9.69	9.67
7	Office Equipment	C Y	0.32	0.06	-	0.38	0.06	0.02	0.12	-	0.20	0.18	0.26
		P Y	0.22	0.11	-	0.33	0.04	-	0.02	-	0.06	0.27	0.18
8	Computer	C Y	0.19	0.04	-	0.23	0.10	0.02	0.08	-	0.20	0.03	0.09
		P Y	0.14	0.05	-	0.19	0.07	-	0.03	-	0.10	0.09	0.07
9	Vehicles	C Y	0.25	-	-	0.25	0.12	-	0.03	-	0.15	0.10	0.13
		P Y	0.25	-	-	0.25	0.09	-	0.03	-	0.12	0.13	0.16
10	Live Stock	C Y	0.02	-	0.01	0.01	0.02	-	-	0.01	0.01	-	-
		P Y	0.03	-	0.01	0.02	0.03	-	-	0.01	0.02	-	-
	<b>Intangible Assets</b>												
11	Computer Software	C Y	0.60	0.11	-	0.71	0.05	-	0.22	-	0.27	0.44	0.55
		P Y	0.01	0.59	-	0.60	0.01	-	0.05	-	0.06	0.54	-
	<b>Total</b>	<b>C Y</b>	<b>204.73</b>	<b>2.36</b>	<b>0.01</b>	<b>207.08</b>	<b>28.11</b>	<b>0.07</b>	<b>12.15</b>	<b>0.01</b>	<b>40.32</b>	<b>166.76</b>	<b>176.62</b>
	Capital Work in Progress		0.44	2.11	0.76	1.79	-	-	-	-	-	1.79	0.44
	<b>Total</b>		<b>205.17</b>	<b>4.47</b>	<b>0.77</b>	<b>208.87</b>	<b>28.11</b>	<b>0.07</b>	<b>12.15</b>	<b>0.01</b>	<b>40.32</b>	<b>168.55</b>	<b>177.06</b>
	<b>Previous Year Figures</b>		<b>7.19</b>	<b>14.23</b>	<b>20.98</b>	<b>0.44</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.44</b>	<b>7.19</b>
	<b>Total</b>	<b>P Y</b>	<b>184.58</b>	<b>11,339.45</b>	<b>5.45</b>	<b>204.75</b>	<b>17.60</b>	<b>-</b>	<b>480.17</b>	<b>0.21</b>	<b>28.14</b>	<b>176.61</b>	<b>166.98</b>

\* Depreciation (Post Tax Impact) adjustment consequent to implementation of Schedule II for Assets where remaining useful life is nil (Refer note 33)

**0.03**                      **0.01**

21 **Other Operating Income**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Sale of Scrap	2.36	1.32
Others	1.38	0.57
<b>Total</b>	<b>3.74</b>	<b>1.89</b>

22 **Other Income**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Interest income	1.54	1.13
Net Gain/(Loss) on sales of Assets	0.01	(0.38)
Other non-operating income	0.74	3.23
<b>Total</b>	<b>2.29</b>	<b>3.98</b>

23 **Details of Cost of Materials consumed**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Raw Materials	87.29	54.69
Minerals	6.82	4.61
Soluble Sould , Stains & Colors	5.27	4.10
Packing Material	9.69	6.34
<b>Total</b>	<b>109.07</b>	<b>69.74</b>

24 **Change in inventories**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Closing Stock (including in Transit)		
Finished Goods	24.14	13.62
Work-in-progress	3.50	2.87
	27.64	16.49
Less: Opening Stock (including in Transit)		
Finished Goods	13.62	21.68
Work-in-progress	2.87	2.82
	16.49	24.50
<b>Total</b>	<b>11.15</b>	<b>(8.01)</b>

25 **Manufacturing Expenses**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Stores and spares consumed	18.02	8.91
Power and Fuel consumed	74.08	64.78
Adjustment of excise duty on stock	0.76	(0.17)
Repairs to Plant and Machinery	3.56	3.37
Machinery Hire Charges	0.24	0.01
<b>Total</b>	<b>96.66</b>	<b>76.90</b>

26 **Employees Benefit Expenses**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Salaries, wages and bonus	16.46	12.85
Contribution to Provident and other funds	0.39	0.31
Welfare and other expenses	0.09	0.13
<b>Total</b>	<b>16.94</b>	<b>13.29</b>

27 **Finance Cost**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Interest expenses	28.49	20.27
Amortisation of processing fees		
Other Finance Costs	1.43	2.53
<b>Total</b>	<b>29.92</b>	<b>22.80</b>

28 **Other Expenses**

Particulars	2014-2015 ₹ Crores	2013-2014 ₹ Crores
Rent	0.09	0.07
Rates and taxes	0.25	0.19
Travelling and communication	0.62	0.42
Canteen Maintenance	0.34	0.20
Professional Fee & Consultancy	0.60	0.43
Statutory Audit Fee	0.04	0.04
Insurance	0.19	0.16
Provision for bad and doubtful advances	0.03	0.13
Add: Bad debts written off	0.00	0.00
(Gain)/Loss on exchange fluctuation	(0.45)	2.60
Printing & Stationery	0.09	0.06
Repairs to Buildings	0.13	0.10
Repairs others	0.48	0.42
Bank charges	0.20	0.04
Miscellaneous expenses	1.06	0.90
<b>Total</b>	<b>3.67</b>	<b>5.76</b>