

A. VETRIVEL, B.Sc., F.C.A
Chartered Accountant



No. 1/1, Seth Narayandas Layout-II, Tatabad,
Coimbatore - 641 012. Phone : 2495760, 4378813
E-mail : vetrivelfca@gmail.com

Date :

AUDITOR'S REPORT

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF K.P.R. SUGAR MILL
LIMITED**

Report on the Financial statements

I have audited the accompanying financial statements of M/S.K.P.R. SUGAR MILL LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including 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 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.



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Auditors Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I 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.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 whether the Company has in place and 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 Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



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Date :

Opinion

In my opinion and to the best of my information and according to the explanations given to me, 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 of the state of affairs of the company as at 31st March, 2015 and its profit and cash flows for the year ended on that date.:

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, I give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, I report that:

- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
- b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In my opinion, the aforesaid financial statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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Date :

- 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 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 my opinion and to the best of my information and according to the explanations given to me:
- There were no pending litigations which would impact the financial position of the Company.
 - The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund.

DATE : 24.04.2015
PLACE : COIMBATORE


A. VETRIVEL
CHARTERED ACCOUNTANT



M/s. K.P.R SUGAR MILL LIMITED
COIMBATORE

Annexure of the Auditor's Report for the year ended 31st March 2015

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In respect of Fixed assets

- a) The company has maintained proper records of the fixed assets showing full particulars including quantitative details and situation of the fixed assets.
- b) The fixed assets were physically verified by the management in accordance with program of verification, which in my opinion provides for the physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.

2. In respect of inventories:


- a) As explained to me, the inventories were physically verified during the year by the Management at reasonable intervals.
 - b) In my opinion and according to the information and explanation given to me, the procedures of physical verification of inventories followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In my opinion and according to the information and explanations given to me, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to me, 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 during the year.
4. In my opinion and according to the information and explanations given to me, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and the sale of goods and services and during the course of my audit, I have not observed any continuing failure to correct major weaknesses in such internal control system.
5. According to the information and explanations given to me, the Company has not accepted any deposit during the year.



**M/s. K.P.R SUGAR MILL LIMITED
COIMBATORE**

6. I have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2014 as amended and prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been made and maintained. I have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to me, in respect of statutory dues:
 - a. The company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, income tax, sales tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, Cess and any other material statutory dues applicable to it with the appropriate authorities.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.
8. The Company does not have accumulated losses at the end of the financial year, and the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. In my opinion and according to the information and explanations given to me, the company has not defaulted in the repayment of dues to financial institutions and banks. The Company has not issued any debentures
10. In my opinion and according to the information and explanations given to me, the Company has given corporate guarantee (Note No.27.2) for loans taken by others from banks and financial institutions during the year.
11. In my opinion and according to the information and explanations given to me, the term loans have been applied by the company for the purposes for which they were obtained, other than temporary deployment pending application.
12. To the best of my knowledge and belief and according to the information and explanations given to me, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

DATE : 24.04.2015
PLACE : COIMBATORE


A.VETRIVEL
CHARTERED ACCOUNTANT


A.VETRIVEL, B.Sc., F.C.A.
CHARTERED ACCOUNTANT
M.No. 25028
1/1, SETH NARAYANDAS LAY-OUT-II
TATABAD, COIMBATORE - 641 012
Phone : 2495760, 4378813


K.P.R. SUGAR MILL LIMITED
BALANCE SHEET AS AT 31.03.2015

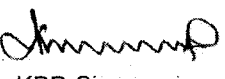
	Note	As at 31.03.2015	As at 31.03.2014
		(₹ in Lakhs)	
A EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	583	583
(b) Reserves and Surplus	4	11,042	19,770
		11,625	20,353
2 Non-Current Liabilities			
(a) Long-Term Borrowings	5	9,024	18,064
(b) Deferred Tax Liabilities (Net)	6	-	-
(c) Other Long - Term Liabilities	7	7,967	0
		16,991	18,064
3 Current Liabilities			
(a) Short-Term Borrowings	8	4,622	2,119
(b) Trade Payables	9	20,224	17,156
(c) Other Current Liabilities	10	7,199	2,673
(d) Short-Term Provisions	11	231	63
		32,276	22,011
		60,892	60,428
B ASSETS			
1 Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	12	26,988	29,428
(b) Long-Term Loans and Advances	13	387	2,649
		27,375	32,077
2 Current Assets			
(a) Current Investments	14	5,800	6,269
(b) Inventories	15	20,197	14,318
(c) Trade Receivables	16	4,819	1,520
(d) Cash and Cash Equivalents	17	1,323	5,248
(e) Short-Term Loans and Advances	18	676	974
(f) Other Current Assets	19	702	22
		33,517	28,351
		60,892	60,428
Accompanying notes forming part of the financial statements		60,892	60,428

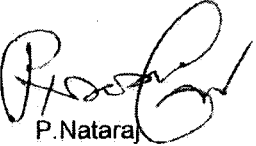
For and on behalf of the Board of Directors

"To be read with my report of even date"


K.P. Ramasamy
Director


A. Vetrivel
Chartered Accountant


KPD Sigamani
Director


P. Natara
Director


P. Kandaswamy
Company Secretary



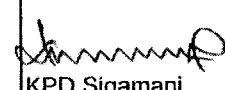
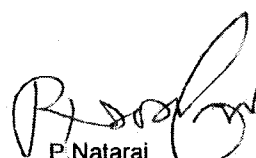

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M.No. 25028

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TATABAD, COIMBATORE - 641 012
Phone : 2495760, 4378813

Coimbatore
24.04.2015

K.P.R. SUGAR MILL LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31.03.2015

(₹ in Lakhs)


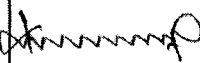


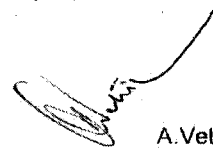
	Note	Year Ended	
		31.03.2015	31.03.2014
I. Revenue from Operations (Gross)	20	56,463	33,902
Less: Excise Duty		1,074	1,019
Revenue from Operations (Net)		55,389	32,883
II. Other Income	21	316	226
III. Total Revenue		55,705	33,109
IV. Expenses			
Cost of Goods Consumed	22	44,721	20,400
Changes in Inventories of Finished Goods, Work- in-Progress and Stock in Trade	23	(3,722)	2,162
Employee Benefits Expenses	24	5,022	1,962
Finance Costs	25	1,269	3,013
Depreciation and Amortization Expenses	12	2,723	2,613
Other Expenses	26	4,486	2,311
Total Expenses		54,499	32,461
V. Profit Before Tax		1,206	648
VI. Tax Expense			
1. Current Tax Expense for Current Year		241	130
2. Less: MAT Credit Entitlement		241	130
3. Deferred Tax		-	(10)
Net Tax Expenses		-	(10)
VII. Profit for the year		1,206	658
VIII. Earnings per equity share of ₹ 10 each			
1. Basic & Diluted (in ₹)		76	60
Accompanying notes forming part of the financial statements			
For and on behalf of the Board of Directors		"To be read with my report of even date"	
 K.P. Ramasamy Director		 A. Vetrivel Chartered Accountant	
 KPD Sigamani Director	 P. Nataraj Director	 P. Kandaswamy Company Secretary	
Coimbatore 24.04.2015		A.VETRIVEL, B.Sc., F.C.A. CHARTERED ACCOUNTANT M.No. 25028 1/1, SETH NARAYANDAS LAY-OUT-II TATABAD, COIMBATORE - 641 012 Phone : 2495760, 4378813	

K.P.R. SUGAR MILL LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

(₹ in Lakhs)

PARTICULARS		Year Ended 31.03.2015	Year Ended 31.03.2014
CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		1,206	648
Depreciation		2,723	2,613
Finance Costs		1,269	3,013
Interest Income		(26)	(213)
(Profit) / Loss from sale of Shares		-	-
Dividend from Mutual Funds		(205)	-
Operating profit before Working Capital adjustments		4,967	6,061
(Increase) / Decrease in Sundry Debtors		(3,299)	(1,028)
(Increase) / Decrease in Loans and Advances		2,329	(1,610)
(Increase) / Decrease in Inventories		(5,879)	2,748
(Increase) / Decrease in Other Current Assets		(691)	(11)
Increase / (Decrease) in Current Liabilities		17,601	12,141
Bank Balance not considered as Cash and Cash Equivalents		(6)	-
(i) Margin deposit account		-	-
Cash Generated from Operations		15,023	18,301
Net Income Tax (Paid) / Refunds		(71)	(113)
Net Cash from Operating Activities	(A)	14,952	18,188
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(295)	(1,526)
Proceeds from Sale of Fixed Assets		10	-
Purchase of Investment		(5,800)	-
Proceeds from the sale of investment		6,269	-
Dividend income		205	-
Interest Receipts		37	203
Net Cash flow used in Investing Activities	(B)	426	(1,323)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Share Capital		-	100
Proceeds from Securities Premium		(9,900)	9,900
Proceeds from Long-Term Borrowings		960	0
Repayment of Long-Term Borrowings		(12,040)	(2,199)
Proceeds from Other Short-Term Borrowings		2,503	0
Repayment of Other Short-Term Borrowings		-	(10,171)
Finance Costs		(1,269)	(3,357)
Dividend Paid		(26)	(28)
Tax on Dividend		(5)	(5)
Net Cash used in Financing Activities	(C)	(19,778)	(5,760)
Net Increase in Cash and Cash Equivalents	(A+B+C)	(4,400)	11,105
Opening Balance of Cash and Cash Equivalents		11,517	412
Closing Cash and Cash Equivalents		7,117	11,517



Reconciliation of Cash and cash equivalents with the Balance Sheet: Cash and cash equivalents (Refer Note 16) Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements Add: Current investments considered as part of Cash and Cash equivalents (As defined in AS 3 Cash Flow Statements) - Balances held as margin money or security against borrowings, guarantees and other commitments Closing Cash and Cash Equivalents		1,323 5,800 6 7,117	5,248 6,269 0 11,517
Accompanying notes forming part of the financial statements For and on behalf of the Board of Directors		"To be read with my report of even date"	
 K.P. Ramasamy Director  KPD Sigamani Director  P. Nataraj Director  P. Kandaswamy Company Secretary		 A. Vetrivel Chartered Accountant	
Coimbatore 24.04.2015		A.VETRIVEL, B.Sc., F.C.A. CHARTERED ACCOUNTANT M.No. 25028 1/1, SETH NARAYANDAS LAY-OUT-II TATABAD, COIMBATORE - 641 012 Phone : 2495760, 4378813	

1 Company Overview

K.P.R.Sugar Mill Limited is the Wholly owned Subsidiary Company of K.P.R.Mill Limited. Plant Located at Bijapur District, Karnataka State. It produces Sugar along with Green Energy viz., Co-Gen Power. The Company also has Garment manufacturing facility at Arasur,Coimbatore and commenced its operation from November 2013.

2 Significant Accounting Policies

A) BASIS OF ACCOUNTING

(i) 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.

(ii) The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note 38.

B) USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

C) FIXED ASSETS AND DEPRECIATION

i) Fixed assets and intangibles are stated at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost includes all costs relating to acquisition and installation of fixed assets including any incidental costs of bringing the assets to their working condition for their intended use. The Company has adopted the provisions of para 46 / 46A of AS 11. The Effects of Changes in Foreign Exchange Rates, and accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

ii) Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

Capital work-in-progress

iii) Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

D) DEPRECIATION

Depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in Schedule II of the Companies Act, 2013, except 1) Plant & Machinery @ 10.34% and 2) Electricals @ 7.07% based on useful life ascertained for such asset through technical assessment by competent Professional.

E) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

Initial Recognition : Transactions in Foreign Currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transactions or at rates that closely approximate the rate at the date of the transaction or at the forward contract rate for the transaction.

Measurement at the Balance Sheet date : Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.



Treatment of exchange differences - when para 46 / 46A of AS 11 is adopted : Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

Accounting for forward contracts : Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortised over the period of the contracts if such contracts relate to monetary items as at the balance sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

F) INVENTORIES

i) Finished goods are valued at cost or net realisable value whichever is lower. The cost for the finished goods is inclusive of cost of purchase, cost of conversion, excise duty, cess, if any, and other costs incurred in bringing the inventories to their present location and condition.

ii) Stock-in-process, Stores, Spares, Consumables, Packing and Other Materials are valued at lower of Cost or Net Realizable Value.

iii) Waste and Scrap are valued at Net Realizable Value.

G) REVENUE RECOGNITION

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty but exclude sales tax and value added tax. Job work income and revenue from sale of windmill power are recognised when services are rendered and related costs are incurred. Dividend Income is recognised when right to receive the income is established. Interest income is recognised on time proportion basis (accrual basis) taking into account the amount outstanding and rate applicable. Export incentives are accounted for in the year of exports based on eligibility and expected amount on realisation.

H) EXCISE DUTY

The Excise Duty on sale of finished goods is deducted from turnover to arrive at net sales as shown in the statement of profit and loss. The Excise Duty appearing in the statement of profit and loss as an expenditure represents excise duty provision for closing stock of finished goods.

I) INVESTMENTS

Long term investments (excluding investment properties) are carried at cost less provision for diminution other than temporary in the value of such investments. Current investments are stated at lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Fixed Assets.

J) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when the Company has a present obligation as a result of past events 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 (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate 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. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

K) CASH AND CASH EQUIVALENTS (FOR PURPOSES OF CASH FLOW STATEMENT)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

L) CASH FLOW STATEMENT

Cash flow are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



M) RETIREMENT BENEFITS

(a) Short Term

Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

(b) Long Term Post Retirement

Post Retirement Benefits comprise of Provident Fund and Gratuity which are accounted for as follows:

i) Provident Fund

This is a defined contribution plan, and contributions made to the Fund are charged to Revenue. The Company has no further obligations for future provident fund benefits other than monthly contributions.

ii) Gratuity Fund

This is a defined benefit plan, the Company has made provision in the books of accounts as per Gratuity Act 1972.

iii) Leave encashment

There is no scheme for encashment of unavailed leave on retirement.

N) BORROWING COSTS

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset are added to the cost of the assets. Capitalisation of borrowing cost is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying asset is interrupted.

O) SEGMENT REPORTING

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

P) LEASE

Where the Company as a lessor leases assets under finance leases, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is recognised based on a constant rate of return on the outstanding net investment.

Q) TAXATION

Current tax is determined on the basis of taxable income and tax credits computed in accordance with the applicable tax rates and the provisions of applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.



Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

R) IMPAIRMENT OF ASSETS

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The recoverable amount of such asset is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

S) INSURANCE CLAIMS

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

T) SERVICE TAX INPUT CREDIT

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

U) EARNINGS PER SHARE

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

V) 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.



K.P.R.SUGAR MILL LIMITED
Notes forming part of the Financial Statements

			As at 31.03.2015	As at 31.03.2014
			(₹ in Lakhs)	
3	SHARE CAPITAL			
	Authorised Share Capital			
	24,17,000 (Pr.Yr.12,17,000) Equity Shares of ₹10 each		242	122
	47,83,000 (Pr.Yr.59,83,000) 7% Redeemable Cumulative Non-Convertible Preference Shares of ₹ 10 each		478	598
			720	720
	Issued, Subscribed & Paid up Capital			
	20,50,000 (Pr.Yr.10,50,000) Equity Shares of ₹10 each fully paid-up		205	105
	37,83,000 (Pr.Yr.37,83,000) 7% Redeemable Cumulative Non-Convertible Preference Shares of ₹10 each		378	378
	Nil (Pr.Yr.10,00,000) 7% Redeemable Cumulative Non-Convertible Preference Shares of ₹10 each		-	100
			583	583
3.1 Term / Rights to Shares				
Equity Shares: As per the provisions of the Companies Act,1956 and Articles of Association of the Company.				
Preference Shares: 7% Redeemable Cumulative Non-Convertible Preference Shares are redeemable at the end of 7th year but within a period of 10 years from the date of issue at a premium of 7% IRR.				
3.2 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period				
Equity Shares		As at 31st March, 2015		As at 31st March, 2014
Particulars	Number of Shares	(₹ in Lakhs)	Number of Shares	(₹ in Lakhs)
At the beginning of the period	10,50,000	105	10,50,000	105
Issued during the year	10,00,000	100	-	-
Outstanding at the end of the period	20,50,000	205	10,50,000	105
3.3 7% Redeemable Cumulative Non-Convertible Preference Shares				
Particulars	Number of Shares	(₹ in Lakhs)	Number of Shares	(₹ in Lakhs)
At the beginning of the period	47,83,000	478	37,83,000	378
Add: Issued during the year	-	-	10,00,000	100
Less: Redemption during the year	10,00,000	100	-	-
Outstanding at the end of the period	37,83,000	378	47,83,000	478
3.4 Details of Shareholders holding more than 5% of Shares in the Company				
a. Equity Shares				
Particulars	Number of Shares	%	Number of Shares	%
M/s K.P.R Mill Limited	20,50,000	100	10,50,000	100
b. 7% Redeemable Cumulative Non-Convertible Preference Shares				
Particulars	Number of Shares	%	Number of Shares	%
M/s K.P.R Mill Limited	37,83,000	100	47,83,000	100



		As at 31.03.2015	As at 31.03.2014
		(₹ in Lakhs)	
4 RESERVES AND SURPLUS			
Capital Reserve			
Opening Balance	293	293	
Add: Additions during the year	-	-	
Closing Balance	293	293	
Securities Premium Account			
Opening Balance	20,459	10,559	
Changes during the year	(9,900)	9,900	
Closing Balance	10,559	20,459	
Surplus in Statement of Profit and Loss			
Opening Balance	(982)	(1,607)	
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining useful life (Net of deferred tax)	3	-	
Add: Profit for the year	1,206	658	
Less:			
Dividends proposed to be distributed to preference shareholders	26	28	
Tax on Dividend	5	5	
Depreciation related to previous period as per new Company Law	0	-	
	31	33	
Closing Balance	190	(982)	
	11,042	19,770	
5 LONG TERM BORROWINGS			
From Banks Secured			
i) Term Loans	8,352	17,755	
Interest Free Sales Tax Loan	672	309	
	9,024	18,064	
5.1	Term Loans from banks are secured by pari-passu first charge on fixed assets of the company and the second charge on current assets has been given on pari-passu basis to Banks.		
5.2	i) Loan amounting to ₹ 7,755 Lakhs (Pr. Yr. ₹ 19,795 Lakhs) is repayable in 24 quarterly installments. ii) Loan amounting to ₹ 597 Lakhs (Pr. Yr. ₹ Nil) is repayable in 12 quarterly installments.		
5.3	Interest rate relating to term loans from banks is in the range of 12.00% to 12.10%.		
5.4	The Company has not defaulted in its repayments of the loans and interest.		
6 DEFERRED TAX LIABILITIES (NET)			
Deferred Tax Liabilities			
i) On difference between book balance and tax balance of fixed assets	-	10	
Deferred Tax Assets			
i) Unabsorbed Depreciation Carry Forward	-	(10)	
ii) Others	-	-	
Closing Balance	-	-	
Opening Balance	-	10	
Net Deferred Tax Charge / (Credit)	-	(10)	



		As at 31.03.2015	As at 31.03.2014
		(₹ in Lakhs)	
7	<u>OTHER LONG TERM LIABILITIES</u>		
	Advance Received from Customers	2,500	-
	Trade Payables	5,467	-
	Loan from Holding Company	-	0
		7,967	0
8	<u>SHORT TERM BORROWINGS</u>		
	<u>From Banks Secured</u>		
	Loans for Working Capital	1,494	2,119
	Packing Credit	3,128	-
		4,622	2,119
8.1	Working capital loans are secured by first charge on inventories and book debts and second charge on fixed assets to lending banks on pari-passu basis.		
8.2	The Company has not defaulted in its repayments of the loans and interest.		
9	<u>TRADE PAYABLES</u>		
	Other than Acceptance	20,224	17,156
		20,224	17,156
10	<u>OTHER CURRENT LIABILITIES</u>		
	<u>Current Maturities of</u>		
	Long Term Loan	-	2,040
	Advance Received from Customers	6,559	10
	Loans & Advance Received from Holding Company		41
	Other Liabilities #	640	582
		7,199	2,673
	# Includes Statutory dues ₹ 630 Lakhs (Pr.Yr. ₹ 572 Lakhs) and Others ₹ 10 Lakhs (Pr.Yr. ₹ 10 Lakhs).		
11	<u>SHORT TERM PROVISIONS</u>		
	Provision for Income Tax (Net of Advance Tax paid) *	200	30
	Provision for Preference Dividend	26	28
	Provision for Tax on Preference Dividend	5	5
		231	63
	* Net of Advance Tax Paid ₹ 41 Lakhs (Pr.Yr. ₹ 100 Lakhs)		



K.P.R.SUGAR MILL LIMITED

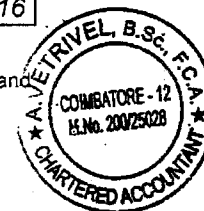
12.FIXED ASSET

₹ in Lakhs

Particulars	GROSS BLOCK			DEPRECIATION					NET BLOCK	
	Cost As On 01.04.2014	Addition	Deletion	Cost As On 31.03.2015	Upto 31.03.2014	For the year #	Withdrawn on Deletion	Upto 31.03.2015	As on 31.03.2015	As on 31.3.2014
Land	178	-	-	178	-	-	-	-	178	178
	178			178					178	178
Factory Building	7,149	-	-	7,149	305	226	-	531	6,618	6,844
	6,962	187		7,149	70	235		305	6,844	6,892
Non Factory Building	2,169	113	-	2,283	37	35	-	73	2,210	2,132
	2,169			2,169	2	35		37	2,132	2,167
Plant & Machinery	22,650	144	-	22,794	3,405	2,351	-	5,756	17,038	19,245
	21,421	1,229		22,650	1,141	2,264		3,405	19,245	20,280
Electrical	708	2	11	698	68	50	2	116	583	640
	635	73		708	21	47		68	640	614
Furniture & Fixtures	267	15	-	282	21	27	-	48	234	246
	235	32		267	5	16		21	246	230
Computers & Accessories	14	1	-	15	3	9	-	12	3	11
	11	3		14	1	2		3	11	10
Vehicles	153	20	-	173	21	27	-	49	124	132
	152	1		153	7	14		21	132	145
Total	33,288	295	11	33,572	3,860	2,725	2	6,584	26,988	29,428
Previous year	31,763	1,525	0	33,288	1,247	2,613	-	3,860	29,428	30,516

Previous year Figures in Italics

The charge of depreciation on fixed assets due to adoption of the rates as per schedule II of the Companies Act, 2013 and re-estimate of useful life of assets is ₹ 3 Lakhs and the amount charged to Reserves and Surplus is ₹ 3 Lakhs (Net of Deferred Tax).



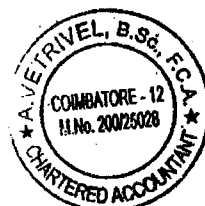
		As at 31.03.2015	As at 31.03.2014
		(₹ in Lakhs)	
13 LONG TERM LOANS AND ADVANCES			
Advance for Purchase	-		2,500
Security Deposit	5		5
MAT Credit Entitlement			
Opening Balance	144		15
Changes during the year (Net)	238		129
Closing Balance	382		144
	387		2,649
14 CURRENT INVESTMENTS			
Other Current Investments (lower of cost and fair value, unless otherwise stated)			
Investment in Mutual Funds			
Reliance Mutual Fund	5,800		3,447
HDFC Mutual Fund	-		2,822
	5,800		6,269
15 INVENTORIES			
Raw Materials	2,160		1
Stock-in-process *	383		181
Finished Goods	16,072		13,626
Stores, Spares, Packing & Others	1,582		510
	20,197		14,318
* Includes Sugar ₹ 124 Lakhs (Pr. Yr. ₹ 181 Lakhs) and Garments ₹ 259 Lakhs (Pr. Yr. ₹ Nil).			
16 TRADE RECEIVABLES			
Unsecured and Considered good			
Over six months from the payment due date	-		-
Others	4,842		1,520
Less: Provision for Doubtful Trade Receivables	23		-
	4,819		1,520
17 CASH AND CASH EQUIVALENTS			
(a) Cash on Hand	25		40
(b) Balance with Banks			
i) In Current Accounts	1,292		2,028
ii) In Deposit Accounts	6		3,180
	1,323		5,248
18 SHORT TERM LOANS AND ADVANCES			
Unsecured and Considered good			
Loans and Advances Others (Cenvat - ED & ST)	106		767
Loans and Advances to Employees	14		2
Balances with Government Authorities (VAT Credit)	362		1
Advance for Purchase	178		187
Others (Primarily prepaid expenses)	16		17
	676		974
19 OTHER CURRENT ASSETS			
Interest accrued on Deposits	-		11
Income Receivables	702		11
	702		22



K.P.R. SUGAR MILL LIMITED
Notes Forming part of the Financial Statements

(₹ in Lakhs)

		Year Ended	
		31.03.2015	31.03.2014
20	<u>REVENUE FROM OPERATIONS</u>		
	Sale of Products	53,398	29,840
	Sale of Service	1,380	3,904
	Other Operating Income	1,685	158
	Revenue from Operations (Gross)	56,463	33,902
	Less : Excise Duty	1,074	1,019
		55,389	32,883
20.1	<u>Sale of Products</u>		
	Garment	23,830	-
	Fabric	87	-
	Sugar	23,978	20,684
	Molasses	2,000	2,210
	Co-Gen Power	3,503	6,946
		53,398	29,840
20.2	<u>Sale of Service</u>		
	Fabrication Income	1,380	3,904
		1,380	3,904
20.3	<u>Other Operating Income</u>		
	Export Incentives	1,083	-
	Others	602	158
		1,685	158
21	<u>OTHER INCOME</u>		
	Interest from		
	Bank Deposits	26	213
	Dividend Income:		
	From Current Investments:		
	Others	205	-
	Miscellaneous Income	85	13
		316	226
22	<u>COST OF GOODS CONSUMED</u>		
	a) Opening Stock		
	Yarn & Fabric	-	-
		-	-
	b) Add: Purchases		
	Yarn, Fabric & Garments	15,937	1
	Production Expenses	5,360	50
	Trims, Packing & Others	3,199	-
	Sugar Cane & Coal	22,385	20,349
		46,881	20,400
	c) Less : Closing Stock		
	Yarn & Fabric	2,160	-
		2,160	-
		44,721	20,400



(₹ in Lakhs)

		Year Ended	
		31.03.2015	31.03.2014
23	<u>CHANGES IN INVENTORIES OF FINISHED GOODS, WORK - IN - PROGRESS AND STOCK IN TRADE</u>		
	A) OPENING STOCK		
	Finished Goods	13,626	16,836
	Stock-in-Process	181	152
		13,807	16,988
	B) CLOSING STOCK		
	Finished Goods	16,072	13,626
	Stock-in-Process	383	181
	Increase / (decrease) of excise duty on inventory	1,074	1,019
		17,529	14,826
		-3,722	2,162
24	<u>EMPLOYEE BENEFITS EXPENSES</u>		
	Salaries, Wages & Bonus	3,652	1,485
	Contribution to Provident Fund & Other Funds	363	129
	Welfare Expenses	1,007	348
		5,022	1,962
25	<u>FINANCE COSTS</u>		
	Interest Expense on		
	Term Loans	1,162	2,498
	Working Capital Loans	68	398
	Others		
	Interest on Delayed / Deferred payment of Income Tax	4	-
	Bank Charges	35	117
		1,269	3,013
26	<u>OTHER EXPENSES</u>		
	<u>Manufacturing Expenses</u>		
	Power & Fuel	623	340
	Consumption of Stores & Packing materials	450	308
	Insurance Charges	18	17
	<u>Repairs and Maintenance</u>		
	Building	150	24
	Machinery	1,021	434
	Others	126	64
	<u>Administration Expenses</u>		
	Professional Fees	35	45
	Rent	190	31
	Duties, Rates & Taxes	1,156	862
	Payment to Auditor (Refer Note 28)	1	-
	Travelling Expenses	138	62
	Donations	1	2
	General Expenses	110	66
	<u>Selling Expenses</u>		
	Freight & Forwarding	348	48
	Sales Commission	32	-
	Other Selling Expenses	87	8
		4,486	2,311



K.P.R.SUGAR MILL LIMITED

Notes forming part of the Financial Statements

27 Contingent Liabilities and Commitments (to the extent not provided for).

27.1 The Company has discounted sale invoices amounting to ₹ 579 Lakhs (Pr.Yr. ₹. 448 Lakhs) with banks.

27.2 The Company had given Corporate guarantee to banks for the loans taken by our Sugar Cane suppliers (Farmers) for ₹ 19,000 Lakhs

(₹ in Lakhs)		
Particulars	2014-15	2013-14
Audit Fees	0.20	0.20
Tax Audit and Tax Matters	0.50	-
Other Services	0.20	0.20
Cost Audit	-	-
Expenses (incl. Service Tax)	0.11	0.04
Total	1.01	0.44

29 Micro, Small and Medium Enterprises

In accordance with the Notification No: GSR 719 (E) dated 16.11.2007 issued by the Ministry of Corporate Affairs, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Development Act, 2006. The Company is in the process of compiling relevant information of its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no disclosures have been made in these Financial Statements. However, in the considered view of the management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.

30 Related Party disclosures

Disclosures under Accounting Standard 18 – Related Party Disclosure, as identified and disclosed by the management and relied upon by the Auditors:

30.1 Name of related parties and nature of relationships:

Holding Company	M/s. K.P.R.Mill Limited
Key Management Personnel	Sri K.P.Ramasamy Sri KPD Sigamani Sri P.Nataraj Sri C.R.Anandakrishnan
Enterprises owned by key management personnel/Directors or their relatives	M/s K.P.R.Developers Limited M/s K P R Cements Private Limited M/s K P R Holdings Private Limited M/s K P R Agro Farms Private Limited M/s Jahnvi Motors Private Limited M/s K.P.R.Charities M/s Quantum Knits Pvt. Limited

30.2 Transactions during the year with related parties / Key Management Personnel are as under

(₹ in Lakhs)			
Nature of Transaction	Enterprises owned by key management personnel / Directors or their relatives	Holding Company	Total as on 31/03/2015
Purchase of Goods / Asset	481	15,637	16,118
	-	(35)	(35)
Sales of Goods / Asset	10,017	457	10,474
	-	(5,250)	(5,250)
Interest Paid	-	1	1
	-	(86)	-
Lease Rent paid	-	156	156
	-	(18)	-
Processing / Service Charges Income	-	1,321	1,321
	-	(3,904)	-
Processing / Service Charges Expenses	-	4,777	4,777
	-	-	-
Investment	-	7,275	7,275
	-	(17,175)	(17,175)
Amount Receivable	-	-	-
	-	(3,843)	(3,843)
Amount Payable	6,436	1,793	8,229
	-	-	-
Amount Payable - Loan	-	-	-
	-	(41)	(41)

(Previous year figures are in Brackets)



30.3 Details of major transactions with related parties

a. Purchase of Goods / Asset (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	15,637	35
Quantum Knits Pvt Limited	481	-
	16,118	35

b. Sale of Goods / Asset (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	457	5,250
Quantum Knits Pvt Limited	10,017	-
	10,474	5,250

c. Processing / Service Charges Income (₹ in Lakhs)		
Name	2014-15	2013-14
M/s.K.P.R.Mill Limited	1321	3904

d. Processing / Service Charges Expenses (₹ in Lakhs)		
Name	2014-15	2013-14
M/s.K.P.R.Mill Limited	4777	-

e. Interest paid (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	1	86

f. Investment (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	7,275	17,175

g. Amount Receivable (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	-	3,843

h. Amount Payable - Loan (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	-	41

i. Amount Payable (₹ in Lakhs)		
Particulars	2014-15	2013-14
M/s.K.P.R.Mill Limited	1,793	-
Quantum Knits Pvt Limited	6,436	-
	8,229	-

31 Expenditure in Foreign Currency (₹ in Lakhs)		
Particulars	2014-15	2013-14
Travel, sales commission etc.,	38	-
Value of imports on CIF basis		
Raw Material	-	-
Stores and Spare parts	-	-
Capital Goods	-	-
Total	38	-

32 Earnings in Foreign Currency (₹ in Lakhs)		
Particulars	2014-15	2013-14
Export of Goods at FOB value	13,813	-
Total	13,813	-

33 Earnings Per Share (EPS)		
Particulars	2014-15	2013-14
Profit After Tax (₹ in Lakhs)	1206	658
Less: Preference Dividend and Tax thereon	32	33
Weighted average number of Shares	15,54,110	10,50,000
EPS (₹) Basic & Diluted	76	60
Face Value Per Share (₹)	10	10



34 Segment Reporting

The Company is operating in two business segments, viz., Textile and Sugar as follows

(₹ in Lakhs)

34.1	Particulars	For the year ended 31 March, 2015			
		Business segments		Eliminations	Total
		Textile	Sugar		
	Revenue	25,297 (3,904)	28,407 (23,571)	- -	53,704 (27,475)
	Inter-segment revenue			0	-
	Total	25,297 (3,904)	28,407 (23,571)	0 -	53,704 (27,475)
	Segment result	1,464 (2,345)	695 (1,089)		2,159 (3,434)
	Unallocable expenses (net)				1,269 (3,013)
	Operating income				890 (421)
	Other income (net)				313 (226)
	Profit before taxes				1,203 (647)
	Tax expense				0 10
	Profit for the year				1,203 (657)

Note: Figures in bracket relate to the previous year

(₹ in Lakhs)

34.2	Particulars	For the year ended 31 March, 2015		
		Business segments		Total
		Textile	Sugar	
	Segment assets	13,301 (1,065)	49,518 (57,682)	62,819 (58,747)
	Total assets			62,819 (58,747)
	Segment liabilities	7,086 (1,134)	27,301 (21,643)	34,387 (22,777)
	Total liabilities			34,387 (22,777)
	<u>Other information</u>			
	Capital expenditure		295 (1,525)	295 (1,525)
	Depreciation and amortisation		2,723 (2,613)	2,723 (2,613)

Note: Figures in bracket relate to the previous year

(₹ in Lakhs)

34.3	Geographic Segment	Sales		Receivables	
		2014-15	2013-14	2014-15	2013-14
	Europe	6,157	-	1,410	-
	Asia	336	-	216	-
	Others	7,320	-	1,603	-
	Domestic	42,650	33,902	1,590	1,520
	Total	56,463	33,902	4,819	1,520



		(₹ in Lakhs)	
35	Disclosure of Employee Benefits:	2014-15	2013-14
35.1	Defined Contribution Plan		
	Provident Fund	318	115.40
	ESI Contribution	119	36.95
35.2	Defined Benefit Plan - Gratuity		
A	Changes in Present value of obligation		
	PV of obligation as the beginning of the year	15.88	2.83
	Current Service Cost	21.43	13.05
	Interest Cost	1.85	-
	Actuarial (gain) / Loss on obligation	20.46	-
	Benefits paid / Transferred from Group Company	23.12	-
	PV of obligation as at end of the year	82.74	15.88
B	Change in Assets during the year ended 31st March		
	FV of Plan Asset as at beginning of the year	-	-
	Expected return on Plan Assets	2.09	-
	Actuarial gain / (loss)	-	-
	Contributions by the employer	22.68	-
	Asset transferred from Group Company	27.07	-
	FV of Plan Asset as at end of the year	51.84	0.00
C	Net Asset/(Liability) recognized in the Balance Sheet		
	PV of obligation as at end of the year	82.74	15.88
	FV of Plan Asset as at end of the year	51.84	0.00
	Funded Status [Surplus/(Deficit)]	(30.90)	(15.88)
D	Expenses recognized during the period ended 31st March		
	Current Service Cost	21.43	13.05
	Interest Cost	1.85	0.00
	Expected return on Plan Assets	(2.09)	0.00
	Actuarial (gains) / Losses	20.46	0.00
	Net amount recognised in the year	41.65	13.05
	Assumptions used in accounting for the gratuity Plan		
	Discount Rate (per annum)	8.00%	8.00%
	Rate of increase in compensation levels (per annum)	7.50%	7.50%
	Rate of return on plan assets (per annum)	8.00%	8.00%
	Expected average remaining working lives of employees (years)	28.99	

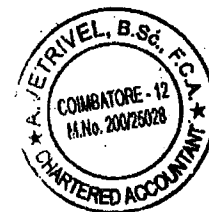
		(₹ in Lakhs)	
36	Details of Investments	2014-15	2013-14
	Particulars	Units	NAV
	Reliance Mutual Fund	3,01,338	5,818
	HDFC Mutual Fund	-	-
	Total	5,818	6,269

37 Details of hedged and unhedged foreign currency exposures:

(i) Outstanding forward exchange contracts for hedging purposes as on 31st March, 2015:

Currency	Cross Currency	Amount (₹ in Lakhs)	Buy / Sell
\$	Rupees	7,514.27	Sell
€	Rupees	3,325.20	Sell
		Nil	

Note: Figures in brackets relates to the previous year



38 During the year, pursuant to the notification of Schedule II to the Companies Act, 2013 with effect from April 1, 2014, the Company revised the estimated useful life of some of its assets to align the useful life with those specified in Schedule II. Further, assets individually costing ₹ 5,000/- or less that were depreciated fully in the year of purchase are now depreciated based on the useful life considered by the Company for the respective category of assets. The details of previously applied depreciation method, rates / useful life are as follows:

Asset	Previous Depreciation Method	Previous Depreciation rate / useful life	Revised useful life based on SLM
Factory Building	Straight Line Method	3.34% / ~ 30 years	3.17% / ~ 30 years
Non Factory building	Straight Line Method	1.63% / ~ 61 years	1.58% / ~ 60 years
Plant & Machinery	Straight Line Method	10.34% / ~ 10 years	10.34% / ~ 10 years
Electricals	Straight Line Method	7.07% / ~ 14 years	7.07% / ~ 14 years
Computers	Straight Line Method	16.21% / ~ 6 years	31.67% / ~ 3 years
Vehicles - Four Wheeler	Straight Line Method	9.50% / ~ 11 years	11.88% / ~ 8 years
Vehicles - Two Wheeler	Straight Line Method	9.50% / ~ 11 years	9.50% / ~ 10 years
Furniture	Straight Line Method	6.33% / ~ 16 years	9.50% / ~ 10 years

Pursuant to the transition provisions prescribed in Schedule II to the Companies Act, 2013, the Company has fully depreciated the carrying value of assets, net of residual value, where the remaining useful life of the asset was determined to be nil as on April 1, 2014, and has adjusted an amount of ₹ 3 Lakhs (net of deferred tax of ₹ Nil) against the opening Surplus balance in the Statement of Profit and Loss under Reserves and Surplus.

The depreciation expense in the Statement of Profit and Loss for the year is higher by ₹ 13 Lakhs consequent to the change in the useful life of the assets.

39 Previous Year's Figures

The previous year figures have been regrouped / reclassified wherever necessary to conform to current year's classification.

