

# **GAYATRI CEMENT & CHEMICAL INDUSTRIES PVT LTD**

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112A, Embassy Centre, Nariman Point, Mumbai - 400 021.  
TEL.: 40024785 / 40024786 • FAX : 22874787

## **DIRECTORS' REPORT**

The Directors hereby present their Thirty Second Annual Report along with the Audited Accounts for the year ended 31<sup>st</sup> March 2014.

### **Financial Results :**

The company has made a loss of Rs. 8,11,596/- for the year under review compared to loss of Rs. 11,00,778/- for the previous accounting year ended 31.3.2013. There is carried forward losses of Rs 1,58,62,580/-.

### **Dividend :**

The company has decided not to declare any dividend for the year.

### **Directors' Responsibility Statement:**

As required under Section 217 of the Companies Act, the Directors hereby confirm that:

- I. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
  - II. the Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the company for that period ;
  - III. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities to the best of their knowledge and ability ;
  - IV. the Directors have prepared the annual accounts on a going concern basis.
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## **Auditors:**

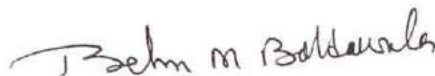
You are requested to appoint M/s. Ford, Rhodes, Parks & Co., Chartered Accountant as Auditors. They have given their consent to act as the Auditors of your company.

## **Statutory Information :**

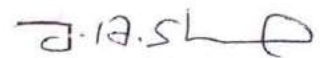
The company did not have any employees falling within the scope of Sub-Section (2A) of Section 217 of the Companies Act, 1956.

The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 require the disclosure of particulars regarding conservation of energy in Form A and Technology Absorption in Form B prescribed by the Rules. As no manufacturing activities were carried out during the year under report, it is advised that Forms A & B are not applicable. As regards foreign exchange, there were no earnings or outgo.

**For and on behalf of the Board**



**B M Baldawala**  
Director



**J A Shah**  
Director

Mumbai,  
Date: 9<sup>th</sup> May 2014.

**FORD, RHODES, PARKS & CO.**  
CHARTERED ACCOUNTANTS

SAI COMMERCIAL BUILDING  
312 / 313, 3RD FLOOR  
BKS DEVSHI MARG  
GOVANDI (EAST)  
MUMBAI-400 088

TELEPHONE : (91) 22 6797 9819  
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**AUDITOR'S REPORT TO THE MEMBERS OF  
GAYATRI CEMENT & CHEMICAL INDUSTRIES PRIVATE LIMITED**

We have audited the attached Balance Sheet of Gayatri Cement & Chemical Industries Private Limited as at 31<sup>st</sup> March, 2014 and also the Profit and Loss account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. The company is a private limited company which fulfills all the conditions specified in paragraph 2(iv) of the Companies Auditor's Report Order 2003 (as amended) issued by the Central Government in terms of section 227 (4A) of the Companies Act, 1956 and as such the requirements of the said Order is not applicable.
2. Further to our comments in the Annexure referred to in para 1 above,
  - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - ii) 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 the books;
  - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - iv) In our opinion the Balance Sheet and Profit and Loss Account dealt with by this report comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;



FORD, RHODES, PARKS & CO.

- v) On the basis of written representations received from the directors of the Company as on 31<sup>st</sup> March, 2014 and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account read together with notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.
- (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2014 and
- (ii) in so far as it relates to Profit & Loss Account, of the loss of the Company for the year ended on that date.

For Ford, Rhodes, Parks & Co.  
Chartered Accountants  
Firm Registration No. 102860W



A.D. Shenoy  
Partner  
Membership No. 11549



Mumbai,  
Date: 9<sup>th</sup> May, 2014

GAYATRI CEMENT & CHEMICAL INDUSTRIES PRIVATE LIMITED  
Balance Sheet as at 31ST MARCH, 2014

( Rupees)

Particulars		Note No.		As at 31.03.2013
1		2	3	4
<b>I. EQUITY AND LIABILITIES :</b>				
<b>1 Shareholders' funds</b>				
(a)	Share capital	B1.	21,00,000	21,00,000
(b)	Reserves and surplus	B2.	(1,58,62,580)	(1,50,50,963)
<b>2 Non-current liabilities</b>				
	Long-term liabilities	B3.	14,83,23,433	2,95,13,433
<b>3 Current liabilities</b>				
(a)	Trade payables	B4.	1,36,130	1,09,708
<b>TOTAL</b>			<b>13,46,96,983</b>	<b>1,66,72,178</b>
<b>II. ASSETS :</b>				
<b>1 Non-current assets</b>				
(a)	Fixed assets (Tangible Assets)	B5.	8,68,601	9,92,022
(b)	Non-current investments	B6.	12,19,86,077	19,86,077
<b>2 Current assets</b>				
(a)	Inventories ( Securities)		91,889	1,41,435
(b)	Cash and cash equivalents	B7.	3,65,415	30,749
(c)	Other current assets		1,13,85,000	1,35,21,895
<b>TOTAL</b>			<b>13,46,96,982</b>	<b>1,66,72,178</b>

Notes forming part of the Accounts

A to C8

As per Our Report attached

**For Ford, Rhodes, Parks & Co.**  
Chartered Accountants  
Firm Registration No.102860W

*A.D. Shenoy*

A.D. Shenoy  
Partner  
Membership No :11549  
Mumbai  
Date : 9th May, 2014



*B M Baldawala*

Director B M Baldawala

*J.A. Shah*

Director J.A. Shah

Mumbai  
Date : 9th May, 2014

GAYATRI CEMENT & CHEMICAL INDUSTRIES PRIVATE LIMITED  
Statement of Profit and loss for the year ended 31st March, 2014

		( Rupees )	
Particulars	Refer Note No.		Previous Year
I. Revenue from operations		(2,47,006)	(1,34,974)
II. Other income		-	-
III. Total Revenue (I + II)		(2,47,006)	(1,34,974)
IV. Expenses:			
Finance costs		3,99,995	3,92,746
Depreciation		1,23,421	1,23,421
Other expenses	B8.	41,174	4,49,637
Total expenses		5,64,590	9,65,804
V. Profit before tax		(8,11,596)	(11,00,778)
VI Tax expense: Current tax		-	-
VII Profit After Tax		(8,11,596)	(11,00,778)
IX Earnings per equity share:			
(1) Basic		(38.65)	(52.42)
(2) Diluted		(38.65)	(52.42)

Notes forming part of the Accounts

A to C8

As per Our Report attached

**For Ford, Rhodes, Parks & Co.**  
Chartered Accountants  
Firm Registration No.102860W

*A.D.*

A.D. Shenoy  
Partner  
Membership No :11549  
Mumbai  
Date : 9th May, 2014



*B.M. Baldawala*  
Director

B M Baldawala

*J.A. Shah*

Director

J.A. Shah

Mumbai

Date : 9th May, 2014

Notes to financial statements for the year ended 31<sup>st</sup> March, 2014.

A. Significant Accounting Policies

1. Accounting Methodology : The accounts have been prepared on historical cost convention. The company follows the accrual basis accounting. The financial statements are prepared in accordance with the accounting standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government, in terms of section 211(3C) of the Companies Act, 1956.
2. The Company has not provided the depreciation on assets as per rates given in schedule XIV of the Companies Act, 1956. It has provided the same as per the provision of Income Tax Act, 1961 on WDV basis.
3. Investments are capitalised and accounted at the cost plus brokerage and stamp charges. Profits or losses on investments are accounted as and when realized.
4. All Fixed Assets are capitalized at cost inclusive of legal and/or installation and incidental expenses, less accumulated depreciation.



### B1. Share Capital

Particulars	As at 31st March 2013			
	Number	Amount	Number	Amount
<u>Authorised</u>				
Equity Shares of Rs. 100/- each	21,000	21,00,000	21,000	21,00,000
<u>Issued, Subscribed &amp; Paid up</u>				
Equity Shares of Rs. 100/- each	21,000	21,00,000	21,000	21,00,000
<b>Total</b>		<b>21,00,000</b>		<b>21,00,000</b>

Particulars	Equity Shares	
	Number	Rs.
Shares outstanding at the beginning of the year	21,000	21,00,000
Shares Issued during the year	-	0
Shares bought back during the year	-	0
Shares outstanding at the end of the year	21,000	21,00,000

21,000 Equity Shares of Rs.100/ each (Previous year 21,000) are held by LKP Finance Ltd., the holding company.

Name of Shareholder	As at 31 March 2013			
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
LKP Finance Limited	21,000	100.00	21,000	100.00

### B2. Reserves & Surplus

(Rupees)

<u>Reserves &amp; Surplus</u>	As at 31 March 2013	
<b>A. Break up of Reserves and movements thereon</b>		
<b>General Reserve</b>		
Opening Balance	3,04,817	3,04,817
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	3,04,817	3,04,817
<b>B. Deficit</b>		
Opening balance	(1,53,55,780)	(1,42,55,002)
(+) Net Profit/(Net Loss) For the current year	(8,11,596)	(11,00,778)
Closing Balance	(1,61,67,376)	(1,53,55,780)
<b>Total</b>	<b>(1,58,62,559)</b>	<b>(1,50,50,963)</b>





B3. Long Term Liabilities		(Rupees)
<u>Other Long Term Liabilities</u>		As at 31 March 2013
(a) Due to Holding Company	14,66,73,433	2,78,63,433
(b) Others	16,50,000	16,50,000
Total	14,83,23,433	2,95,13,433

B4. Trade Payables		(Rupees)
		As at 31 March 2013
Sundry Creditors	1,36,130	1,09,708
Total	1,36,130	1,09,708



**B5 Fixed Assets**

(Rupees)

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	Balance as at 1 April 2013	Additions/ (Disposals),	Balance as at 31 March 2014	Balance as at 1 April 2013	Depreciation charge for the year	Balance as at 31 March 2014	Balance as at 31 March 2014	Balance as at 31 March 2013
<b>a Tangible Assets</b>								
Buildings	57,70,056	-	57,70,056	47,83,142	1,23,364	49,06,506	8,63,550	9,86,914
Furniture and Fixtures	99,955	-	99,955	94,847	57	94,904	5,051	5,108
<b>Total</b>	<b>58,70,011</b>	<b>-</b>	<b>58,70,011</b>	<b>48,77,989</b>	<b>1,23,421</b>	<b>50,01,410</b>	<b>8,68,601</b>	<b>9,92,022</b>

Note : Cost of Buildings includes cost of shares of Rs 250/- in Embassy Centre Premises Co-operative Society Ltd

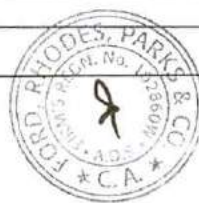


B6. Non Current Investments		(Rupees)	
Particulars	As at 31		
	March 2013		
<b>Investments</b>			
Investment in Equity instruments	32,90,980	32,90,980	
Investment in Preference Shares	12,00,00,000	-	
<b>Total</b>	<b>12,32,90,980</b>	<b>32,90,980</b>	
Less : Provision for diminution in the value of Investments			
	13,04,903	13,04,903	
<b>Total</b>	<b>12,19,86,077</b>	<b>19,86,077</b>	

Particulars	As at 31st	
	March, 2013	
Aggregate amount of quoted investments [(Market value 18,32,876/- (Previous Year 23,99,969/-)]	31,37,779	31,37,780
Aggregate amount of unquoted investments	12,01,53,200	1,53,200

#### Details of Investments in Securities

Name of the Body Corporate	Subsidiary / Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount	
			As at 31st March, 2013				As at 31st March, 2013
(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)
<b>Investment in Equity Instruments</b>							
Everlon Synthetics Ltd	Others	14,000	14,000	Quoted	Fully Paid	1,40,000	1,40,000
Asian Electronics	Others	10,000	10,000	Quoted	Fully Paid	2,65,900	2,65,900
Credit Capital Venture Ltd	Others	1,000	1,000	Quoted	Fully Paid	49,043	49,043
D B Reality Ltd	Others	1,500	1,500	Quoted	Fully Paid	2,36,222	2,36,222
Eros Media Ltd	Others	500	500	Quoted	Fully Paid	99,884	99,884
IDBI Ltd	Others	1,500	1,500	Quoted	Fully Paid	2,44,005	2,44,005
Idea Cellular Ltd	Others	1,500	1,500	Quoted	Fully Paid	2,00,475	2,00,475
Indus Network Ltd	Others	2,300	2,300	Quoted	Fully Paid	59,320	59,320
Ispat Industries Ltd	Others	8,000	8,000	Quoted	Fully Paid	5,67,318	5,67,318
Kingfisher Airlines Ltd	Others	5,600	5,600	Quoted	Fully Paid	2,71,963	2,71,963
MRPL Ltd	Others	7,000	7,000	Quoted	Fully Paid	3,85,199	3,85,199
Power Grid Corporation Ltd	Others	1,500	1,500	Quoted	Fully Paid	2,14,050	2,14,050
Sanghi Polyester Ltd	Others	10,000	10,000	Quoted	Fully Paid	1,24,484	1,24,484
Srei Infrastructure Finance Ltd	Others	500	500	Quoted	Fully Paid	43,408	43,408
Yes Bank Ltd	Others	700	700	Quoted	Fully Paid	1,99,912	1,99,912
Edelweiss	Others	1,000	1,000	Quoted	Fully Paid	36,596	36,596
MKM Shares & Stock Brokers Ltd	Others	2,000	2,000	Unquoted	Fully Paid	6,200	6,200
Seaglimpse Investments Pvt Ltd	Others	490	490	Unquoted	Fully Paid	49,000	49,000
Dean Finance & Investments Pvt Ltd	Others	4,900	4,900	Unquoted	Fully Paid	49,000	49,000
Peak Plastonics Pvt Ltd	Others	490	490	Unquoted	Fully Paid	49,000	49,000
Sub total						32,90,979	32,90,979
<b>Investment in Preference Shares</b>							
LKP Securities Ltd	Others	12,00,000	0	Unquoted	Fully Paid	12,00,00,000	-
<b>Total</b>						<b>12,32,90,979</b>	<b>32,90,979</b>



**B7. Cash and cash equivalents**

Particulars		31st March, 2013
Balances with bank	3,65,415	30,749
	3,65,415	30,749

**B8. Other Expenses**

(Rupees)

Particulars		For the year ended 31 March 2013
a. auditor	16,854	16,854
b. legal & professional fees	11,511	12,688
c. filing fees	2,765	4,284
d. bank charges	-	224
e. demat expenses	7,945	1,535
f. sundry balances written off	-	-
g. general & misc expenses	2,098	245
h. electricity expenses	-	5,000
i. Provision of dimunition - Investments		3,99,909
j. Provision of dimunition - Stocks		8,898
<b>Total</b>	<b>41,174</b>	<b>4,49,637</b>



C. Notes:

1. The Company has no manufacturing activity and hence additional information regarding licensed capacity; installed capacity, actual production and quantitative details of production, sales and closing stock are not given.
2. There are no employees employed in the company.
3. The company has during the year followed the accounting standard 22 of the Institute of Chartered Accountants of India in providing taxes on the income of the company. Deferred Tax Assets has not been considered in the accounts in view of uncertainties of future taxable income of the company.
4. No provision for taxation is considered in view of loss for the year.
5. Earnings per share:

Earnings per shares are calculated by dividing the profit attributable to the Equity Shareholders by the weighted average number of Equity Shares outstanding during the year. The number used in calculating basic and diluted earnings per equity shareholders are as stated below:

	As at 31.3.2014	As at 31.3.2013
Profit/(Loss) after Taxation	(11,00,778)	(11,00,778)
Weighted Average number of shares	21,000	21,000
Earnings per share:	(52.42)	(52.42)

6. The company's accumulated losses have far exceeded the share capital. However the company owns office premises in Nariman Point area whose market value is more than the accumulated losses. Further the company is the Wholly Owned Subsidiary of LKP Finance Limited in view of the above the accounts have been prepared on going concern basis.
7. Provision for Diminution in value of investments: The Company has provided for the diminution in the value of quoted investments.
8. Previous year's figures are rearranged / reclassified wherever necessary.

