

COSA CERAMICS PVT. LID.
AT: LAKHDIRPUR ROAD, TAL : MORBI

AUDIT REPORT
2014-15

AUDITORS:

PRATIK RAJDEV & ASSOCIATES
CHARTERED ACCOUNTANTS

"201 , Je Bhagwan Complex
Savsar Plot Main Road,
Ram Chowk,
Morbi - 363641
Mob: 8866270004.

AUDITORS' REPORT

To
The Members of
COSA CERAMICS PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **COSA CERAMICS PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and cash flow statement for the year 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 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance and Cash flow of the Company in accordance with the Accounting Principles generally accepted in India, including 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.



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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the balance sheet, of the state of affairs of the Company as at 31 March 2015;
- (ii) In the case of the statement of profit and loss, of the **PROFIT** for the year ended on that date; and
- (iii) In the case of the cash flow statement, of the cash flows for the year ended on that date.



Emphasis of Matters

We draw attention to the following matters in the Notes to the financial statements:

- a) As per the information and details given to us by the management of the company No Law suit has been files against the company
- b) As there is no accumulated losses and no other such indications found which affect the going concern principle of the company.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

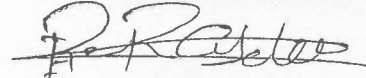
As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (e) 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.
- (f) The going concern matter described in sub-paragraph (b) under the Emphasis of Matters paragraph above, in our opinion, may have no adverse effect on the functioning of the Company.
- (g) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.



- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Point No. 3 of Note 23 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. As per information and explanations given to us the company is not required to transfer any amount to Investor education and protection fund hence it's reporting is not applicable.

For **PRATIK RAJDEV & ASSOCIATES.**
CHARTERED ACCOUNTANTS



(PRATIK K. RAJDEV)
PROPRIETOR
M No.137919

FIRM REG. NO. 131799W

PLACE : MORBI
DATED: April 11, 2015



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

1.
 - a) The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
 - b) As explained to us, major fixed assets have been physically verified by the management during the year. We have been informed that the discrepancies noticed on such verification as compared to book record were not material and have been properly dealt with in the books of account. In our opinion the frequency of verification is reasonable.
2.
 - a) Physical verification has been conducted by the management at reasonable intervals in respect of finished goods, stores, spare parts and raw materials except clay. We were informed that physical verification of clay was difficult due to its volume and loose nature.
 - b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of these stocks followed by the management is 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 has been properly dealt with in the books of account.
3. The Company has not granted any loan during the year, to Company, firm or other concern covered in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and with regard to the sale of goods and services. During the course of audit, no major weakness has been noticed in the internal control system.
5. In our opinion and according to the information and explanations given to us, the Company has accepted deposits within 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, where applicable, have been complied with.



6. We have reviewed the cost records maintained by the company pursuant to the companies prescribed under section 148(1) of the companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete
7. a) As per information and explanations given to us the Company has been regular in depositing the undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess, Octroi, entry tax and other statutory dues with the appropriate Authorities. There are no undisputed statutory dues at the yearend outstanding for a period of more than six months from the date they become payable.
- b) There were no undisputed amounts payable in respect of Income tax, Custom duty, Excise duty, 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.
- c) As per information and explanations given to us the company is not required to transfer any amount to Investor education and protection fund hence its reporting is not applicable.
8. There are no accumulated losses of the company as at the end of the year. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
9. Based on our audit procedures and 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. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Hence paragraph 4 (x) of the order is not applicable.
11. According to the information and explanations given to us the term loans taken by the company have been applied for the purposes for which the loans were obtained.



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 the year ended 31.03.2015.

**For PRATIK RAJDEV & ASSOCIATES.
CHARTERED ACCOUNTANTS**



**(PRATIK k. RAJDEV)
PROPRIETOR
M No.137919
FIRM REG. NO. 131799W**

**PLACE : MORBI
DATED: April 11, 2015**



COSA CERAMICS PRIVATE LIMITED

NOTE NO.1 SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting:

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 notified under the Companies (Accounting Standards) Rules,2006(as amended) and the relevant provisions of the Companies Act,2013.The financial statements have been prepared on accrual basis under historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2. Income and Expenditure:

Accounting of Income & Expenditure is done on accrual basis.

3. Fixed Assets & Depreciation:

- a) Fixed assets are stated at their original cost of acquisition inclusive of inward freight, duties and expenditure incurred in the acquisition, construction/installation.
- b) Depreciation is charged on Straight Line Method at the rates provided in Schedule XIV of the Companies Act, 1956.
- d) CENVAT credit availed on capital equipment is accounted for by credit to respective fixed assets.
- e) To mitigate the requirements of The Companies Act, 2013 company has changed rate of depreciation in consonance with useful life of the assets as required under the provisions of the companies act,2013

4. Inventories:

Inventories are valued on the following basis:

- a) Stores and Spares: - at moving average basis.
- b) Raw Materials : -at moving average basis.
- c) Work-in-Process :- at estimated cost
- d) Finished Goods :- at lower of cost or market value.

5. Excise & Custom Duty:

- a) Excise & Custom Duty is accounted for at the time of clearance of goods. However, liability towards Excise Duty on closing stock lying in Bonded warehouse is provided for as per relevant guidance note issued by the Institute of Chartered Accounts of India.

- b) CENVAT Credit, to the extent availed, is adjusted towards cost of materials.

6. Sales

Sales are inclusive of excise duty and after deducting discounts. Discounts are recognized when substantially all conditions appurtenant thereto have been fulfilled.

7. Foreign Currency Transactions:

- a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.



- b) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the profit and loss account.
- c) Foreign currency assets and liabilities are translated at year end rates and resultant gain/loss on foreign exchange transaction are recognized in the profit & loss account. Resultant gain/loss on foreign exchange transaction on Fixed Assets purchased during the year are debited/ credited to fixed assets.
8. **Employee Benefits:**
- a) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.
- b) Gratuity liability has not been provided as none of the employees of the company are not covered under gratuity Act.
9. **Research & Development:**
Revenue Expenditure on research and development is charged to Profit & Loss Account in the year in which it is incurred. Capital Expenditure on research and development is treated as additions to Fixed Assets in case the same qualifies as an intangible asset as per AS – 26 issued as ICAI.
10. **Provision, Contingent Liabilities and Contingent Assets:**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
11. Unless specifically stated to be otherwise, these policies are consistently followed.



COSA CERAMICS PRIVATE LIMITED

BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Notes	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
<u>EQUITY AND LIABILITIES</u>			
<u>Shareholders' Funds</u>			
Share Capital	2	9,10,20,400	9,10,20,400
Reserves and Surplus	3	30,43,82,197	22,02,37,814
		39,54,02,597	31,12,58,214
<u>Non-current Liabilities</u>			
Long-term borrowings	4	31,13,02,874	16,19,24,061
Deferred tax liabilities	5	4,74,37,267	1,83,53,804
Other Long-term Liabilities	6	9,39,73,980	4,29,09,195
		45,27,14,120	22,31,87,060
<u>Current liabilities</u>			
Short-term Borrowings	7	10,78,10,690	10,32,36,669
Trade payables	8	21,93,48,282	10,32,01,532
Other current liabilities	9	12,54,73,612	4,00,23,847
Short-term provisions	10	22,73,252	49,38,216
		45,49,05,836	25,14,00,264
TOTAL		1,30,30,22,554	78,58,45,538



COSA CERAMICS PRIVATE LIMITED

Particulars	Notes	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
<u>ASSETS</u>			
<u>Non-current Assets</u>			
Fixed assets			
Tangible assets	11	86,22,64,375	44,80,93,922
Intangible assets	12	5,55,865	21,803
Capital Work-in-Progress	13	1,00,84,147	5,55,07,049
Long-term loans and advances	14	8,87,37,588	8,93,43,596
		96,16,41,975	59,29,66,370
<u>Current Assets</u>			
Inventories	15	14,95,86,453	6,61,32,208
Trade receivables	16	14,68,69,929	10,69,84,306
Cash and bank balances	17	17,40,304	30,64,983
Short-term loans and advances	18	3,93,81,856	1,43,24,200
Other current assets	19	38,02,037	23,73,471
		34,13,80,579	19,28,79,168
TOTAL		1,30,30,22,554	78,58,45,538

Significant Accounting Policies

1

The accompanying Notes 1 to 27 form an integral part of these financial statements.

In terms of our report of even date annexed

PLACE :- MORBI

FOR, PRATIK RAJDEV & ASSOCIATES

FOR AND ON BEHALF OF BOARD

DATED:- 11/04/2015

CHARTERED ACCOUNTANTS

Pratik K. Rajdev

(Pratik K. Rajdev)

Proprietor

M. No. - 137919

Firm Regn. No.131799 W



[Signature]

[Signature]

DIRECTOR

DIRECTOR

COSA CERAMICS PRIVATE LIMITED

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

Particulars	Notes	YEAR ENDED 31.03.2015 Rs.	YEAR ENDED 31.03.2014 Rs.
Revenue:			
Revenue from Operations	20	1,73,69,26,503	1,19,68,87,171
Less : Excise Duty		23,32,54,561	16,13,99,585
		1,50,36,71,942	1,03,54,87,586
Other Income	21	32,70,922	20,00,452
Total Revenue		1,50,69,42,864	1,03,74,88,038
Expenses:			
Cost of Materials Consumed	22	61,38,26,857	32,55,01,813
Changes in Inventories	23	(5,77,19,775)	8,12,72,832
Employee benefits Expense	24	8,21,52,171	5,44,30,632
Finance costs	25	5,01,35,532	3,12,25,137
Depreciation and amortization expense	11,12	3,63,09,518	2,40,45,149
Other Expenses	26	63,84,58,843	41,29,16,492
Total Expenses		1,36,31,63,146	92,93,92,055
Profit before exceptional and extraordinary items & tax		14,37,79,718	10,80,95,983
Exceptional/Extraordinary items		-	-
Profit before tax		14,37,79,718	10,80,95,983
Tax expense:			
<u>Current tax</u>			
Current year(MAT)		3,01,50,000	2,27,00,000
Earlier years		3,86,354	2,69,324
<u>Deferred tax</u>			
Current year		2,90,83,462	1,54,63,024
Profit for the Period		8,41,59,902	6,96,63,635
Basic/Diluted Earnings per equity share		9.25	7.65

Significant Accounting Policies

1

The accompanying Notes 1 to 27 form an integral part of these financial statements.

In terms of our report of even date annexed

PLACE :- MORBI

FOR, PRATIK RAJDEV & ASSOCIATES

FOR AND ON BEHALF OF BOARD

CHARTERED ACCOUNTANTS

DATED:- 11/04/2015

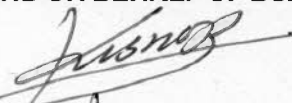


(Pratik K. Rajdev)
Proprietor

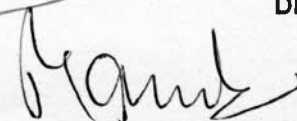
M. No. - 137919

Firm Regn. No.131799 W





DIRECTOR



DIRECTOR

COSA CERAMICS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR 2014-15

SR. NO.	PARTICULARS	Year 2014-15		Year 2013-14
		RS.	RS.	
A	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>			
	Net profit before tax as per Profit and Loss A/C		14,37,79,718	108095983
	Adjusted for:			
	Depreciation	3,63,09,518		24045149
	Interest on Fixed Deposit	(31,43,685)		(15,88,806.00)
	Profit on Sale of Land	-		(1,68,413.00)
			3,31,65,833	22287930
	Operating Profit Before Working Capital		17,69,45,551	13,03,83,914
	Adjusted for:			
	Trade and Other receivable	(6,63,71,845)		(3,27,92,431.00)
	Inventories	(8,34,54,245)		84498593
	Trade and Other payable	20,61,70,536		13458101
			5,63,44,446	6,51,64,263
	Cash Generated from Operations		23,32,89,997	19,55,48,177
	Taxes paid		3,32,01,318	21600454
			20,00,88,679	17,39,47,723
B	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Adjusted for Payables of Fixed Assets		5,10,64,785	(5,65,90,896.00)
	Interest on Fixed Deposit		31,43,685	1588806
	Decrease/(Increase) in Bank Fixed Deposits		(3,54,42,688)	(2,04,04,000.00)
	Profit on Sale of Land		-	168413
	Decrease/(Increase) in Long Term Advances		3,60,48,696	0
	Increase in Fixed Assets		(40,56,06,649)	(6,52,91,876.00)
	Net Cash flow from Investing Activities		(35,07,92,171)	(14,05,29,553)
C	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Secured Loan		3,61,613	9495471
	Unsecured Deposits		14,90,17,200	(3,99,67,200.00)
			14,93,78,813	(3,04,71,729)
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		(13,24,679)	29,46,441
	OPENING BALANCE OF CASH AND CASH EQUIVALENTS		30,64,983	1,18,543
	CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		17,40,304	30,64,984

PLACE : MORBI

FOR, PRATIK RAJDEV & ASSOCIATES
CHARTERED ACCOUNTANTS

For AND ON BEHALF OF THE BOARD

DATED:- 11/04/2015



Pratik K. Rajdev
(Pratik K. Rajdev)
Proprietor
M. No. - 137919
Firm Regn. No.131799 W

[Signature]
Director
[Signature]
Director

COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
2.	<p><u>SHARE CAPITAL</u> Equity Share Capital Authorised</p> <p>1,00,00,000 shares of par value of ₹10/- each (Previous year 1,00,00,000 shares of par value of ₹10/- each)</p>		
		10,00,00,000	10,00,00,000
	<p><u>Issued, Subscribed & Paid up</u></p> <p>91,02,040 shares of par value of ₹10/- each (P.Y. 91,02,040 shares of par value of ₹10/- each)</p>	9,10,20,400	9,10,20,400
		9,10,20,400	9,10,20,400

- a) From the above issued, subscribed & paid up capital 46,42,040 shares each of amount Rs.10/- are held by Kajaria Ceramics Ltd. being the holding company of the company
- b) During the Year, the company has not issued any Shares nor Sold
- c) Following Shareholders hold equity shares more than 5% of the total equity shares of the company at the end of the period :-

Name of Shareholder		No. of Shares
Kajaria Ceramics Ltd.	51%	46,42,040

- d) The company has not issued shares for a consideration other than cash or bonus shares
- e) The Company has only one class of shares referred to as equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.
- f) Kajaria Ceramics Ltd. is the holding company of this company.
- g) The company has not issued shares for a consideration other than cash or bonus shares.



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
3.	<u>RESERVES AND SURPLUS</u>		
	Securities Premium Account As per last Balance Sheet	13,50,30,600	13,50,30,600
	<u>Surplus</u> As per last balance sheet	8,52,07,214	1,55,43,579
	Add : Net Profit after Tax tfrd from Statement of Profit & Loss	8,41,59,902	6,96,63,635
	Less : Excess Depreciation as Per New Rate	15,518	-
		16,93,51,597	8,52,07,214
		30,43,82,197	22,02,37,814

4	<u>LONG-TERM BORROWINGS</u>		
	A. Secured Loan From Banks		
	a) Term Loans		
1	Bank of Baroda Term Loan A/c. No. 03630600001053	9,35,26,574	9,31,64,961
	Total Secured Loan Rs...	9,35,26,574	9,31,64,961
	b) Unsecured Loans		
1	From Directors, Shareholders & their Relatives	21,77,76,300	6,87,59,100
		31,13,02,874	16,19,24,061

NOTES :

- a) The term loans are repayable in installments as per the terms of the respective agreements generally over a period of Five to ten years after a moratorium period of one to four years.
- b) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the Year.
- e) **Details of securities**
 - 1 Term Loan from Bank Of Baroda Is secured against first charge on fixed assets of the company (Building & Plant & Machinery) excluding assets purchased under Hire Purchase. The loan is further secured by way of Personal guarantee from two of the Director's of the company and the Holding Company.



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
5.	<u>DEFERRED TAX LIABILITY</u>		
	As At 1st April 2014	1,83,53,804	28,90,780
	Add : Additional adjustment for current year	2,90,83,462	1,54,63,024
		4,74,37,267	1,83,53,804

6.	<u>OTHER LONG TERM LIABILITIES</u>		
	Deferred Creditors for Capital Assets (Against Foreign LC)	9,39,73,980	4,29,09,195
	Total	9,39,73,980	4,29,09,195

7.	<u>SHORT-TERM BORROWINGS</u>		
	<u>LOANS REPAYABLE ON DEMAND</u>		
	Working Capital Facilities		
	- From Banks (Secured)	10,78,10,690	10,32,36,669
	Short Term Loans		
	- From Banks (Unsecured)	-	-
	Total	10,78,10,690	10,32,36,669



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
8.	<u>TRADE PAYABLES</u>		
	Trade Payables - Micro & Small Enterprises	-	-
	- Others	21,93,48,282	10,32,01,532
		21,93,48,282	10,32,01,532

9.	<u>OTHER CURRENT LIABILITIES</u>		
	Current maturities of long term debts	2,92,85,712	2,92,85,712
	Payable for Capital Expenditure	13,57,862	13,57,861
	Provision of Excise Duty on Closing Stock	1,34,14,456	35,61,938
	Unpaid Professional Tax	97,600	44,000
	Tax Deducted at Sources	23,44,032	3,63,889
	ESI	10,072	-
	Unpaid Salary	71,72,394	43,83,367
	Unpaid CST	-	3,90,080
	Provision for Audit Fees	2,70,000	2,47,500
	Unpaid Provident Fund	39,442	-
	Unpaid Legal Fees	1,12,500	90,000
	Unpaid Bonus	3,53,940	2,99,500
	Deferred Creditors for Capital Assets (Against Foreign LC)	7,10,15,602	-
	TOTAL	12,54,73,612	4,00,23,847

10.	<u>SHORT TERM PROVISIONS</u>		
	Provision for current tax		
	As per last balance sheet	49,38,216	35,69,346
	Additions during the year	3,01,50,000	2,27,00,000
	Amount adjusted during the year	(49,38,216)	(35,69,346)
	Less: Set off against taxes paid	(2,78,76,748)	(1,77,61,784)
	TOTAL	22,73,252	49,38,216



TANGIBLE ASSETS AS AT 31ST MARCH 2015

Sr. No.	PARTICULARS	G R O S S B L O C K (At Cost)						D E P R E C I A T I O N				N E T B L O C K			Rate of Depn. 14	
		As on 01/04/2014 3	Addition 4	Sales / Transfer 6	Total As on 31/03/2015 7	Up to 01/04/2014 8	For the Year 9	Change in depn 10	Total As on 31/03/2015 11	As at 31/03/2015 12	As at 31/03/2014 13					
1	FACTORY LAND															
	Freehold	28,00,393	-	-	28,00,393	-	-	-	-	-	-	-	-	28,00,393	28,00,393	0%
2	BUILDING															
	Factory Shed	5,16,99,154	-	-	5,16,99,154	27,45,281	16,39,105	1,39,730	42,44,655	4,74,54,499	4,74,54,499	1,39,730	42,44,655	4,89,53,873	4,89,53,873	3.17%
	Labour Staff Quarter	16,12,106	-	-	16,12,106	26,848	51,111	1,367	76,593	15,35,513	15,35,513	1,367	76,593	15,85,258	15,85,258	3.17%
3	PLANT & MACHINERY															
	Domestic Machinery	15,45,16,176	-	-	15,45,16,176	1,28,91,507	81,58,454	-	2,10,49,961	13,34,66,215	13,34,66,215	-	2,10,49,961	14,16,24,669	14,16,24,669	5.28%
	Import Machinery	25,50,77,315	-	-	25,48,04,901	2,45,07,285	1,33,38,586	-	3,78,45,870	21,69,59,030	21,69,59,030	-	3,78,45,870	23,05,70,030	23,05,70,030	5.28%
	Generator Set	51,06,375	-	-	51,06,375	4,65,170	2,42,553	-	7,07,723	43,98,652	43,98,652	-	7,07,723	46,41,205	46,41,205	4.75%
	Electric Fittings	1,72,60,515	-	-	1,72,60,515	13,27,843	8,19,874	-	21,47,717	1,51,12,798	1,51,12,798	-	21,47,717	1,59,32,672	1,59,32,672	4.75%
4	FURNITURE & FIXTURES															
		1,89,663	-	-	1,89,663	16,512	18,002	(8,269)	42,783	1,46,880	1,46,880	(8,269)	42,783	1,73,151	1,73,151	9.50%
5	COMPUTER															
		5,25,171	3,05,376	-	8,30,547	1,09,288	2,04,145	(1,04,232)	4,17,666	4,12,881	4,12,881	(1,04,232)	4,17,666	4,15,883	4,15,883	31.67%
6	VEHICLES															
	Cycle	16,450	-	-	16,450	2,210	1,563	-	3,773	12,677	12,677	-	3,773	14,240	14,240	9.50%
	Car Bolero	5,34,520	-	-	5,34,520	52,866	63,466	(13,244)	1,29,576	4,04,944	4,04,944	(13,244)	1,29,576	4,81,654	4,81,654	11.88%
	Car Innova	9,98,622	-	-	9,98,622	97,728	1,17,987	(24,483)	2,40,198	7,58,424	7,58,424	(24,483)	2,40,198	9,00,894	9,00,894	11.88%
	Total Rs.	49,03,36,460	3,05,376	2,72,414	49,03,69,422	4,22,42,538	2,46,54,845	9,131	6,69,06,515	42,34,62,907	42,34,62,907	9,131	6,69,06,515	44,80,93,922	44,80,93,922	



NEW EXPANSION

Sr. No.	Particulars	Transferred From WIP	Addition	Total Gross Assets	Depn.	Opening WDV	Closing WDV	Rate of Deprn
1	BUILDING							
	Factory Shed	33753803.00	390511.00	34144314.00	540441.19	0.00	33603872.81	3.17%
	Labour Quarter	2616265.00	0.00	2616265.00	41808.63	0.00	2574456.37	3.17%
2	PLANT & MACHINERY							
	Domestic Machinery	89355817.00	9185051.00	98540868.00	2585459.10	0.00	95955408.90	5.28%
	Import Machinery	277867243.00	4966871.00	282834114.00	7406766.03	0.00	275427347.97	5.28%
	Generator Set	17915313.11	0.00	17915313.11	476851.64	0.00	17438461.46	5.28%
	Loader	1845223.00	0.00	1845223.00	49114.28	0.00	1796108.72	5.28%
	Tractor	677729.00	54113.00	1218860.00	25162.46	0.00	1193697.54	5.28%
	Electric Fitting	6290197.00	0.00	6290197.00	301240.12	0.00	5988956.88	9.50%
3	FURNITURE & FIXTURE							
		3765160.00	1267275.00	5032435.00	209278.03	0.00	4823156.97	9.50%
		434086750.11	16350839.00	450437589.11	11636121.48	0.00	438801467.62	

Note No. 12 to the Financial Statements

INTANGIBLE ASSETS

1	Account Software A/c	28,500	5,59,000	-	5,87,500	6,697	18,551	31,635	5,55,865	21,803	16.21%
Total		28,500	5,59,000	-	5,87,500	2,077	18,551	31,635	5,55,865	21,803	



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
13.	CAPITAL WORK-IN-PROCESS		
1	Office Furniture	14,89,992	15,36,742
2	Office Construction	85,94,155	85,94,155
3	New Factory shed	-	2,49,82,336
4	New P & M	-	1,12,45,270
5	New Loader	-	8,78,856
6	New Labour Quarter	-	9,99,185
		1,00,84,147	4,82,36,544
	Precommissioning Expenses	-	72,70,505
	TOTAL	1,00,84,147	5,55,07,049



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
14.	LONG TERM LOANS AND ADVANCES (Unsecured Considered good, unless otherwise)	2,05,42,200	5,65,90,896
	SECURITY DEPOSITS (Secured) N. S. C. Deposits with Sales Tax Dept. Kerala	15,000	15,000
		2,05,57,200	5,66,05,896
	SECURITY DEPOSITS (Unsecured)		
1	BANK OF BARODA-03630300008631	-	29,00,000
2	BANK OF BARODA-03630300008632	-	29,00,000
3	BANK OF BARODA-03630300014032	-	9,10,000
4	BANK OF BARODA-03630300008765	5,91,000	5,91,000
	BANK OF BARODA-03630300012287	31,06,000	31,06,000
6	BANK OF BARODA-03630300012651	-	62,79,000
7	BANK OF BARODA-03630300013382	12,36,700	12,36,700
8	BANK OF BARODA-03630300014345	49,15,000	49,15,000
9	BANK OF BARODA-03630300014346	33,00,000	33,00,000
10	BANK OF BARODA-03630300014347	33,00,000	33,00,000
11	BANK OF BARODA-03630300014348	33,00,000	33,00,000
12	BANK OF BARODA-03630300014663	2,25,00,000	-
13	BANK OF BARODA-03630300014795	83,65,000	-
14	BANK OF BARODA-03630300016975	20,00,000	-
15	GSPC Gas Deposit	1,55,66,688	-
		6,81,80,388	3,27,37,700
		8,87,37,588	8,93,43,596

15.	INVENTORIES (As certified by the Management of the company)		
	Raw Materials	4,12,22,147	2,05,03,760
	Work-in-Process	1,31,55,063	84,04,049
	Finished Goods	7,79,34,510	2,49,65,749
	Stores and Spares, fuels	1,72,74,732	1,22,58,650
		14,95,86,453	6,61,32,208



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	AS AT 31.03.2015 Rs.	AS AT 31.03.2014 Rs.
16.	<u>TRADE RECEIVABLES</u> (Unsecured Considered good unless otherwise		
	a) Debts outstanding for a period exceeding six months		
	- Considered Good	6,151	80,09,399
		6,151	80,09,399
	b) Other Debts		
	- Considered Good	14,68,63,778	9,89,74,907
	- Considered Doubtful	-	-
		14,68,63,778	9,89,74,907
		14,68,69,929	10,69,84,306
17.	<u>CASH AND BANK BALANCES</u>		
	Cash & Cash Equivalents		
	Balance with Banks		
1	Axis Bank Current A/c. No. 911020041334037	2,26,974	4,01,483
2	Bank of Baroda Current A/c. No. 45920200000022	19,295	11,551
3	Bank of Baroda Current A/c. No. 03630200000908	6,52,588	-
4	HDFC Bank Current A/c. No. 03078630000771	-	41,806
5	Cash on hand	8,41,447	26,10,143
		17,40,304	30,64,983



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	YEAR ENDED 31.03.2015 Rs.	YEAR ENDED 31.03.2014 Rs.
20.	<u>REVENUE FROM OPERATIONS</u>		
	Sale of Products		
	Tiles	1,75,04,48,910	1,20,95,42,281
	Less : Cash Discount	1,26,71,791	1,07,32,000
	Sales Return	-	10,02,917
	Quantity Discount & Rate difference	8,50,616	9,20,193
		1,73,69,26,503	1,19,68,87,171
21.	<u>OTHER INCOME</u>		
	Bank Interest Income	31,43,685	15,88,806
	Foreign Exchange Fluctuation Gain	1,27,053	2,29,919
	Profit On Sale of Land	-	1,68,413
	Interest on Income Tax Refund	-	6,934
	Kasar	184	6,380
		32,70,922	20,00,452
22.	<u>COST OF MATERIAL CONSUMED</u>		
	Raw Materials - Body Materials	48,61,08,627	32,55,01,813
	Raw Materials - Other Maetrials	7,76,62,026	
	Packing Material Consumed	5,00,56,204	
		61,38,26,857	32,55,01,813
22	<u>CHANGES IN INVENTORIES</u>		
	<u>Stock as on 1.4.2014</u>		
	Work-in-process	84,04,049	1,01,44,273
	Finished Goods	2,49,65,749	10,44,98,357
	'A'	3,33,69,798	11,46,42,630
	<u>Stock as on 31.03.2015</u>		
	Work-in-process	1,31,55,063	84,04,049
	Finished Goods	7,79,34,510	2,49,65,749
	'B'	9,10,89,573	3,33,69,798
	A-B	(5,77,19,775)	8,12,72,832
		-	-
		(5,77,19,775)	8,12,72,832



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	YEAR ENDED 31.03.2015 Rs.	YEAR ENDED 31.03.2014 Rs.
24.	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	<u>Salaries and wages</u>		
	<u>Salaries and wages (Direct)</u>		
	Labour Wages	4,78,28,100	4,01,81,732
	Labour Bonus	3,53,940	2,99,500
	Contribution to Provident Fund	2,40,664	2,03,811
	Contribution to ESI	88,671	1,75,393
	<u>Salaries and wages (Indirect)</u>		
	Office Staff Salary	3,19,05,007	1,22,09,720
	Security Staff Salary	8,68,000	7,02,000
	Staff Welfare Expense	8,67,789	1,35,676
	Professional Tax of Employee	-	5,22,800
		8,21,52,171	5,44,30,632

25.	<u>FINANCE COSTS</u>		
	Interest on:		
	Term loans	1,65,02,853	1,61,88,656
	Working Capital limit	1,17,02,418	1,08,31,262
	Others	2,07,27,096	19,69,882
	Other Borrowing costs:		
	Processing Fees	12,03,165	22,35,337
		5,01,35,532	3,12,25,137



COSA CERAMICS PRIVATE LIMITED

Note	Particulars	YEAR ENDED 31.03.2015 Rs.	YEAR ENDED 31.03.2014 Rs.
26.	<u>OTHER EXPENSES</u>		
	<u>Other Manufacturing Expenses</u>		
	Stores and Spares Consumed	7,43,26,203	9,07,71,560
	Power and Fuel	50,43,75,804	30,81,05,798
	Other Manufacturing Exp.	49,76,928	-
	Excise Duty on Stocks	98,52,518	(1,51,43,717)
		59,35,31,453	38,37,33,641
	<u>Repairs & maintenance</u>		
	- Factory Shed	8,07,904	1,69,664
	- Machinery	40,78,049	4,30,621
		48,85,953	6,00,285
	<u>Administrative Expenses</u>		
	Internet Charges	1,05,978	96,154
	Computer Repairing Exp.	1,07,175	83,593
	Courier Expense	46,088	11,248
	Interest on late payment of TDS	38,171	8,031
	Laboratory Testing Charges	1,18,530	19,243
	Legal Fees	6,75,905	7,82,856
	Miscellaneous Exp.	4,09,262	7,59,985
	Pollution Control Licence Fees	-	1,600
	Association Membership Fees	1,77,416	75,000
	Land Revenue Charges	-	29,194
	Printing & Stationery Exp.	1,84,295	2,29,879
	Telephone Exp.	2,94,958	3,10,545
	Tour & Travelling Exp.	1,28,480	2,83,455
	Vehicle Fuel & other charges	1,73,178	6,10,018
	Interest On late pyament	7,625	-
	ROC Exp.	15,400	2,000
	Electricity Inspection Charges	-	13,000
	Management Consultancy fees	2,77,50,000	2,40,00,000
	Donation	2,03,011	34,850
	Insurance Premium Charges	8,55,353	7,34,788
	Rate Difference(Debit/Credit) Note	-	1,14,127
	Software Maintenance Exp	26,400	-
	Service Tax Exp.	1,45,620	-
	Internal Audit Fees	1,25,000	1,08,000
	<u>Auditors' Remuneration :</u>		
	- As Audit Fees	3,00,000	2,75,000
		3,18,87,845	2,85,82,566
	<u>Selling & Distribution Expenses</u>		
	Advertisement, Publicity & Sales Promotion	34,305	-
		34,305	-
	<u>Others</u>		
	Bad Debts Written Off	81,19,287	-
		63,84,58,843	41,29,16,492



COSA CERAMICS PRIVATE LIMITED

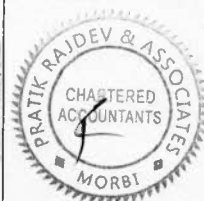
Note No. 27 to the financial statements Notes on Accounts

		AS AT 31.03.2015	AS AT 31.03.2014
1	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of advances)	NIL	Euro 1704800 (Rs. 1409.47 Lacs)
2	Letters of Credit opened in favour of overseas suppliers (Outstanding As at date)	Euro 1742800 (Rs. 1649.90 Lacs)	Euro 519640 (Rs. 429.09 Lacs)
3	Contingent Liabilities not provided for (excluding matters separately dealt with in the notes):	NIL	NIL

4.	Salary includes following remuneration to the Managing Director, Jt. Managing Director & Whole Time Director		Year Ended 31.03.2015	Year Ended 31.03.2014
	- Salary		NIL	NIL
	- Perquisites		NIL	NIL
	- Contribution to Provident Fund		NIL	NIL
5	Details of registered & installed capacities and production	Unit	2014-15	2013-14
	a) Registered Capacity	Sq Mtrs	N.A.	N.A.
	b) Installed Capacity*			
	- Tiles	Sq Mtrs	51,84,000	30,24,000
	c) Production			
	- Tiles	Sq Mtrs	46,44,038	29,05,587

* As certified by the Management and relied on by the Auditors being a technical matter.

6.	Value of Imports on CIF basis: (Only Import Invoices i.e. excluding other charges)	(Rs.)	(Rs.)
	• Capital Goods	₹ 4,81,85,366 \$ 944157 ₹ 17,87,62,896 Euro 2169000	NIL
	• Stores & Spares	₹ 2,19,09,334 \$ 355910.90	₹1,29,95,665
	• Raw Materials	₹ 14,78,178 \$ 23992.68	₹ 62,73,883



7.	Expenditure in Foreign Currency (on accrual basis) :	NIL	NIL
----	---	------------	------------

8.	Earnings in Foreign Currency :	2014-15	2013-14
	FOB Value of Exports (Rs.)	NIL	NIL

(In Lacs)					
9.	Value of imported and indigenous raw material consumed and the percentage of each to total consumption: (Excluding VAT Credit Reduced)	%	2014-15	%	2013-14
	Imported	0.52	29.22	1.97	62.74
	Indigenous	99.48	5608.49	98.03	3119.73

10.	Dues to Small, Micro & Medium Enterprises #:	2014-15	2013-14
	1. Principal amount due and remaining unpaid	0.00	0.00
	2. Interest due on (1) above and the unpaid interest	0.00	0.00
	3. Interest paid on all delayed payments under MSMED Act	0.00	0.00
	4. Payment made beyond the appointed date during the year	0.00	0.00
	5. Interest due and payable for the period of delay other than (3) above	0.00	0.00
	6. Interest accrued and remaining unpaid	0.00	0.00
	7. Amount of further interest remaining due and payable in succeeding years	0.00	0.00



The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as per available information with the Company.

11. Balances of certain debtors, creditors, loans and advances are subject to confirmation.
12. In the opinion of the Management current assets, loans and advances have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated except where indicated otherwise.
13. To comply with the guidance note on "Accounting Treatment of Excise Duty" issued by Institute of Chartered Accountants of India, excise duty amounting to ₹ 134.14 Lacs has been included in the value of inventories as on 31.03.2015 and the corresponding amount of Excise Duty payable has been included in other liabilities. However, this accounting policy has no impact on the profit for the year.

14. Tax Expense is the aggregate of current year income tax and deferred tax charged to the Profit and Loss Account for the year.

a) Current Year Charge:

Income Tax provision of Rs 301.50 Lacs has been made towards MAT.

b) Deferred Tax

The Company estimates the deferred tax charge using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. The movement of provision for deferred tax is given below:

Particulars	Opening as at 1.4.2014 (Rs. Lacs)	Charge/(credit) during the year (Rs. Lacs)	Closing as at 31.3.2015 (Rs. Lacs)
Depreciation	183.54	290.83	474.37
Net Deferred Tax Liability	183.54	290.83	474.37

15. Related Party Disclosures:

In accordance with the Accounting Standards (AS-18) on Related Party Disclosures, where control exists and where key management personnel are able to exercise significant influence and, where transactions have taken place during the year, along with description of relationship as identified, are given below:-

A. Relationships

I. Key Management Personnel

Name	Designation
Sh. Kishorbhai Patel	Director
Sh. Kishanbhai Patel	Director
Sh. Bharatbhai Vadaliya	Director
Sh. Ashvinbhai Patel	Director
Sh. Vishal Rastogi	Director
Sh. Saratkumar Chandak	Director
Sh. Ramkishan Sharma	Director
Sh. Ramanand Pareek	Director

II. Associates/Enterprises over which key management personnel are able to exercise significant influence

Kajaria Ceramics Limited (Holding Company)
Amar Ceramics Industries
Morbi Industrial Adviser
JK World Wide Pvt. Ltd.
Solar Ceramic Pvt. Ltd.



- B. The following transactions were carried out with related parties in the ordinary course of business:-

(Rs. in Lacs)

Related Party Transactions	Key Management Personnel & Relatives	Associated Enterprise	Holding Company
Sale of Goods(Net of All kind of Discounts)	-	-	15023.67
Purchase (Capital Good)	-	-	119.41
Management Consultancy Fees	-	277.50	-
Interest on bill discounting	-	-	34.61
Interest On Loan	44.58	1.36	151.12

16. **Segmental Reporting:**

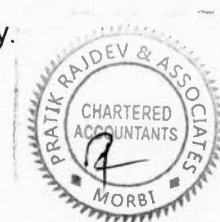
The business activity of the company falls within one broad business segment viz "Ceramic Tiles" and substantially sale of the product is within the country. The Gross income and profit from the other segment is below the norms prescribed in AS-17 of The Institute of Chartered Accountants of India. Hence the disclosure requirement of Accounting Standard 17 of "Segment Reporting" issued by the Institute of Chartered Accountants of India is not considered applicable.

17. Earnings per share (EPS) – The numerators and denominators used to calculate Basic and Diluted Earnings per share:

	Year ended 31.03.2015	Year ended 31.03.2014
Profit attributable to the Equity Shareholders – (A) (Rs.)	8,41,59,902	6,96,63,635
Basic/ Weighted average number of Equity Shares outstanding during the year (B)	91,02,040	91,02,040
Nominal value of Equity Shares (Rs)	10	10
Basic/Diluted Earnings per share (Rs) – (A)/(B)	9.25	7.65
Calculation of profit attributable to Shareholders		
Profit Before Tax	14,37,79,718	10,80,95,983
Less : Income Tax/Wealth Tax Adjustment	3,86,354	2,69,324
Less : Income Tax Provision	3,01,50,000	2,27,00,000
Add : Deferred Taxation	2,90,83,462	1,54,63,024
Profit attributable to Shareholders	8,41,59,902	6,96,63,635

18. M/s. Cosa Ceramics Pvt. Ltd. Is the subsidiary company of M/s.Kajaria Ceramics Ltd.

19. Previous year figures have been regrouped / recast wherever necessary.



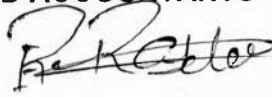
20. The Company has Completed its Expansion project during the year and started its production from September 2014.

21. To mitigate the requirements of The Companies Act, 2013 company has changed rate of depreciation in consonance with useful life of the assets as required under the provisions of the companies act,2013.And the effect of the same has been given by way of adding/(deducting) in Reserve & Surpluse of the company.Useful life of the assets being technical matter same has been decided by the management of the company

SIGNATURE TO THE NOTE 1 TO 27
IN TERMS OF OUR REPORT OF EVEN
DATE ANNEXED

For AND ON BEHALF OF THE BOARD

For PRATIK RAJDEV & ASSOCIATES.
CHARTERED ACCOUNTANTS

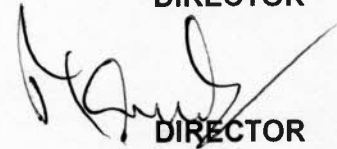


PLACE : MORBI
DATED : April 11,2015

PROPRIETOR



DIRECTOR



DIRECTOR