



GMDC/CS/ 248 /2015-16

28.5.2015

To,
National Stock Exchange of India
Exchange Plaza
Bandra Curla Complex
Bandra (East)
Mumbai – 400 051

Fax -- 022 2659 8237 / 38

2659 8347/48

SPEED POSTe-MAIL: cmist@nse.co.in

Dear Sirs,

- Sub : (1) **Audited annual financial results of GMDC for the quarter/year ended on 31st March, 2015**
(2) **Recommendation of Dividend by the Board for the year 2014-15**

In continuation of our earlier letter dated 18th May, 2015 on the above referred subject, we are pleased to inform you that our Board-of-Directors in their meeting held today in the Committce Room, Industries & Mines Department, 3rd Floor, Block No. 5, New Sachivalaya Complex, Gandhinagar, has approved audited annual financial results of the Company for the quarter/year ended on 31st March, 2015.

One copy of the audited financial results together with auditors' report thereon for the year ended on 31st March, 2015 is submitted for your record and further action.

Further pursuant to SEBI Circular no. CIR/CFD/DIL/7/2012 dated 13.8.2012 we are enclosing herewith Form-A, duly signed.

Further we would like to inform the Exchange that the Board at the above said meeting has recommended a dividend of Rs. 3/- per share (150 %) for the financial year 2014-15.

You are requested to take the same on record.

Thanking you,

Yours faithfully,

For Gujarat Mineral Development Corporation Ltd.,

(Joel Evans)
Company Secretary
Encl. as above

ENNew Folder\New Folder\SONI\NINSEBSEs.doc

2

Gujarat Mineral Development Corporation Limited
(A Government of Gujarat Enterprise)

CIN : L14100GJ1963SGC001206

Khanij Bhavan", 132 Ft. Ring Road, Near University Ground, Vastrapur, Ahmedabad-52

Phone : 2791 0665 / 2791 1662 / 2791 3200 / 2791 3201 TeleFax : 079 - 2791 1151

e-mail : cosec@gmdcltd.com, website : www.gmdcltd.com



GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

PART I, Audited Financial Results for the year ended 31st March, 2015										
(₹ in Lakhs)										
Sr.No.	Particulars	STANDALONE					CONSOLIDATED			
		Quarter Ended		Year Ended			Quarter Ended		Year Ended	
		31-03-2015 (Audited)*	31-12-2014 (Unaudited)	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)
1	Income from Operations:									
	a) Net Sales/ Income from operations (Net of excise duty)	40,048.36	32,636.95	45,333.96	141,888.47	128,966.51	40,048.36	45,333.96	141,888.47	128,966.51
	b) Other operating Income	-	-	-	-	-	-	-	-	-
	1. Total Income from Operations (net) (a+b)	40,048.36	32,636.95	45,333.96	141,888.47	128,966.51	40,048.36	45,333.96	141,888.47	128,966.51
2	Expenses									
	a. Changes in Inventories of finished goods, work in progress and stock in trade	(8.46)	(193.22)	(798.47)	(254.61)	(1,147.62)	(8.46)	(788.47)	(254.61)	(1,147.62)
	b. Employee benefits expense	1,655.09	2,320.51	1,466.05	8,649.07	8810.14	1,655.15	1,468.53	8,649.12	8,812.12
	c. Depreciation and amortisation expenses	4,774.25	2,982.96	3,244.09	13,726.91	12456.50	4,774.25	3,244.26	13,726.91	12,456.64
	d. Expenses for overburden removal, loading of lignite & Mining Expenses	10,438.70	8,037.08	10,674.58	37,808.90	26904.32	10,438.70	10,674.58	37,808.30	26,904.32
	e. Plant Operation Charges	1,221.25	878.95	727.97	4,370.75	3035.33	1,221.25	727.97	4,370.75	3,035.33
	f. Royalty, Dead Rent & Surface Rent	1,968.25	1,578.50	1,892.11	5,612.77	5902.49	1,968.25	1,892.11	5,612.77	5,902.49
	g. Power, Fuel / Stores Consumption	2,109.27	1,854.22	1,930.35	6,674.73	6815.23	2,109.27	1,930.35	6,674.73	6,815.23
	h. Clean Energy Cess	3,241.35	3,048.61	1,431.39	8,092.30	4206.17	3,241.35	1,431.39	8,092.30	4,206.17
	i. Operational and Other Expenses	2,715.22	1,692.45	1,980.15	7,379.24	7326.29	2,715.69	1,983.90	7,379.62	7,329.42
	j. Mine Closure Exp	3,927.37	1,401.77	1,375.57	8,010.06	5194.26	3,927.37	1,375.57	8,010.06	5,194.26
	k. VRS Expenses	(1.20)	3.43	87.77	988.44	94.92	(1.20)	87.77	988.44	94.92
	l. CSR Expenses	116.13	415.55	33.12	1,334.99	134.33	116.13	33.12	1,334.99	134.33
	II. Total Expenses	32,157.22	23,020.82	24,044.68	103,392.95	79,732.36	32,157.76	24,051.08	103,393.38	79,737.61
3	Profit from operations before other income, interest & exceptional items (1-2)	7,891.14	9,616.13	21,289.28	38,495.52	49,234.15	7,890.60	21,282.88	38,495.09	49,228.90
4	Other Income	4,600.14	3,127.72	3,090.72	14,343.71	13738.07	4,600.15	3,091.15	14,343.72	13,738.41
5	Profit before interest and exceptional items (3+4)	12,491.28	12,743.85	24,380.00	52,839.23	62,972.22	12,490.75	24,374.02	52,838.80	62,967.31
6	Finance Cost	168.08	0.25	(155.89)	168.71	13.23	168.10	(155.81)	168.72	13.97
7	Profit after interest but before exceptional items (5-6)	12,323.20	12,743.58	24,535.00	52,670.52	62,959.01	12,322.65	24,529.83	52,670.10	62,953.96
8	Exceptional item	-	-	-	-	-	-	-	-	-
9	Profit (+) / Loss (-) from Ordinary Activities before Tax (7-8)	12,323.20	12,743.58	24,535.00	52,670.52	62,959.01	12,322.66	24,529.83	52,670.10	62,953.96
10	Tax expenses	(256.52)	4,775.18	5,352.40	13,553.89	19045.59	(256.52)	5,352.40	13,553.89	19,045.59
11	Net Profit (+) / Loss (-) from Ordinary Activities after tax (9-10)	12,066.68	7,968.40	19,182.60	39,116.63	43,913.42	12,066.14	19,177.43	39,116.21	43,908.36
12	Extra Ordinary Income (net of tax expense)	10,916.23	-	10,916.23	10,916.23	-	10,916.23	-	10,916.23	-
13	Net profit (+) / Loss (-) for the period (11-12)	23,495.95	7,968.40	19,183.60	50,032.86	43,913.42	23,495.41	19,177.43	50,032.44	43,908.36
14	Paid-up Equity Share Capital	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00	6,360.00
15	Reserves & Surplus excluding Revaluation Reserves	-	-	-	317,796.69	279,887.62	-	-	317,790.04	279,865.43
16 (i)	as per balance sheet of previous accounting year	-	-	-	-	-	-	-	-	-
16 (ii)	Earning Per Share (before extraordinary items) (of ₹ 2 each) (not annualised)	-	-	-	-	-	-	-	-	-
	a) Basic EPS before Extraordinary item	8.96	2.51	6.03	12.30	13.81	8.96	6.03	12.30	13.81
	b) Diluted EPS before Extraordinary item	8.96	2.51	6.03	12.30	13.81	8.96	6.03	12.30	13.81
16 (iii)	Earning Per Share (after extraordinary items) (of ₹ 2 each) (not annualised)	-	-	-	-	-	-	-	-	-
	a) Basic EPS after Extraordinary item	7.39	2.51	6.03	15.73	13.81	7.39	6.03	15.73	13.81
	b) Diluted EPS after Extraordinary item	7.39	2.51	6.03	15.73	13.81	7.39	6.03	15.73	13.81

PART II, Audited Financial Results for the year ended 31st March, 2015

Sr.No.	Particulars	STANDALONE					CONSOLIDATED			
		Quarter Ended		Year Ended			Quarter Ended		Year Ended	
		31-03-2015 (Audited)*	31-12-2014 (Unaudited)	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)
A	Particulars of Shareholding									
	1. Public Shareholdings									
	-No. of Shares	82680000	82680000	82680000	82680000	82680000	82680000	82680000	82680000	82680000
	-Percentage of Shareholding	26%	26%	26%	26%	26%	26%	26%	26%	26%
	2. Promoters and Promoter Groups Shareholding									
	(a) Plotted/ Encumbered									
	- Number of shares	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Non- encumbered									
	- Number of shares	235320000	235320000	235320000	235320000	235320000	235320000	235320000	235320000	235320000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	74%	74%	74%	74%	74%	74%	74%	74%	74%
B	INVESTOR COMPLAINTS									
	Pending at the beginning of the quarter	NIL								
	Received during the quarter	NIL								
	Disposed of during the quarter	NIL								
	Remaining unresolved at the end of the quarter	NIL								

Segmentwise Revenue, Results and Capital Employed under clause 41 of the listing agreement

(₹ in Lakhs)

Sr. No.	Particulars	STANDALONE				CONSOLIDATED			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		31-03-2015 (Audited)*	31-12-2014 (Unaudited)	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2015 (Audited)*	31-03-2014 (Audited)	31-03-2015 (Audited)*	31-03-2014 (Audited)
1	Segment Revenue : Net Sales / Revenue 1 Mining 2 Power	33971.11 9839.36 43810.47	27043.00 7974.84 35017.84	39408.03 9802.44 48210.47	115267.18 37015.99 152283.17	33971.11 9839.36 43810.47	39408.03 9802.44 48210.47	115267.18 37015.99 152283.17	107734.09 30304.35 138038.44
	Un-allocable Corporate Revenue	378.94	52.12	395.03	597.38	378.94	395.03	507.38	617.18
	Total Revenue	44189.41	35069.96	48606.50	152790.55	44189.41	48606.50	152790.55	138655.62
2	Segment Results : 1 Mining 2 Power	10027.12 88.71	9847.53 1243.56	19564.06 3095.54	37618.50 6758.18	10027.12 88.71	19564.06 3095.54	37618.50 6758.18	49526.16 6338.63
	Un-allocable Corporate Results	(766.67)	(1150.85)	(442.32)	(3880.54)	(766.67)	(442.32)	(3880.54)	(2487.61)
	Total	9349.15	9940.24	22217.28	40496.14	9349.15	22217.28	40496.14	53377.18
	Add : Interest Received	2974.04	2803.34	2310.94	11603.78	2974.04	2310.94	11603.78	9036.15
	Add : Dividend Income	-	-	7.78	570.60	-	7.78	570.60	551.68
	Add : Extra Ordinary Income	10916.23	-	10916.23	10916.23	10916.23	-	10916.23	-
	Net Profit Before Tax	23239.43	12743.58	24536.00	63586.75	23239.43	24536.00	63586.75	62959.01
3	Capital Employed : (Segment Assets - Segment Liabilities) 1 Mining 2 Power	-	-	-	-	-	-	-	-
	Un-allocable Capital Employed	-	-	-	-	-	-	-	-
	Total	-	-	-	-	-	-	-	-

* Subject to Audit of 143(6) of the Companies Act, 2013 by C&AG of India

NOTE :

- The above results have been reviewed by the Audit Committee of the Board of Directors in its meeting held on 28th May, 2015 and the same have been taken on record by the Board of Directors in its meeting held on the same date.
- The Board of Directors have recommended 150% dividend (₹ 3/- per equity share of ₹ 2/- each) for the financial year ended 31.03.2015 subject to the approval of the share holders in the Annual General Meeting.
- The Consolidated Financial Statements of the Corporation represent consolidated accounts of its subsidiary company Gujarat State Mining and Resources Corporation Ltd as per AS-21 - "Consolidated Financial Statements" and Joint Venture company "Swarin Gujarat Flourispar Private Limited" as per AS-27 "Financial Reporting of Interests in Joint Venture"
- The balances of assets, liabilities, income and expense of subsidiary company and joint venture company has not been considered for segment reporting as Accounting Standard 17 on "Segmental Reporting" is not applicable to those companies.
- Consequent to the enactment of the Companies Act, 2013, becoming effective from 01st April, 2014, the corporation has re-worked depreciation with reference to the estimated useful life of fixed assets prescribed under Schedule II to the Act or useful life of fixed assets as per technical evaluation. As a result, the charge for depreciation is higher by ₹ 1357.62 Lakhs for the year ended 31st March, 2015. Further based on transitional provision in Note 7(b) of Schedule II, an amount of ₹ 642.67 Lakhs (Net of Deferred Tax) has been adjusted against the retained earnings.
- The Corporation has commenced production from lignite project at Umarpat Dist. Kutch w.e.f 13th March, 2015. Further the Corporation has also commenced production of pyrite removal from lignite at Bhavnagar.
- During the Financial Year 2014-15, the corporation has paid ₹ 988.44 Lakhs towards VRS payments to employees.
- As per the Clarification received from the Coal Controller office, the Mine closure provisions should be in line with the approved/submitted mine closure plans. Hence, in order to bring it in line with the approved/submitted mine closure plans, the Corporation has written back provisions of ₹ 10916.23 Lakhs and shown as the Extraordinary Income.
- As required under the Companies Act, 2013, the corporation has incurred expense towards CSR activities of ₹ 4761.26 Lakhs for the Year ended 31st March, 2015. Total CSR required as per the Act, during FY 2014-15 is ₹ 1486.00 Lakhs.
- Figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
- Previous periods/year's figures have been regrouped/rearranged wherever necessary.

Place : Ahmedabad
Date : 28th May, 2015

For and on behalf of the Board of Directors,

Manoj Aggarwal, JCS,

Managing Director



GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

Balance Sheet as at 31st March, 2015

(₹ In Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share Capital	6360	6360	6360	6360
Reserves and Surplus	317797	279888	317790	279865
Money received against share warrants	-	-	-	-
	324157	286248	324150	286225
MINORITY INTEREST	-	-	-	-
NON-CURRENT LIABILITIES				
Deferred tax liabilities (Net)	20788	28714	20788	28714
Other long-term liabilities	18079	16916	18079	16916
Long-term provisions	23987	27433	23987	27433
	62853	73063	62853	73063
CURRENT LIABILITIES				
Short-term borrowings	-	-	2	2
Trade payables	5149	6477	5149	6498
Other current liabilities	14007	16708	14007	16783
Short-term provisions	12032	12003	12032	12003
	31187	35188	31191	35286
Total	418198	394498	418194	394574
ASSETS				
NON-CURRENT ASSETS				
Fixed assets				
Tangible assets	175472	186069	175472	186070
Intangible assets	150	168	150	168
Capital work-in-progress	4591	1118	4593	1195
	180213	187356	180215	187433
Non-current investments	29900	26035	29895	26030
Long-term loans and advances	77329	51330	77329	51331
	107229	77365	107223	77360
CURRENT ASSETS				
Inventories	5208	4716	5208	4716
Trade receivables	8115	5181	8115	5181
Cash and cash equivalents	1869	4184	1869	4189
Short-term loans and advances	115564	114872	115563	114871
Other current assets	-	824	-	824
	130756	129777	130755	129781
Total	418198	394498	418194	394574

CA K. M. Shah 99241 12785
B.Com., D.T.P., F.C.A.

CA H. K. Shah 98257 22785
B.Com., L.L.B., D.T.P., F.C.A.

CA G. K. Shah 98258 44995
B.Com., F.C.A., D.I.S.A. (ICAI)



H. K. Shah & Co. **Chartered Accountants**

CA J. G. Vaidya 99099 19785
B.Com., F.C.A.

CA T. H. Patel 99099 19785
B.Com., F.C.A., C.P.A.

CA M. G. Desai 9998612120
M.Com., A.C.A., C.S.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED

Report on the Standalone Financial Statements

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

Management's Responsibility for the Standalone Financial Statements

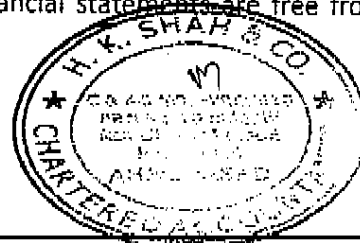
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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.



Mailing Address : 403/404, "SARAP" Building, 4th Floor, Opp. Navjivan Press, Nr. Income Tax, Off Ashram Road, Ahmedabad-380014
Phone : 079-27544995 / 2785 (M) 9909919785

Head Office : Ahmedabad (Guj.) Branches in Gujarat : Gandhinagar, Vadodara, Vapi Branch in Maharashtra : Kandiwall (East) Mumbai

e-mail : hkshahandco@gmail.com, hkshahandco@hotmail.com

PAN No. : AACFH 1917 R SERVICE Tax No. : AACFH 1917 R - ST001

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on 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 the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

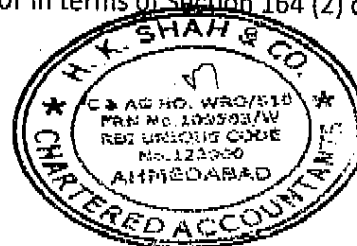
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its 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 sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

2. 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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (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 Note 2.23 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. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



For, H. K. Shah & Co.,
Chartered Accountants
FRN: 109583/w

H. K. Shah
H. K. Shah
Partner

M. No. 042758

Place: Ahmedabad

Date: 28/05/2015

CA K. M. Shah 99241 12785
B.Com., D.T.P., F.C.A.

CA H. K. Shah 98257 22785
B.Com., L.L.B., D.T.P., F.C.A.

CA G. K. Shah 98258 44995
B.Com., F.C.A., D.I.S.A. (ICAI)



H. K. Shah & Co. **Chartered Accountants**

CA J. G. Vaidya 99099 19785
B.Com., F.C.A.

CA T. H. Patel 99099 19785
B.Com., F.C.A., C.P.A.

CA M. G. Desai 9998612120
M.Com., A.C.A., C.S.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GUJARAT MINERAL DEVELOPMENT CORPORATION

Report on the Consolidated Financial Statements

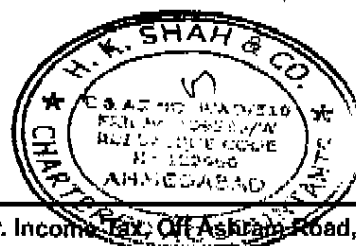
We have audited the accompanying consolidated financial statements of **GUJARAT MINERAL DEVELOPMENT CORPORATION LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and jointly controlled entities (as per Other Matters para), comprising of the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associate and Jointly controlled entities 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. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 thereunder.



Mailing Address : 403/404, "SARAP" Building, 4th Floor, Opp. Navjivan Press, Nr. Income Tax Off Askrah Road, Ahmedabad-380014
Phone : 079-27544995 / 2785 (M) 9909919785

Head Office : Ahmedabad (Guj.) Branches in Gujarat : Gandhinagar, Vadodara, Vapi Branch In Maharashtra : Kandiwali (East) Mumbai

e-mail : hkshahandco@gmail.com, hkshahandco@hotmail.com

PAN No. : AACFH 1917 R SERVICE Tax No. : AACFH 1917 R - ST001

CAAC Reg. No. : WFO / 540 / 2014 Reg. No. : 1005732M

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 consolidated financial statements are free from material misstatement.

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

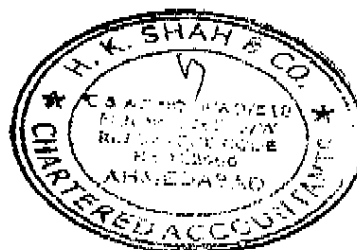
We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors, on the financial statements / consolidated financial statements of the subsidiaries, associates and Jointly controlled entities noted below the aforesaid consolidated 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 consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date. We refer an exception to this as per an expert opinion obtained by the Holding Company in this regards as per Note No 2.35 to 2.38 to the consolidated financial statements.

Other Matters

- (a) We did not audit the financial statements of one subsidiary, and one Jointly controlled entity, whose financial statements reflect total assets of **Rs.185.30 Lakhs** as at 31st March, 2015, total revenues of **Rs. 1.28 Lakhs** and net cash flows amounting to **Rs. 15.38 Lakhs** for the year ended on that date, as considered in the consolidated financial statements except as stated in (b) below. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and jointly controlled entity, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint controlled entity, is based solely on the reports of the other auditors. Please refer Note No 2.35 to 2.38 to the consolidated financial statements.

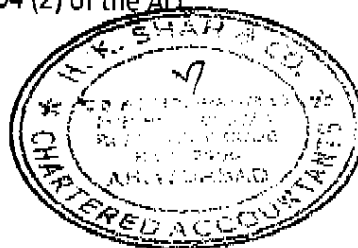


- (b) The company has not consolidated the financial statements of one associate and five jointly controlled entities other than those mentioned in (a) above for which the company has explained the position in Note No 2.35 to 2.38 to the consolidated financial statements as required by Schedule III of Companies Act, 2013. The specific view of the management is based on an expert opinion relating the first year of implementation i.e. F.Y. 2014-15.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

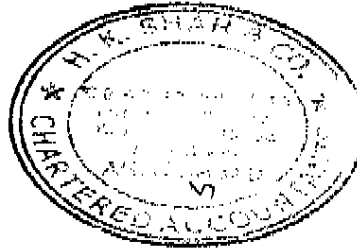
1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the audit report of the holding company, subsidiary companies, associate companies and jointly controlled entities incorporated in India, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.

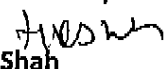


(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group— Refer Note No. 2.25 to the consolidated financial statements.
- ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies, jointly controlled companies incorporated in India.

Place of Signature: Ahmedabad
Date: 28/05/2015



For,
H.K. Shah & Co.
Chartered Accountants
FRN: 109583/W

H.K. Shah
Partner
Membership No. 042758