



A. L. Kapani & Co. (Regd.)

CHARTERED ACCOUNTANTS

PARTNER :

ARUN L. KAPANI B. Com., FCA

PARTNER :

N. SESHAN B. Com. (Hons), FCA, ACMA

Independent Auditor's Report

To the Members of
Pagel Concrete Technologies Pvt. Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Pagel Concrete Technologies Pvt. Ltd. ('the Company'), which comprise the Balance Sheet as at 31 March 2016, the statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of 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 and presentation 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. 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



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Chartered Accountants

true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 31 March 2016 and its loss 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, 2016 ("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, a statement on the matters specified in the paragraph 3 and 4 of the order.

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;

(d) 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;

(e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31 March 2016 from being appointed as a Director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and



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Chartered Accountants

(g) 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;
- ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any,;
- iii. There were no amounts which were required to be transferred to Investor Education Fund by the Company.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W

A. L. Kapani

A. L. Kapani
Partner
Membership No.13121



Place: Mumbai
Dated: 11.05.2016

A. L. Kapani & Co. (Regd.)
Chartered Accountants

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

(i) (a) The Company does not hold any fixed assets during the year and hence paragraph 3(i) of the Order the clause of the Order is not applicable.

(ii) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has ~~granted~~ not granted any loans to any bodies or corporate covered in the Register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities of the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, duty of excise, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues as applicable have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of any of such taxes or duties and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

(viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

(ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



A. L. Kapani & Co. (Regd.)
Chartered Accountants

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for any managerial remuneration.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

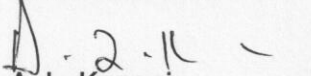
(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W


A. L. Kapani
Partner
Membership No.13121



Place: Mumbai
Dated: 11.05.2016

A. L. Kapani & Co. (Regd.)
Chartered Accountants

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls over financial reporting of Pagel Concrete Technologies Pvt. Ltd. ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness



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Chartered Accountants

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of Compliance with the policies or procedures may deteriorate.

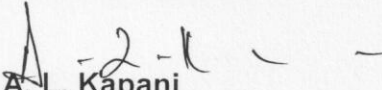


A. L. Kapani & Co. (Regd.)
Chartered Accountants

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For A. L. Kapani & Co.
Chartered Accountants
F.R.N.:104796W


A. L. Kapani
Partner
Membership No.13121



Place: Mumbai
Dated: 11.05.2016

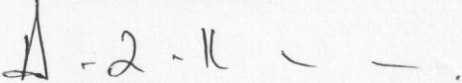
PAGEL CONCRETE TECHNOLOGIES PVT. LTD.
Balance Sheet As At 31st March 2016

	Notes	As at 31st March 2016	As at 31st March 2015
Equity and Liabilities			
Shareholders' Funds			
Share Capital	2	10,00,000	10,00,000
Reserves & Surplus	3	(42,42,572)	(42,34,121)
Current Liabilities			
Short-term borrowings	4	32,70,000	32,50,000
Other Current Liabilities	5	15,249	11,118
TOTAL		42,677	26,997
Assets			
Non-Current Investments			
	6	25,000	25,000
Current Assets			
Bank Balances	7	17,677	1,997
TOTAL		42,677	26,997
Summary of significant accounting policies	1		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For A.L. KAPANI & CO.

Chartered Accountants



A.L. KAPANI

Partner

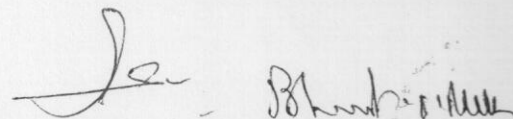
Membership No. 13121

Firm Registration No. 104796W

Place: Mumbai

Date : 11th May, 2016

FOR AND ON BEHALF OF BOARD



DIRECTOR

DIRECTOR

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Statement of Profit and Loss Account For The Year Ended 31st March 2016

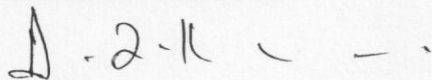
	Notes	31st March 2016	31st March 2015
Income			
Other Income	8	3,750	2,500
		3,750	2,500
Expenses			
Other Expenses	9	12,201	12,101
		12,201	12,101
Profit / (Loss) before Depreciation		(8,451)	(9,601)
Profit / (Loss) after Depreciation		(8,451)	(9,601)
Provision for Taxation		-	-
Net Profit / (Loss) for the year		(8,451)	(9,601)
Earning per Share :			
Basic and Diluted (Rs)	10	(0.08)	(0.10)
Face Value of Share (Rs.)		10	10
Summary of significant accounting policies	1		

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

For A.L. KAPANI & CO.

Chartered Accountants



A.L. KAPANI

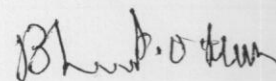
Partner

Membership No. 13121

Firm Registration No. 104796W



DIRECTOR



DIRECTOR

Place: Mumbai

Date : 11th May, 2016

PAGEL CONCRETE TECHNOLOGIES PVT. LTD.

	As at 31st March 2016	As at 31st March 2015
Cash flow statement for the year ended 30th September 2015		
Cash flow from operating activities		
Net Profit/(loss) before tax	(8,451)	(9,601)
Adjustments to reconcile profit before tax to net cash flows		
Dividend income	(3,750)	(2,500)
Operating profit/(loss) before working capital changes	(12,201)	(12,101)
Movements in working capital:		
Increase/(decrease) in trade payables	4,131	5,500
Cash generated from Operations	(8,070)	(6,601)
Direct taxes paid	-	-
Cash Flow before extraordinary items	(8,070)	(6,601)
Extraordinary items	-	-
Net Cash from Operating Activities (A)	(8,070)	(6,601)
Cash flows from investing activities		
Dividend received	3,750	2,500
Net cash flow from/(used in) investing activities (B)	3,750	2,500
Cash flow from financing activities		
Proceeds from/(repayment of) long-term borrowings	20,000	-
Net cash flow from/(used in) financing activities (C)	20,000	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	15,680	(4,101)
Cash and cash equivalents at the beginning of the year	1,997	6,098
Cash and cash equivalents at the end of the year	17,677	1,997

Summary of significant accounting policies

1

AS PER OUR ATTACHED REPORT OF EVEN DATE

For A.L. KAPANI & CO.

Chartered Accountants

A - 2 - 11

A.L. KAPANI

Partner

Membership No. 13121

Firm Registration No. 104796W

Place: Mumbai

Date : 11th May, 2016

FOR AND ON BEHALF OF BOARD

[Signature] *[Signature]*

DIRECTOR

DIRECTOR

PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of the accounting :

The financial statements are prepared under the Historical cost- convention and on accrual basis.

b. Fixed Assets :

Depreciation is provided on Written Down Value method at the rates prescribed in Schedule II of the Companies Act , 2013.

c. Revenue Recognition

Sales are recognised when risks and rewards associated with the ownership of materials are transferred to the buyer. Sales are booked net of Sales Tax.



PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2016

	As at 31st March 2016	As at 31st March 2015
2 Share Capital		
Authorised		
100000 Equity Shares of Rs.10/- each	10,00,000	10,00,000
TOTAL	<u>10,00,000</u>	<u>10,00,000</u>
Issued, Subscribed and Paid up		
100000 Equity Shares of Rs.10/- each	10,00,000	10,00,000
a. Shares held by holding company : Pidilite Industries Ltd. 80,000 equity shares of Rs. 10/- each.		
b. Shares held by Shareholders holding more than 5 percent shares :		
i) Pagel Spezial Beton GmbH & Co. Kg. 20,000 equity shares of Rs. 10/- each.		
TOTAL	<u>10,00,000</u>	<u>10,00,000</u>
3 Reserves & Surplus		
Profit and Loss Account		
Opening Balance (Debit) / Credit	(42,34,121)	(42,24,520)
Profit / (Loss) for the year	(8,451)	(9,601)
TOTAL	<u>(42,42,572)</u>	<u>(42,34,121)</u>
4 Current Liabilities		
Short-term borrowings from Holding Company	32,50,000	32,50,000
Short-term borrowings from Director	20,000	-
	<u>32,70,000</u>	<u>32,50,000</u>
5 Other Current Liabilities		
Creditors for Expenses	15,249	11,118
TOTAL	<u>15,249</u>	<u>11,118</u>
6 Non Current Investments (At cost)		
Unquoted		
2500 (Previous Year 2500) Equity Shares of Rs.10/- each Fully Paid up in Saraswat Co-operative Bank Ltd	25,000	25,000
TOTAL	<u>25,000</u>	<u>25,000</u>
7 Current Assets		
Bank Balance		
Balance with the Scheduled Banks	17,677	1,997
	<u>17,677</u>	<u>1,997</u>



PAGEL CONCRETE TECHNOLOGIES PVT LTD.
Notes to financial statements for the year ended 31st March 2016

	As at 31st March 2016	As at 31st March 2015
8 Income		
Other Income		
Dividend	3,750	2,500
TOTAL	3,750	2,500
9 Expenses		
Other Expenses		
Auditors Remuneration		
Audit Fees	5,750	5,618
Bank Charges	2,369	983
General Expenses	4,082	5,500
TOTAL	12,201	12,101

10 Earnings per Shares

	2015-16	2014-15
Net Profit / (Loss) for the year	(8451)	(9601)
Number of Equity Shares	100000	100000
Earning per Share	(0.08)	(0.10)

11 Related Party Disclosures as required by AS -18 "Related Party Disclosures" are given below :

i) Relationship :	
Pidilite Industries Ltd. Mr.A.B.Parekh	Holding Company Director
ii) Transactions :	
Nature of Transactions	Rupees
Unsecured Loans	32,70,000 (32,50,000)

12 In compliance with AS-22, accounting for taxes on income issued by the Institute of Chartered Accountants of India the company has not created Deferred Tax Asset, resulting from timing difference between Book Profit and Tax Profit in view of business prudence.

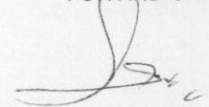
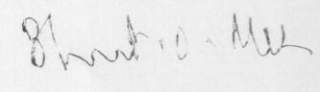
13 Previous years figures are regrouped wherever necessary.

SIGNATURE TO NOTES 1 to 14 WHICH FORM
AN INTEGRAL PART OF THE ACCOUNTS

FOR A.L. KAPANI & CO
Chartered Accountants


A.L. KAPANI
PARTNER
Membership No. 13121
Firm Registration No. 104796W

FOR AND ON BEHALF OF BOARD

 
DIRECTOR DIRECTOR

Place: Mumbai
Date : 11th May, 2016