

BOARD'S REPORT

TO THE MEMBERS OF NATIONAL LIMESTONE COMPANY PRIVATE LIMITED

The Directors take pleasure in presenting the Thirty Fifth Annual Report on the business and operations of the Company and the Audited Financial Statements for the year ended December 31, 2015.

1. FINANCIAL HIGHLIGHTS

The financial highlights of your Company for the year ended December 31, 2015 is summarized below:

PARTICULARS	2015 ₹	2014 ₹
Revenue from operations (net) and Other Income	2,01,183	-
Profit / (Loss) Before Tax	(21,87,246)	(22,94,305)
Provision for Taxation	-	-
Profit / (Loss) after Tax	(21,87,246)	(22,94,305)
Balance brought forward from previous year	(76,89,500)	(53,95,195)
Balance carried forward to Balance Sheet	(98,76,746)	(76,89,500)

2. OPERATIONS

There was no production and despatches during the year 2015. The period for which the consent was given to operate the Company's mines has expired and the Company has applied for renewal of consent to operate the mines from the Rajasthan State Pollution Control Board.

3. DIVIDEND

Your Directors do not recommend payment of dividend for the financial year ended December 31, 2015.

4. CONTINUANCE OF THE EXISTING FINANCIAL YEAR

Pursuant to a favourable Order from the Company Law Board, the Company will continue to have the calendar year (1st January - 31st December) as its financial year.

5. MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the Company and the date of this Report.

6. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

There are no loans / guarantees given and investments made under the provisions of Section 186 of the Companies Act, 2013.

8. CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

In accordance with the provisions of Section 188 of the Companies Act, 2013 and Rules framed thereunder, the transactions entered into with Related Parties are in ordinary course of business and are on an arms length pricing basis. There are no material related party transactions. Accordingly, there is no requirement to furnish any information in Form AOC2.

9. DIRECTORS

Appointment of Directors

The Board of Directors has appointed Mr Ramnik Gupta as an Additional Director of the Company with effect from April 08, 2015. Mr Gupta holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Rajat Kumar Prusty as an Additional Director of the Company with effect from May 04, 2015. Mr Prusty holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a Director has been included in the Notice convening the Annual General Meeting of the Company.

The Board of Directors has appointed Mr Naveen Chadha as an Additional Director of the Company with effect from October 16, 2015. Mr Chadha holds office upto the date of the Annual General Meeting. Accordingly, his candidature for appointment as a

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Director has been included in the Notice convening the Annual General Meeting of the Company.

Cessation of Directorship

Mr Umesh Pratap who was appointed as a Director of the Company with effect from April 13, 2012, ceased to be a Director of the Company with effect from April 08, 2015.

Mr Rajiv Prasad who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from May 15, 2015.

Mr Madhav G Damle who was appointed as a Director of the Company with effect from February 01, 2013, ceased to be a Director of the Company with effect from September 04, 2015.

The Board has placed on record its appreciation for the valuable contribution made by Mr Umesh Pratap, Mr Rajiv Prasad and Mr Madhav G Damle during their tenures as Directors of the Company.

Directors retiring by rotation

In accordance with the provisions of the Companies Act, 2013, Mr S Viswanathan retires by rotation and being eligible offers himself for appointment as a Director of the Company. Accordingly his appointment has been included in the Notice convening the Annual General Meeting of the Company.

10. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- i. that in the preparation of the annual financial statements for the year ended December 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. that such accounting policies as mentioned in Note 2 of the Notes to the financial statements have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of

the Company as at December 31, 2015 and of the loss of the Company for the year ended on that date;

- iii. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the annual financial statements have been prepared on a going concern basis;
- v. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

11. MEETINGS

The Company held a minimum of one board meeting in every quarter. During the year ended December 31, 2015 six meetings were held on January 21, 2015, April 08, 2015, May 04, 2015, July 14, 2015, September 04, 2015 and October 16, 2015.

The Company is not required to constitute an Audit Committee, Nomination & Remuneration Committee or Corporate Social Responsibility Committee.

12. AUDITORS

Messrs K S Aiyar & Co, Chartered Accountants, (ICAI Firm Registration No 100186W) who are the Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Members of the Company at the Company's 34th Annual General Meeting had approved the appointment of Messrs K S Aiyar & Co. for a term of five financial years i.e. upto the financial year ending December 31, 2019. As required under the provision of the Companies Act, 2013, the appointment of the Auditor is required to be ratified by the Members each year at the Annual General Meeting. Accordingly, requisite resolution forms part of the Notice of the Annual General Meeting. The Company has obtained written confirmation from Messrs K S Aiyar & Co that their appointment, if made, would be in conformity with the Companies Act, 2013. Your Directors recommend the re-appointment of Messrs K S Aiyar & Co, Chartered Accountants, as Auditors of

the Company for the year 2016.

13. ANNUAL RETURN

The Extract of Annual Return pursuant to Section 92(3) of the Companies Act, 2013 read with The Companies (Management and Administration) Rules, 2014 in the prescribed Form MGT-9 is enclosed and marked as “Annexure A”.

14. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

As no business activity was carried out, the information on conservation of energy, technology absorption and foreign exchange earnings & outgo, during the year is Nil.

15. PARTICULARS OF EMPLOYEES

There are no employees on the rolls of the Company. Hence there is no disclosure under Section 197 (12) read with Rules 5(1) and 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their appreciation of co-operation received from the Government Authorities and Company’s Bankers. Your Directors also acknowledge the unstinted assistance and support received from ACC Limited, the Holding Company.

For and on behalf of the Board

Naveen Chadha
Director
DIN:00191181

S Viswanathan
Director
DIN:02787215

Mumbai
January 27, 2016

Registered Office:
G-9/C, Kabir Marg
Bani Park
Jaipur 302 106
Rajasthan

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

ANNEXURE 'A' TO BOARD'S REPORT

FORM No. MGT- 9
EXTRACT OF ANNUAL RETURN as on December 31, 2015
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and other details	
CIN	U26944RJ1981PTC002227
Registration Date	April 23, 1981
Name of the Company	National Limestone Company Private Limited
Category / Sub Category of the Company	Indian Non Government - Limited by shares - Private Company
Address of the Registered Office and contact details	G-9/C Kabir Marg, Bani Park, Jaipur 302 016, Rajasthan Tel. No: 0141-2200608
Whether Listed Company	No
Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. Principal Business Activities of the Company		
All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:		
Name and Description of the main Product / Services	NIC Code of the Product / Service	% to total turnover of the Company
Mining / quarrying of limestone, limeshell, kankar and other calcareous minerals including calcite, chalk and shale	14107	NIL

III. Particulars of Holding, Subsidiary and Associate Companies				
Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
ACC Limited Cement House 121, Maharshi Karve Road, Mumbai 400 020	L26940MH1936PLC002515	Holding	100%	2(46)

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Promoter Group)									
(1) Indian									
a) Individuals / HUF	-	2	2	0.001	-	2	2	0.001	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	-	199998	199998	99.999	-	199998	199998	99.999	0
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other (specify) Directors	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	-	200000	200000	100	-	200000	200000	100	0

IV. Shareholding Pattern (Equity Share Capital Breakup as percentage of Total Equity)
i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (January 1, 2015)				No. of Shares held at the end of the year (December 31, 2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters & Promoter Group (A)=(A)(1)+(A)(2)	-	200000	200000	100	-	200000	200000	100	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)+(C)	-	200000	200000	100	-	200000	200000	100	0

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

ii) Shareholding of Promoters (including Promoter Group)

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (January 1, 2015)			Shareholding at the end of the year (December 31, 2015)			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares pledged / encumbered to total shares	
1	ACC Limited	199998	99.999	0	199998	99.999	0	0
2	Mr Sunil Nayak jointly with ACC Limited	01	0.0005	0	01	0.0005	0	0
3	Mr Jayanta DattaGupta jointly with ACC Limited	01	0.0005	0	01	0.0005	0	0
	Total	200000	100	0	200000	100	0	0

iii) Change in Promoters' (including Promoter Group) Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year (January 1, 2015)		Cumulative Shareholding during the year (Jan. 1, 2015 to Dec. 31, 2015)	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	ACC Limited				
	At the beginning of the year	199998	99.999		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			199998	99.999
2	Mr Sunil Nayak jointly with ACC Limited				
	At the beginning of the year	01	0.0005		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.0005
3	Mr Jayanta DattaGupta jointly with ACC Limited				
	At the beginning of the year	01	0.0005		
	Datewise increase / decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease	No change			
	At the end of the year			01	0.0005

iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs) as on December 31, 2015: Not Applicable.

v) Shareholding of Directors and Key Managerial Personnel: Not Applicable.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment:

	Secured Loans excluding deposits ₹	Unsecured Loans ₹	Deposits ₹	Total indebtedness ₹
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	2,09,34,564.00	-	2,09,34,564.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	2,09,34,564.00	-	2,09,34,564.00
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	-	1,69,33,236.00	-	1,69,33,236.00
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	40,01,328.00	-	40,01,328.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	3,31,450.00	-	3,31,450.00
Total (i+ii+iii)	-	-	-	-

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Not Applicable

B. Remuneration to Other Directors: Not Applicable

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: Not Applicable

VII. Penalties / Punishment / Compounding of Offences:

There were no penalties / punishments / compounding of offences for the year ended December 31, 2015.

For and on behalf of the Board

Naveen Chadha
Director

S Viswanathan
Director

Mumbai
January 27, 2016

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

INDEPENDENT AUDITOR'S REPORT

To the Members of National Limestone Company Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of National Limestone Company Private Limited ('the Company'), which comprise the Balance Sheet as at December 31, 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 Financial Statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 December 31, 2015, 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, 2015 ('the Order') issued by the Government of India – Ministry of Corporate Affairs, in terms of sub-section (11) of section 143 of the Act, we enclose in the annexure a statement on the matters specified in paragraphs 3 and 4 of the said 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 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 December 31, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on December 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in 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 notes 25 to 27 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For K. S. Aiyar & Co.

Chartered Accountants

ICAI Firm Registration No. 100186W

Sachin A. Negandhi

Partner

Place: Mumbai

Date: January 27, 2016

Membership No: 112888

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our Report of even date on the financial statements for the year ended on December 31, 2015, of National Limestone Company Private Limited)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets
- (b) The fixed assets are physically verified by the management during the year and in our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, sub-clause (a) and (b) of the Order are not applicable.
- (iv) 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 for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
- (v) The Company has not accepted any deposits from the public to which the provisions of section 73 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules 2014 apply.
- (vi) We have been informed that the Company is not required to maintain cost records under sub-section (1) of section 148 of the Companies Act, 2013, which has been relied upon.
- (vii) (a) According to the records of the Company, the Company has been generally regular in depositing Provident Fund, Employees' State Insurance, Income tax, Sales tax, Value Added tax, Wealth tax, Service tax, Custom duty, Excise duty, cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, there are no undisputed dues in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other statutory dues which were outstanding, at the year end for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, there are no dues of Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty and Cess which have not been deposited on account of any dispute.
- (c) Based on our examination of the records maintained during the year, the Company is not liable to make any payments towards Investor Education Protection Fund.

- (viii) The accumulated losses of the Company exceed fifty percent of its net worth. The Company has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not taken any money from any financial institution, bank or debenture holder, and hence clause 3 (ix) of the Order is not applicable to the Company.
- (x) According to the information and explanations given to us, the Company has not given guarantee for loans taken by others from bank or financial institutions.
- (xi) The Company has not raised any term loans during the year.
- (xii) According to the information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the course of our audit.

For K. S. Aiyar & Co.
Chartered Accountants
ICAI Firm Registration No. 100186W

Sachin A. Negandhi
Partner
Membership No: 112888

Place: Mumbai
Date: January 27, 2016

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

BALANCE SHEET AS AT DECEMBER 31, 2015

Particulars	Note No.	As at Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	2,00,00,000	2,00,00,000
Reserves and Surplus	4	(94,54,621)	(72,67,375)
		1,05,45,379	1,27,32,625
Non current liabilities			
Long Term Borrowing	5 (A)	40,01,328	1,70,22,085
Current liabilities			
Short Term Borrowing	5 (B)	-	39,12,469
Other current liabilities	6	31,33,066	32,50,537
Short-term provisions	7	-	-
		31,33,066	71,63,006
TOTAL		1,76,79,773	3,69,17,716
Assets			
Non-current assets			
Fixed Assets:			
Tangible assets	8	5,34,720	5,72,901
Long-term loans and advances	9	10,43,086	9,83,210
		15,77,806	15,56,111
Current assets			
Inventories	10	36,31,906	36,31,906
Trade receivables	11	6,90,713	6,90,713
Cash and bank balances	12	6,38,334	1,99,81,905
Short-term loans and advances	13	1,11,41,014	1,10,54,218
Other current assets	14	-	2,863
		1,61,01,967	3,53,61,605
TOTAL		1,76,79,773	3,69,17,716
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of National Lime Stone Company Private Limited

For K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED DECEMBER 31, 2015

Particulars	Note No.	For the year ended Dec 31, 2015 ₹	For the year ended Dec 31, 2014 ₹
Revenue from operations	15	-	-
Other Income	16	2,01,183	-
Total revenue		2,01,183	-
EXPENSES			
Cost of material Consumed	17	-	-
(Increase) / decrease in inventories of finished goods	18	-	-
Depreciation and amortization expense	8	38,181	25,620
Other expenses	19	20,18,798	22,68,685
Interest on ICD		3,31,450	-
Total Expenses		23,88,429	22,94,305
Profit / (Loss) before Tax		(21,87,246)	(22,94,305)
Tax expenses		-	-
Profit / (Loss) for the year		(21,87,246)	(22,94,305)
Earnings per equity share (Face value of ₹ 100 each) (PY ₹ 100 each) (Refer Note - 21)			
Basic		(10.94)	(100.61)
Diluted		(10.94)	(100.61)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of financial statements

As per our report of even date For and on behalf of the Board of National Limestone Company Private Limited

For K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

Ramnik Gupta
Director

Rajat Prusty
Director

SACHIN A. NEGANDHI
Partner
Membership No. 112888

Mumbai, January 27, 2016

CASH FLOW STATEMENT FOR THE YEAR ENDED DECEMBER 31,2015

Particulars	For the year ended Dec 31 , 2015 ₹	For the year ended Dec 31 , 2014 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
1. Net Profit/(Loss) before taxation	(21,87,246)	(22,94,305)
Adjustments for:		
Depreciation	38,181	25,620
Interest Received	-	-
Operating profit before working capital changes	(21,49,065)	(22,68,685)
Movement in Working Capital		
2. Decrease/(Increase) in Other Current assets	(1,01,607)	2,68,396
3. Decrease/(Increase) in Loans & Advances	(59,876)	5,051
4. Increase/(Decrease) in Other Liabilities & Provisions	(1,17,471)	1,70,375
Cash generated from operations	(24,28,019)	(18,24,863)
5. Direct Taxes paid - (Net of Refunds)	-	-
NET CASH USED FROM OPERATING ACTIVITIES	(24,28,019)	(18,24,863)
B CASH FLOW FROM INVESTING ACTIVITIES		
6. Interest Received	-	-
NET CASH FROM INVESTING ACTIVITIES	-	-
C. CASH FLOW FROM FINANCING ACTIVITIES		
7. Inter Corporate Deposits repaid to Holding Company	(1,69,33,226)	19,12,469
8. Proceeds from issue of equity shares	-	1,91,35,000
NET CASH FROM FINANCING ACTIVITIES	(1,69,33,226)	2,10,47,469
Net increase / (decrease) in cash & cash equivalents	(1,93,61,245)	1,92,22,606
Cash & cash equivalents at the beginning of the year	1,93,72,222	1,49,616
Cash & cash equivalents at the end of the year	10,977	1,93,72,222

Refer Note No. 12 for details of Cash & Cash equivalents.

The accompanying notes are an integral part of financial statements

As per our report of even date

For and on behalf of the Board of National Limestone Company Private Limited

For K.S.AIYAR & CO.

Chartered Accountants

ICAI Firm Registration No :- 100186W

Ramnik Gupta

Director

Rajat Prusty

Director

SACHIN A. NEGANDHI

Partner

Membership No. 112888

Mumbai, January 27, 2016

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended December 31, 2015

1. Corporate Information

National Limestone Company Private Limited is wholly owned subsidiary of ACC Limited, Company domiciled in India and incorporated under the provision of Companies Act 1956. The Company is engaged in the extraction of limestone.

2. Significant accounting policies

(A) Basis of preparation

- (I) The financial statements of the company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention..
- (II) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(B) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

(C) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Sale of goods

Revenue from sales is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which is generally on dispatch of products and is stated net of returns.

(ii) Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(D) Fixed assets

Fixed assets are stated at cost of acquisition or construction including attributable interest and financial costs till such assets are ready for its intended use, less accumulated depreciation, impairment losses and specific grants received, if any.

(E) Depreciation

All assets are depreciated on the straight line method at the rates prescribed in Schedule II (Part-C) of the Companies Act, 2013, on a pro-rata basis.

(F) Impairment

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal / external factors. An impairment loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their Present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Previously recognized impairment loss is further provided or reversed depending on changes in circumstances.

(G) Investments

Current Investments are stated at lower of cost or fair value. Long term Investments are stated at cost. Provision for diminution in value is made only if decline is other than temporary.

(H) Income taxes

Tax expense comprises of current and deferred tax. Current Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

(I) Contingencies / Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. A contingent liability is disclosed, unless the possibility of an outflow of resources embodying the economic benefit is remote.

Notes to Financial Statement for the year ended December 31, 2015

(J) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

(K) Segment Reporting

The Company is operating only in one significant business segment i.e. Extraction and sale of lime stone; hence segment information as per Accounting Standard 17 is not required to be disclosed. The company is catering mainly to the need of the domestic market; as such there is no reportable Geographical Segments.

(L) Inventories

Inventories are valued after providing for obsolescence, as follows:

- (i) Raw Materials, Stores & Spare Parts, Packing Material and Fuels

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

- (ii) Work-in-progress and Finished goods

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(M) Current /Non Current

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company ascertained its operating cycle as 12 months for the purpose of Current / Non current classification of assets and liabilities.

3. SHARE CAPITAL

	As at Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
AUTHORISED SHARES		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each	2,00,00,000	2,00,00,000
ISSUED		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each	2,00,00,000	2,00,00,000
SUBSCRIBED & PAID-UP		
2,00,000 (previous year: 2,00,000) equity shares of ₹ 100 each (All shares are held by ACC limited, the holding company & its Nominee)	2,00,00,000	2,00,00,000
TOTAL	2,00,00,000	2,00,00,000

Notes :

(a) Reconciliation of number of equity shares

	2015		2014	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Equity Shares				
Number of shares outstanding at the beginning of the year	2,00,000	2,00,00,000	8,650	8,65,000
Issued during the reporting period	-	-	1,91,350	1,91,35,000
Closing balance at the end of the reporting period	2,00,000	2,00,00,000	2,00,000	2,00,00,000

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of ₹ 100/- each. All equity shares carry similar voting rights of 1:1 and similar dividend rights.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Equity shares held by holding company / ultimate holding and their subsidiaries

	2015		2014	
	Number of shares	Amount ₹	Number of shares	Amount ₹
Holding company	2,00,000	2,00,00,000	2,00,000	2,00,00,000
ACC Limited				
	2,00,000	2,00,00,000	2,00,000	2,00,00,000

ACC limited is group company of LafargeHolcim Ltd Switzerland (the ultimate holding company)

(d) Details of shareholders holding more than 5% shares

	2015		2014	
	Number of shares	% holding	Number of shares	% holding
Equity shares				
ACC Limited	2,00,000	100	2,00,000	100

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended Dec 31, 2015

4. RESERVES AND SURPLUS

	As at Dec 31, 2015 ₹	As at Dec 31, 2014 ₹
General Reserves	4,22,125	4,22,125
Surplus in the statement of profit and loss		
Balance as per last Financial statements	(76,89,500)	(53,95,195)
Add: Profit / (Loss) for the year	(21,87,246)	(22,94,305)
	(98,76,746)	(76,89,500)
TOTAL	(94,54,621)	(72,67,375)

6. CURRENT LIABILITIES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Security deposits	8,62,689	8,62,689
Other Payables	12,00,016	11,76,206
Advance from customers	9,68,413	9,68,413
Provision for expenses	1,01,948	2,43,229
TOTAL	31,33,066	32,50,537

5-A . LONG TERM BORROWINGS

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Inter corporate deposit from Holding Company	40,01,328	1,70,22,085
TOTAL	40,01,328	1,70,22,085

7. PROVISIONS

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Other Provision	-	-
TOTAL	-	-

5 -B . SHORT TERM BORROWINGS

Current maturities of long-term borrowings	-	39,12,469
TOTAL	-	39,12,469
Grand TOTAL	40,01,328	2,09,34,554

Note - 8- FIXED ASSETS

Amount in ₹

	GROSS BLOCK AT COST		DEPRECIATION / AMORTISATION		NET BLOCK		
	As at 01.01.2015	As at 31-12-2015	As at 01.01.2015	For the Year	As at 31-12-2015	As at 31-12-2015	As at 31-12-2014
Tangible Assets :							
1- Freehold Land	3,80,154	3,80,154	-	-	-	3,80,154	3,80,154
2- Leasehold Land	47,977	47,977	-	-	-	47,977	47,977
3- Factory Building	7,19,591	7,19,591	6,32,290	18,839	6,51,129	68,462	87,301
4- Office Equipment	1,94,457	1,94,457	1,36,988	19,342	1,56,330	38,127	57,469
Total	13,42,179	13,42,179	7,69,278	38,181	8,07,459	5,34,720	5,72,901
Previous Year	13,42,179	13,42,179	7,43,658	25,620	7,69,278	5,72,901	

9. LONG - TERM LOANS AND ADVANCES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Other loans and advances		
Advances Payment against taxes -	10,43,086	9,83,210
TOTAL	10,43,086	9,83,210

10. INVENTORIES

(At cost or net realisable value whichever is lower)

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Finished Goods :		
Limestone	11,377	11,377
Crushed Limestone	36,16,555	36,16,555
Explosives	3,974	3,974
TOTAL	36,31,906	36,31,906

Notes to Financial Statement for the year ended Dec 31, 2015

11. TRADE RECEIVABLES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good		
More than 6 months	6,90,713	6,90,713
TOTAL	6,90,713	6,90,713

12. CASH AND BANK BALANCES

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Cash and cash equivalents		
Balances with banks:		
On current accounts	10,977	2,37,222
Cheques on hand	-	1,91,35,000
	10,977	1,93,72,222
Other bank balances		
Fixed deposit (receipts are in the custody of mining department as security towards mines)	6,27,357	6,09,683
	6,27,357	6,09,683
TOTAL	6,38,334	1,99,81,905

13. SHORT-TERM LOANS AND ADVANCES

unsecured, considered Good, unless otherwise stated

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Security deposit		
Deposit with Mining department	1,04,25,437	1,04,25,437
Advances recoverable in cash or kind		
Unsecured considered good	4,10,402	4,10,802
Prepaid Expenses	3,05,175	2,17,979
TOTAL	1,11,41,014	1,10,54,218

14. OTHER CURRENT ASSETS

Unsecured, considered good unless stated otherwise

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
Accrued Interest	-	2,863
TOTAL	-	2,863

15. REVENUE FROM OPERATIONS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Sale of Products :		
Finished goods- Sale of Crushed Limestone	-	-
Finished goods- Sale of Limestone	-	-
Revenue from operations (gross)	-	-
Less: Excise duty	-	-
Revenue from operations (net)	-	-

16. OTHER INCOME

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Income from Scrap Sale	1,89,335	-
Interest on FDR	11848	-
TOTAL	2,01,183	-

17. COST OF MATERIALS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Purchase of crushed limestone	-	-
TOTAL	-	-

18. CHANGES IN INVENTORIES OF FINISHED GOODS

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Inventories at the end of the year		
Finished Goods	36,31,906	36,31,906
	36,31,906	36,31,906
Inventories at the beginning of the year		
Finished Goods	36,31,906	36,31,906
	36,31,906	36,31,906
(Increase)/Decrease	-	-

NATIONAL LIMESTONE COMPANY PRIVATE LIMITED (NLCPL)

Notes to Financial Statement for the year ended Dec 31, 2015

19.1 OTHER EXPENSE

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Power & fuel	-	17,384
Royalties	10,11,553	11,40,723
Loading, transportation, Mines expenses & other charges	2,15,007	3,00,723
Travelling Expenses	1,91,019	3,340
Professional Charges	1,74,990	3,05,632
Legal Expenses	1,63,384	55,000
Share issue expenses	-	2,00,000
Miscellaneous expenses	78,122	85,643
Total (A)	18,34,075	21,08,445

19.2 PAYMENT TO STATUTORY AUDITORS (excluding service tax)

	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
As auditors		
Audit fees	55,000	50,000
Audit fees for tax financial statements	27,500	25,000
Out of pocket expenses	40,623	29,240
For other services	61,600	56,000
Total (B)	1,84,723	1,60,240
Total (A + B)	20,18,798	22,68,685

20. RELATED PARTY DISCLOSURE

Particulars of Related Parties, which control or are under common control with the Company:

Name of Related Party	Nature of Relationship
ACC Limited	Holding Company

(a) Transaction with Related Party

Transaction with Holding company	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
(i) Interest On ICD	3,31,450	-
(ii) Dead Rent / Land tax / F.B.T Paid on behalf of National Limestone Company Private Limited By ACC Limited	-	1,14,440
(iii) Inter Corporate Deposits Received	21,42,666	19,12,469
(iv) Issue of equity shares	-	1,91,35,000

(b) Closing Balances of Related Parties

	As at December 31, 2015 ₹	As at December 31, 2014 ₹
(i) Holding Co- ACC Limited		
Other Payables	40,01,328	1,70,22,095
ICD taken	-	39,12,469

21. EARNINGS PER SHARE-[EPS]

Particulars	For the year ended December 31, 2015 ₹	For the year ended December 31, 2014 ₹
Profit /(Loss) after taxation as per Statement in Profit & Loss	(21,87,246)	(22,94,305)
Weighted average number of Equity Shares Outstanding	2,00,000	22,805
Basic earnings per share (weighted average) (Face Value – ₹ 100 per share)	(10.94)	(100.61)

(Basic and diluted earning per share are the same)

Notes to Financial Statement for the year ended Dec 31, 2015

22. TAXATION

No provision for current tax is made in view of the losses for the year. In view of carried forward losses, the company has deferred tax assets ; however , as a matter of prudence and in view of the absence of virtual certainty of future taxable income , the same has not been recognized in the financial statements.

23. There are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principle amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

24. The Company has no employees on its payroll during the year

25. Contingent Liability not provided for :

Demand for land tax.

Year	2015		2014	
	For the year	Cumulative	For the year	Cumulative
Amount (in ₹)	38,50,000	3,08,00,000	38,50,000	2,69,50,000

26. The Company has filed a petition against the Order / Notices of Mining Authorities towards a demand of ₹ 99,25,437 /- (previous year ₹ 99,25,437/-) as additional Royalty on Limestone extracted in earlier years which in view of Company is legally unsustainable and the Company does not expect any liability in this matter.

27. In February 2012, the Company has received a Demand Notice of ₹ 19,87,00,000 from DMG Department, Kothputli, Rajasthan, for Limestone extracted in the period from 1962 to 1986 without payment of Royalty. In the opinion of the Management, this demand is not sustainable and the Company has filed an appeal with Additional Director of Mines, Department of Mines and Geology, Jaipur, Rajasthan, praying for cancellation of the same and hence no provision is made for the same.

28. Additional information pursuant to the provisions of paragraph 5(viii) of Part B of schedule III of The Companies Act, 2013 is either Nil or not applicable

29. Previous year figures are regrouped / restated wherever necessary to make them comparable with current year figures.

As per our report of even date

For and on behalf of the Board of National Limestone Company Private Limited

For K.S.AIYAR & CO.
Chartered Accountants
ICAI Firm Registration
No :- 100186W

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Mumbai, January 27, 2016