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INDEPENDENT AUDITORS' REPORT

The Members of
The Ganga Coffee Curing Works Ltd,
Hassan.

We have audited the accompanying financial statements of the **M/s. GANGA COFFEE CURING WORKS LTD.**, which comprise the Balance Sheet as at March 31st, 2015, the Statement of Profit and Loss and 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 in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position, 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, 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 there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2015;
- b) in the case of the Statement of Profit and Loss Account, of the loss for the year ended on that date.
- c) in the case of the Cash Flow Statement, of the 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 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, Statement of Profit and Loss Account, and 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 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 and
- (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:
 - a. The Company has disclosed the impact of pending litigations if any on its financial position in its financial statements.
 - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - c. There has been no delay in transferring amounts if any, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: HASSAN
Date: 20/06/2015

M/s. B.N. Ramesh & Co.,
Chartered Accountants
FRN: 005513S



B. N. Ramesh
(Proprietor)

Membership No. : 015170



The Annexure referred to in paragraph 1 of the Our Report of even date to the members of M/s. Ganga Coffee Curing Works Ltd., on the accounts of the company for the year ended 31st March, 2015.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, 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 on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, 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 Act.

(b) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
4. The Company has not accepted any deposits from the public.
5. Considering the size and nature of business, the Company has not adopted internal audit system.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, , Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities except service tax where there is delay in payment. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable except in the case of Service Tax where a sum of Rs.2,40,317/- being service tax outstanding for more than 6 months.
8. (b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.
9. The Company have accumulated loss at the end of the financial year and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
10. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
11. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
12. According to information and explanations given to us, the Company is not trading in Shares, Mutual funds and other investments.
13. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
14. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
15. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2015, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
16. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

17. The Company has no outstanding debentures during the period under audit.
18. The Company has not raised any money by public issue during the year.
19. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place : Hassan,
Date : 20/06/2015

As per our Report of even date
For M/s.B.N.Ramesh & Co.,
Chartered Accountants,
ERN: 0055135

(B.N.Ramesh)
Proprietor
M.No. : 015170



GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan.
BALANCE SHEET AS AT 31st MARCH, 2015.

(Rupees in Lakhs)

Particulars	Note No.	Figures as at the end of 31.03.2015	Figures as at the end of 31.03.2014
I. EQUITY AND LIABILITIES		₹	₹
(1) Shareholder's Funds			
(a) Share Capital	1	118.20	97.80
(b) Reserves and Surplus	2	115.34	(172.50)
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
(4) Current Liabilities			
(a) Short-Term Borrowings	4	-	-
(b) Trade Payables	5	34.56	309.69
(c) Other Current Liabilities	6	1.65	2.27
(d) Short-Term Provisions	7	76.51	69.36
Total Equity & Liabilities		346.26	306.62
II. ASSETS		₹	₹
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Gross Block	8	759.10	778.25
(ii) Depreciation		516.11	563.89
(iii) Net Block		242.99	214.36
(b) Non-current investments	9	-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	10	35.70	33.98
(e) Other non-current assets	11	-	-
(2) Current Assets			
(a) Current investments	12	-	-
(b) Inventories	13	58.62	48.56
(c) Trade receivables	14	(0.04)	0.87
(d) Cash and cash equivalents	15	4.19	1.99
(e) Short-term loans and advances	16	4.81	6.86
(f) Other current assets		-	-
Total Assets		346.26	306.62
NOTES TO ACCOUNTS			
Notes referred to above and notes attached there to form an integral part of Balance Sheet			

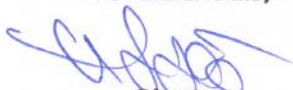
Place : Hassan,
Date : 20/06/2015

For G.C.C.W.Ltd



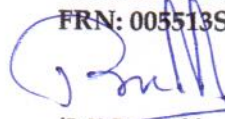
Director

For G.C.C.W.Ltd,



Director

As per our Report of even date
For M/s.B.N.Ramesh & Co.,
Chartered Accountants,
FRN: 005513S



(B.N.Ramesh)

Proprietor

M.No. : 015170



GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED ON 31st March,2015.

(Rupees In Lakhs)

Sr. No	Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I	Revenue from operations	17	₹ 182.02	₹ 251.86
II	Other Income	18	1.07	1.04
III	III. Total Revenue (I +II)		183.10	252.90
IV	Expenses:			
	Cost of materials consumed	19	141.70	161.27
	Purchase of Stock-in-Trade			
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(10.06)	(25.16)
	Employee Benefit Expense	21	64.17	73.63
	Financial Costs	22	0.07	0.06
	Depreciation and Amortization Expense	23	(24.87)	12.30
	Other Administrative Expenses	24	9.41	19.89
	Total Expenses (IV)		180.42	241.99
V	Profit before exceptional and extraordinary items and tax	(III - IV)	2.67	10.91
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		2.67	10.91
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		2.67	10.91
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		0.43	1.75
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	2.24	9.17
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		2.24	9.17
XVI	Earning per equity share:			
	(1) Basic		-	-
	(2) Diluted		-	-

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement

This is the Profit & Loss Statement referred to in our Report of even date.

Place : Hassan,

Date : 20/06/2015

For G.C.C.W.Ltd

Director

For G.C.C.W.Ltd,

Director

As per our Report of even date

For M/s.B.N.Ramesh & Co.,

Chartered Accountants,

ERN: 005513S

(B.N.Ramesh)

Proprietor

M.No. : 015170



GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

(Rupees In Lakhs)

Cash Flow Statement as on 31.03.2015.		
Cash Flows from Operating activities :		
Net Profit before Tax		2.67
Adjustments for :		
Depreciation	(24.87)	
Provision for Tax	0.43	
Interest & Bank charges	-	
Operating Profit before Working Capital Changes	(25.30)	
Changes in Working Capital	(277.42)	
Cash generated from operations before payment of tax	(302.72)	
Income Tax paid	-	
Net Cash Generated from Operating Activities	(302.72)	(302.72)
Cash Flows from Investing Activities :		
Investment in Fixed Assets	(3.76)	
Net Cash Used in Investing Activities		(3.76)
Cash Flows from Financing Activities :		
Share application money		
Issue of Shares	20.40	
Securities Premium reserve	285.60	
Interest Expenses paid	-	
Net Cash from Financing Activities		306.00
Net Increase in cash and cash equivalents		2.20
Cash and cash equivalents at beginning of period		1.99
Cash and cash equivalents at end of period		4.19

Place : Hassan,

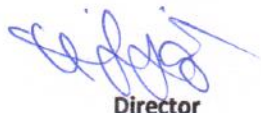
Date : 20/06/2015

For G.C.C.W.Ltd

For G.C.C.W.Ltd,



Director



Director

As per our Report of even date

For M/s.B.N.Ramesh & Co.,

Chartered Accountants,

FRN: 005513S

(B.N.Ramesh)

Proprietor

M.No. : 015170



GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2015.

(Rupees In Lakhs)

Note : 1 Share Capital

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	AUTHORIZED CAPITAL 1200000 Equity Shares of Rs. 10/- each.	120.00	120.00
		120.00	120.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum 978000 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	97.80	97.80
		-	-
		-	-
	204000 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment	20.40	-
	Total in ₹	118.20	97.80

Note : 2 Reserve & Surplus

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Capital Reserve		
a)	Gasifier Subsidy		
2	Capital Redemption Reserve		
3	Securities Premium reserve	285.60	-
4	Debenture Redemption Reserve		
5	Revaluation Reserve		
6	Shares Option Outstanding Account		
7	Other Reserve		
8	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	(172.50)	(181.67)
	Less: Tax on Regular Assessment Paid		
	Add: Profit for the period	2.24	9.17
	Total in ₹	115.34	(172.50)

Note : 3 Long Term Borrowings

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Bonds / Debentures	-	-
2	Term Loan	-	-
	- From Bank	-	-
	- From Other Parties	-	-
3	Deferred Payment Liabilities	-	-
4	Deposit	-	-
5	Loans & Advances From Related Parties	-	-
6	Long Term Maturities of Finance lease obligation	-	-
7	Loans From Directors	-	-
8	Other Loans & Advances	-	-
	Total in ₹	-	-

For GANGA COFFEE CURING WORKS LTD,


Director

For GANGA COFFEE CURING WORKS LTD,


Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2015.

(Rupees In Lakhs)

Note : 4 Short Term Borrowings

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Loan Repayable on Demand		
	- From Bank	-	-
	- From Other Parties	-	-
2	Loans & Advances From Related Parties	-	-
3	Deposits	-	-
4	Others	-	-
	Total in ₹		

Note : 5 Trades Payable

		₹	₹
Sr. No	Particulars	Current year	Previous Year
	<u>Sundry Creditors for Material/Supplies:</u>		
1	ABC Trading Company Ltd - Capital Goods	31.30	305.42
		-	-
	<u>Sundry Creditors for Services:</u>		
1	Anand.K.R	0.11	-
2	Annappa	-	0.05
3	Doberman Security & Detective	1.27	0.99
4	Ganga Agro Engineering Entp.,	-	0.01
5	S.M.Engineering Works	-	1.91
6	Laxman S/o Birlar	0.05	0.36
7	Umesh Service Station	1.08	0.60
8	Vinayaka Security Services	0.75	0.36
	Total in ₹	34.56	309.69

Note : 6 Other Current Liabilities

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Entry Tax payable	-	0.02
2	Professional Tax payable	0.03	0.02
3	TDS Payable	0.18	0.20
4	VAT Payable	1.07	-
5	VAT Output (VAT tax collected & paid)	-	0.01
6	Services Tax Payable	0.37	2.02
	Total in ₹	1.65	2.27

For GANGA COFFEE CURING WORKS LTD,


Director

For GANGA COFFEE CURING WORKS LTD,


Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2015.

(Rupees In Lakhs)

Note : 7 Short Term Provisions

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	<u>Provision For Employees Benefit</u>		
	Gratuity payable	59.34	54.35
2	<u>Others</u>	-	-
	Audit fees	0.54	0.54
	Bonus payable	3.52	3.66
	Clean coffee expenses payable	0.27	0.12
	Colour Sortex expenses payable	0.70	0.40
	Electricity Charges Payable	3.16	1.96
	Employee Providend Fund Payable	0.99	1.06
	Entertainment Expenses Payable	-	0.01
	Flexible Allowance Payable	-	1.29
	Garbling expenses payable	0.35	0.17
	Garden Maintenance Payable	-	0.00
	Gunny Bag Expenses Payable	0.01	0.04
	Milling & Other expenses payable	0.98	0.16
	Newspaper & Periodicals Payable	-	0.00
	O.T.Allowances payable	0.39	0.11
	Office Maintenance Payable	0.01	0.01
	Postage & Telephone Charges Payable	-	0.00
	Raw Coffee expenses payable	1.18	0.44
	Salary (CKM) Payable	2.09	1.85
	Salary (Factory) Payable	1.26	1.00
	Salary (Hassan) Payable	0.16	0.22
	Salary (Off & Admn) Payable	0.82	0.65
	Wages (Garbling) Payable	0.62	1.14
	Wages (Milling & Others) payable	0.01	-
	Watch & Ward Expenses Payable	0.11	0.18
	Total in ₹	76.51	69.36

For GANGA COFFEE CURING WORKS LTD,


Director

For GANGA COFFEE CURING WORKS LTD,


Director

GANGA COFFEE CURING WORKS LTD

Note Forming Integral Part of the Balance Sheet

Note : 8 Fixed Asset

STATEMENT OF FIXED ASSETS AND DEPRECIATION AS PER COMPANIES ACT

(Rupees in Lakhs)

Sl. No	Particulars	Rate	Gross Block			Depreciation			Net Block			
			Value at the beginning	Addition during the year	Residual Value Adjusted during the year	Value at the end	Value at the beginning	Addition during the year	Adjusted during the year (Excess Dep. From WDV to SLM)	Value at the end	As at 31.03.2015	As at 31.03.2014
I	Tangible Assets											
1	Land Industrial Plot	0%	113.39	0.00	0.00	113.39	0.00	0.00	0.00	113.39	113.39	113.39
2	Building	3.17%	209.93	0.91	4.67	206.18	149.66	6.66	27.32	128.99	77.19	60.28
3	Plant & Machinery	6.33%	438.18	2.84	17.87	423.15	407.58	9.32	40.60	376.30	46.86	30.60
4	Furnitures & Fixtures	9.50%	9.88	0.00	0.19	9.70	4.84	0.59	(0.86)	6.29	3.41	5.04
5	Electrical installations & Fittings	9.50%	6.87	0.00	0.19	6.68	1.81	0.29	(2.43)	4.53	2.15	5.06
	SUB TOTAL (A)		778.25	3.76	22.91	759.10	563.89	16.85	64.64	516.11	242.99	214.36

For GANGA COFFEE CURING WORKS LTD,

Director

For GANGA COFFEE CURING WORKS LTD,

Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

(Rupees In Lakhs)

Note : 9 Non Current Investment

Sr. No	Particulars	₹	₹
		Current year	Previous Year
1	Investment in Property	-	-
2	Investment in Equity Instrument	-	-
3	Investment in Preference shares	-	-
4	Investment in Government or Trust Securities	-	-
5	Investment in Debentures & Bonds	-	-
6	Investment in Mutual Fund	-	-
	- In Reliance Energy Fund	-	-
7	Investment in Partnership Firm	-	-
8	Other	-	-
	Total in ₹	-	-

Note : 10 Long Term Loans and Advances

Sr. No	Particulars	₹	₹
		Current year	Previous Year
I)	<u>Capital Assets</u>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
II)	<u>Security Deposit</u>		
	a) Secured, Considered Good :		
	Earnest Money Deposit		
	<u>Other Deposits :</u>		
	Mahadevamma (Siddesh.H.P)	-	0.07
	National Gas Agency	0.05	0.05
	Mescom, Hassan	3.20	3.20
	Margin FD with Bank	3.24	3.04
	Telecom, Hassan	0.15	0.15
		-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
		-	-
III)	<u>Loans & Advances to related parties</u>	-	-
IV)	<u>Other Loans & Advances</u>	-	-
	Range Gowda , S/o Dase Gowda	0.01	0.01
	Sudarshan Y V (Land)	24.79	24.79
	Staff advances	3.50	2.68
	Staff advances - CKM	0.76	-
	Total in ₹	35.70	33.98

For GANGA COFFEE CURING WORKS LTD,



Director

For GANGA COFFEE CURING WORKS LTD,



Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

(Rupees In Lakhs)

Note : 11 Other Non Current Assets

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Long Term Trade Recievables	-	-
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others	-	-
	Total in ₹	-	-

Note : 12 Current Investment

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Investment in Equity	-	-
2	Investment in Prefrence Shares	-	-
3	Investment in Govt Securities	-	-
4	Investment in debentures & Bonds	-	-
5	Investment in Mutual Fund	-	-
6	Investment in Partnership Firm	-	-
7	In Short term Fixed Deposits	-	-
	Total in ₹	-	-

Note : 13 Inventories

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	<u>Stock-in-Trade :</u>		
	Coffe Husk	58.62	48.56
	Total in ₹	58.62	48.56

Note : 14 Trade Recievables

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	<u>Outstanding for more than six months</u>		
	a) Secured, Considered Good :	-	
	b) Unsecured, Considered Good :	-	
	c) Doubtful	-	
2	<u>Others</u>		
	a) Secured, Considered Good :		
	Bharath Agro Eng. Services MYS	(0.10)	0.00
	Hanumantha	-	0.05
	Manjunatha Fuel Briquette	-	0.02
	Devaraj M.Halli (Gunny)	0.01	0.05
	Kenchamba Briouquitte & Fuel	(0.00)	-

For GANGA COFFEE CURING WORKS LTD,


Director

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GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

(Rupees In Lakhs)

Kumara.M.S (Mill)	0.11	0.10
Kumara-Clean coffee	0.24	0.27
Manjegowda (Mill)	-	0.10
Manju Adv	0.15	0.05
Sambu Kumar	(0.48)	0.20
Umesh	0.04	0.03
b) Unsecured, Considered Good :	-	
Total in ₹	(0.04)	0.87

Note : 15 Cash & Cash Equivalent

Sr. No	Particulars	₹ Current year	₹ Previous Year
1	Cash-in-Hand		
	Cash Balance	0.57	0.19
	Sub Total (A)	0.57	0.19
2	Bank Balance		
	Corporation Bank, Hassan A/c No. 1530	3.42	1.69
	Corporation Bank , Bangalore A/c No. 1833	0.03	0.00
	Karnataka Bank, 1931	0.16	0.11
	Sub Total (B)	3.62	1.80
	Total [A + B]	4.19	1.99

Note : 16 Short Terms Loans and Advances

Sr. No	Particulars	₹ Current year	₹ Previous Year
1	Loans & Advances from related parties		
	a) Secured, Considered Good :		
	Advance to Associate Concerns		
	b) Unsecured, Considered Good :		
	c) Doubtful		
2	Others		
	Advance Recoverable in cash or in kind or for value to be considered good		
	Balance With Revenue Authorities		
	TDS Receivable for the year 2013-14	1.22	3.59
	TDS Receivable for the year 2014-15	2.10	1.22
	Prepaid Expenses :		
	Prepaid Insurance	0.09	0.13
	Prepaid Licence	1.05	1.20
	Interest Receivable - MESCOM	0.35	-
	VAT Refundable	-	0.72
	Total in ₹	4.81	6.86

For GANGA COFFEE CURING WORKS LTD,

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GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Part of the Profit & Loss Accounts

(Rupees In Lakhs)

Note : 17 Revenue from Operations

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Central Sales (Exclusive of Excise Duty)	-	-
2	Export Sales	-	-
3	Sales UP	-	-
4	Sales Against form -E1	-	-
5	Job Work Receipts-		
	Coffee Curing Charges	110.30	134.37
	Husk Packing Charges	3.63	2.45
	Packing Charges	13.50	15.47
	Sale of Husk	54.60	99.57
	Total in ₹	182.02	251.86

Note : 18 Other Income

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Interest on FDR's	0.22	0.20
2	Other Receipts	0.15	0.53
3	Interest on IT Refund	0.32	0.31
4	Interest from MESCOM	0.38	-
	Total in ₹	1.07	1.04

Note : 19 Cost of Material Consumed

		₹	₹
Sr. No	Particulars	Current year	Previous Year
a)	<u>PURCHASES OF MATERIALS AND PROCESSING EXPENSES :</u>		
1	Gunny bags	-	-
	Sub-total (a)	-	-
b)	<u>DIRECT/PRODUCTIONS EXPENSES</u>		
	<u>Factory Maintenance :</u>		
	Building Maintenance	2.02	5.06
	Electricity Maintenance	0.80	0.56
	Generator Maintenance- Factory	0.63	2.32
	Machinery Maintenance - Factory	7.56	7.63
	<u>Factory Salaries & Wages :</u>		
	Expenses - CKM	-	0.35
	Expenses - Clean Coffee	14.45	15.05
	Expenses - Coffee Dryer	-	0.13
	Expenses - Colour Sortex	5.81	7.48
	Expenses - Garbling	4.64	8.10
	Expenses - Gunny Bags	3.52	4.15
	Expenses - Husk	5.02	7.66

For GANGA COFFEE CURING WORKS LTD,


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GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Part of the Profit & Loss Accounts

(Rupees In Lakhs)

Expenses - Milling	10.91	10.62
Expenses - Raw Coffee	7.08	6.23
Gratuity	14.73	15.93
Leave with Wages	0.92	0.97
O.T. Allowance	1.30	1.06
Retaining Allowance	2.21	0.98
Salaries - Factory	16.55	12.69
Wages - Garbling	11.43	18.47
Wages - Holiday	0.53	0.50
Wages - Milling & Others	0.54	0.50
Other Direct Expenses :	-	-
Carriage Inward - Factory	0.04	0.31
Carriage Outward	-	0.04
Consumables - Clean Coffee	0.01	0.02
Consumables - Colour Sortex	0.00	0.01
Consumables - Milling	0.02	0.02
Packing Materials - Factory	0.71	0.82
Transportation Charges	0.01	-
Machine Maint - Colour Sorter	0.57	1.72
Power & Fuel :	-	-
Diesel Generators at Factory	12.80	14.42
Electricity - Factory	16.75	17.38
Electricity - Staff Quarters	0.13	0.11
Sub-total (b)	141.70	161.27
Total in ₹ (a+b)	141.70	161.27


Note : 20 Change in Inventories

Sr. No	Particulars	₹ Current year	₹ Previous Year
1	Opening Stock	48.56	23.39
2	Closing Stock	58.62	48.56
	Total in ₹	(10.06)	(25.16)

For GANGA COFFEE CURING WORKS LTD,


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For GANGA COFFEE CURING WORKS LTD,


Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Part of the Profit & Loss Accounts

(Rupees In Lakhs)

Note : 21 Employment Benefit Expenses

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Salaries, Bonus, PF & ESIC :		
	Bonus	3.51	3.66
	Bonus - CKM	0.82	-
	Exgratia	1.50	-
	Salaries - Office & Administration	9.01	20.17
	Security Charges	14.09	13.96
	Staff Welfare	0.10	0.21
	Salaries - CKM	26.61	25.89
	Salaries - Hassan	3.19	2.94
	Watch & Ward	1.20	2.57
	Provident Fund Contribution	4.13	4.23
	Labour Welfare Fund Contribution	0.01	0.01
	Total in ₹	64.17	73.63

Note : 22 Financial Cost

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Bank Charges	0.07	0.06
	Total in ₹	0.07	0.06

Note : 23 Depreciation & Amortised Cost

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Depreciation	16.85	12.30
	Add : Residual Value	22.91	-
	Less : Excess Depreciation (WDV to SLM)	64.64	-
	Total in ₹	(24.87)	12.30

For GANGA COFFEE CURING WORKS LTD,


Director

For GANGA COFFEE CURING WORKS LTD,


Director

GANGA COFFEE CURING WORKS LIMITED

J.H.Kere Post, Kandali, Hassan

Notes Forming Part of the Profit & Loss Accounts

(Rupees In Lakhs)

Note : 24 Other Administrative Expenses

		₹	₹
Sr. No	Particulars	Current year	Previous Year
1	Auditors Remuneration	0.60	0.74
2	Ayudha Pooja Expenses	0.24	0.21
3	Bad Debts	0.07	-
4	Charity & Donations	0.35	0.49
5	Computer Maintenance	0.01	0.14
6	Consumable (Raw Coffee)	-	0.06
7	Entertainment Expenses	0.20	0.40
8	Fines & Penalties	-	0.00
9	Garden Maintenance	0.49	0.57
10	Incidental Chages	0.04	0.07
11	Ineligible VAT	-	0.08
12	Insurance Expenses	0.14	0.18
13	Interest paid to Service tax	0.03	-
14	Land Expenses	0.50	0.11
15	Legal Expenses	0.82	0.40
16	Licence & Renewal Fees	0.15	0.31
17	Local Conveyance	0.05	0.10
18	Medical Expenses	0.63	0.58
19	Monsoon Coffee Supervision	0.95	0.34
20	Newspapers & Periodicals	0.05	0.05
21	Office Maintenance	0.48	0.61
22	Postage, Telephone & Telegram	0.07	0.10
23	Professional Charges	0.25	0.25
24	Printing & Stationery	0.13	0.22
25	Prior Period Expenses	-	0.82
26	Repair & Maintenance	0.42	0.91
27	Small Balance Written Off	0.00	-
28	Subscription & Renewal Fees	1.32	0.58
29	Sundry Expenses	0.15	0.24
30	Sales Tax/ Excise/ Service Tax Expenses/Entry Tax	0.15	0.47
31	Vehicle Maintenance	0.70	0.32
32	Travelling & Conveyance	0.41	10.56
	Total in ₹	9.41	19.89

Note : 25 Tax Expenses :

		₹	₹
Sr. No	Particulars	Current Year	Previous Year
1	Minimum Alternative Tax	0.43	1.75
	Total in ₹	0.43	1.75

For GANGA COFFEE CURING WORKS LTD,

Director

For GANGA COFFEE CURING WORKS LTD,

Director

GANGA COFFEE CURING WORKS LTD., HASSAN

Significant Accounting Policies and notes forming part of the accounts for the year ended 31st March 2015.

1. The Company is deriving income mainly from rendering services from coffee curing, roasting and Packing and accordingly the disclosure are made as applicable to a company engaged in rendering services.

2. **Related Party Disclosure** (A.S-18 Disclosure) :

The Company is a subsidiary company of Amalgamated Bean Coffee Company Ltd., The Following transactions were carried out in the ordinary course of business:

Opening Balance as on 01/04/2014	Cr	3,05,42,409.44
Less : Debited to A.B.C.		
Rendering Services (less TDS)		
Payment made to A.B.C	1,20,77,278.00	
GCCW deputed Staff advance recover by CKM Staff	3,06,00,000.00	
	4,000.00	4,26,81,278.00
Add: Credited to A.B.C.		-1,21,38,868.56
Payment made by A.B.C.	1,22,34,000.00	
Payment made by A.B.C. CKM	24,94,000.00	
GCCW deputed Staff salary by ABC CKM	24,000.00	
GCCW deputed Staff advance paid by CKM	1,06,000.00	
Gratuity paid A.B.C. to GCCW deputed staff	0.00	
Old Pick advance recovered by GCCW	6,000.00	
Service Tax paid by A.B.C	2,43,401.00	
VAT paid by A.B.C.	82,020.00	
Creditors settled by A.B.C.	79,772.00	1,52,69,193.00
Amount due to A.B.C.as on 31.03.2015	Cr	31,30,324.44

3. **Inventories :**

Inventories represent coffee husk being the by-product of the Coffee seeds hulled by the company. Coffee husk is valued at cost or realizable value whichever is lower.

4. **Loans and Advances :**

Balances under loans & Advances represent aggregate receivables and are subject to confirmation and reconciliation by the respective parties. Difference, if any, shall be accounted for on such reconciliation.

5. **Auditors Remuneration :**

For Statutory Audit ₹ 35,000/-
 For Tax Audit ₹ 10,000/-
 For Certification ₹ 5,000/-
 For Tax Matters ₹ 10,000/-

6. The figures of the previous year in the Balance Sheet are reclassified/regrouped wherever necessary to make them comparable.

7. Additional information as required under the Companies Act, 1956 –

<u>Installed Capacity</u>		<u>Actual Production</u>	
(As Certified by the management)			
31.03.2014	31.03.2015	31.03.2014	31.03.2015
Coffee Curing	40000 MT	40000 MT	8958.324 MT
			4581.57 MT

STOCK OF STORES

Coffee Husk 1950.44 MT

8. Accounting for taxes: (A.S.22)

Current Tax on Income is determined on basis of taxable Income computed in accordance with the provisions of the Income Tax Act 1961.

Taking into consideration the produce & non availability of convincing evidence to show that there would be sufficient future taxable Income, against which deferred Tax Assets can be realized, recognition of deferred Tax Assets/Liabilities as required by the Accounting standard for accounting for Taxes on Income has not been considered in the accounts.

9. Employees Retirement Benefits :

- (a) The Company's contribution to Provident Fund is charged to Profit & Loss Account on accrual basis.
- (b) The Company is currently maintaining a gratuity scheme covering all its employees. The Scheme provides lump sum benefits linked to final basic salary and completed years of service with the Company at the time of superannuation. The liability for gratuity is accounted based on Actuarial Valuation.
- (c) The Company does not have any scheme of leave encashment.

10. Accounting Policies :

- 1) The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.
- 2) Fixed Assets : Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses incurred to bring the assets to its present location and installation.
- 3) Depreciation : Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act 2013. Depreciation is provided on Straight Line Method as against WDV Method in the previous year for the first time during the year. The difference in WDV as on 31/03/2015 due to change in providing depreciation debited to depreciation reserve.
- 4) Inventory : Inventory of Spares is valued at cost.
- 5) The Company had no transactions during the year with any small-scale Industrial undertakings & hence reporting details of interest on overdue outstanding & amount outstanding for more than 30 days, does not arise.
- 6) Events occurring after the Balance Sheet date have been considered in the preparation of financial statements.

Place : Hassan,
Date 20/06/2015

As per our Report of even date
For M/s.B.N.Ramesh & Co.,
Chartered Accountants,
ERN: 005513S

(B.N.Ramesh)
Proprietor
M.No. : 015170

