



INDEPENDENT AUDITOR'S REPORT
To the Members of GEOLOGGING INDUSTRIES LIMITED.

Report on the Financial Statements

We have audited the attached Balance Sheet of GEOLOGGING INDUSTRIES LIMITED as at 31st March 2014 and also the annexed statement of Profit and Loss of the Company for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act 1956, in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014; and
- ii. in the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date.
- iii. in the case of the Cash Flow Statement, of the Cash flows of the Company for the year ended on that date



Emphasis of Matter

We draw attention to note no.19 C to the financial statements which describe the uncertainty of recovery of the Advance of Rs.2.19 crores to its associate concern M/s. Mono Acriglass Industries Ltd which has accumulated losses in excess of its share capital. Since the Appellate Authority for Industrial and Financial Reconstruction has confirmed the BIFR's impugned order dated 07.05.2012, it seems highly unlikely that the above mentioned amount is recoverable, either partially or fully.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a Statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Companies Act 1956 we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956
 - (e) On the basis of written representations received from the Directors, as on 31st March, 2014 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on 31st March, 2014 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.

For **HEMANT MHAMBREY ASSOCIATES**
Chartered Accountants

Firm Regn. No. 103645W



HEMANT MHAMBREY
Proprietor

Membership No. 038238

Place: **Mumbai**

Date: **1st September , 2014.**

ANEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the members of GEOLOGGING INDUSTRIES LIMITED for the year ended 31 March 2014. We report that:

- i) On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:-
 - a) The records of quantitative details and situation of Fixed Assets could not be verified as the Company has not provided us with the same.
 - b) As explained to us, fixed assets, according to the practice of the Company, have been physically verified by the Management at reasonable intervals, which in our opinion, is reasonable, having regard to the size of the Company and the nature of its business, during the year. According to the information and explanations given to us, no material discrepancies were noticed on physical verification of assets.
 - c) The Company has not disposed off substantial part of fixed assets during the year.
- ii)
 - a) Physical verification of inventory has been conducted at reasonable intervals.
 - b) The procedure and interval of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c) The company is maintaining proper records of inventory. No discrepancies were noticed on verification between the physical stock and book record.
- iii)
 - a) The Company has granted unsecured loan to its associate concern M/s. Mono Acriglass Industries Ltd amounting to Rs.219.48 lakh.
 - b) There is no stipulation as to the repayment of the principal or the interest on the above loans.
 - c) Neither the principal amount nor the interest has been repaid by the associate M/s. Mono Acriglass Industries Ltd.
 - d) This associate has become a sick unit. Its application to the BIFR has been rejected. Further, its appeal to the Appellate Authority for Industrial and Financial Reconstruction has been dismissed. Recovery of this amount is highly improbable.
- iv) There is an adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for sale of goods. We have not observed any continuing failure to correct major weakness in the internal control system.



- (v) a) The Register to be maintained u/s 301 could not be verified as the company has not provided us with the same.
- b) It is not possible to comment on the reasonableness of the prices at which the transactions have been entered into considering the technical nature of the business and the unavailability of the Registrar to be maintained u/s.301.
- (vi) According to the information and explanation given to us, the Company has not accepted any deposits from the public.
- vii) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management has been commensurate with the size of the Company and the nature of its business.
- viii) The Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.
- ix) According to the records of the Company, the Company is irregular in depositing with appropriate authorities undisputed statutory dues. The following dues are outstanding as at the last day of the financial year concerned for a period of more than 6 months from the day they become payable. Service Tax Rs.8,11,567/- , Profession tax Rs.2,300/-.
- x) **The Company's accumulated loss at the end of the financial year is more than fifty percent of its net worth. The company has incurred cash loss during this financial year, and in the previous financial year.**
- (xi) According to the records of the company, the company has not borrowed from financial institutions or bank or issued debentures till 31st March 2014. Hence, in our opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debentures does not arise.
- (xii) The company has given guarantee for Term loan granted to its associate concern M/s. Mono Acriglass Industries Ltd. The terms and conditions of this guarantee don't seem to be prejudicial to the company. However there is no counter guarantee taken by the Company in case the lender invokes the guarantee given by the Company.
- (xiii) On the basis of records examined by us and according to the information and explanations given to us, the company has not taken any term loan during the year.
- (xiv) On the basis of records examined by us and according to the information and explanations given to us, the company has not used any short term funds for long term application.
- (xv) Since the Registrar u/s.301 has not been maintained it is not possible to comment whether the Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.



(xvi) According to the information and explanations given to us, and to the best of our knowledge and belief, no fraud on or by the Company, has been noticed or reported by the Company during the year;

(xvii) Looking to the nature of activities being carried on at present by the Company during the year; and also considering the nature of the matters referred to in the various clauses of the Companies (Auditors' Report) Order, 2003, clauses (xii), (xiii), (xiv), (xix) and (xx) of paragraph 4 of the aforesaid Order, are in our opinion, not applicable to the Company.

For **HEMANT MHAMBREY ASSOCIATES**
Chartered Accountants

Firm Regn. No. 103645W



HEMANT MHAMBREY
Proprietor

Membership No. 038238

Place: **Mumbai**

Date: **1st September, 2014**

GEOLOGGING INDUSTRIES LTD
BALANCE SHEET AS AT 31st MARCH, 2014

Particulars	Notes	As at 31 March, 2014	As at 31 March, 2013
		(Rs.)	(Rs.)
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	1	64,206,300	64,206,300
(b) Reserves and surplus	2	(39,240,086)	(28,553,297)
		24,966,214	35,653,003
Non-current liabilities			
(a) Long-term borrowings	3	15,675,452	15,643,583
(b) Deferred tax liabilities (net)		305,130	571,160
		15,980,582	16,214,743
Current liabilities			
(a) Trade payables	4	14,015,631	14,596,098
(b) Other current liabilities	5	7,235,511	12,187,791
(c) Short-term provisions	6	442,066	2,194,440
		21,693,208	28,978,329
TOTAL		62,640,004	80,846,075
ASSETS			
Non-current assets			
(a) Fixed assets			
(i) Tangible assets (W.D.V.)	7	27,777,003	32,355,198
(b) Long-term loans and advances	8	67,500	140,500
		27,844,503	32,495,698
Current assets			
(a) Trade receivables	9	2,668,074	14,829,647
(b) Cash and Bank balances	10	3,326,622	4,202,839
(c) Short-term loans and advances	11	28,800,806	29,317,891
		34,795,501	48,350,377
TOTAL		62,640,004	80,846,075
Significant accounting policies	18		
Notes to Accounts	19		

In terms of our report of even date:.

For Hemant Mhambrey Associates
Chartered Accountants



Proprietor
Membership No. 38238



For and on behalf of the Board of Directors



Director
(M. SAHU)



Director
(S. TRIPATHY)

Place : Mumbai
Date : 1st September, 2014

GEOLOGGING INDUSTRIES LTD
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

Particulars	Notes	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		(Rs.)	(Rs.)
Revenue from operations (net)	12	7,059,638	46,440,646
Other non operating income	13	4,502,423	2,590,577
Total revenue		11,562,061	49,031,223
Expenses			
(a) Operating expense	14	730,913	3,129,058
(b) Employee benefits expense	15	4,763,165	11,998,644
(c) Finance costs	16	623,649	4,043,926
(d) Depreciation and amortisation expense		4,578,195	5,258,379
(e) Other expenses	17	11,534,374	30,175,207
Total expenses		22,230,296	54,605,214
Profit / (Loss) before tax & Extraordinary Items		(10,668,235)	(5,573,992)
Add/ (Less) :Extra ordinary Items			
Prior Period Items		284,584	10,005,655
Profit / (Loss) before tax		(10,952,819)	4,431,663
Tax expense:			
(a) Current tax expenses		-	(1,650,000)
(b) Deferred tax		266,030	(108,604)
		266,030	(1,758,604)
Profit / (Loss) After tax		(10,686,789)	2,673,059
Earnings per equity share	19 I		
(a) Basic		(1.664)	0.416
(b) Diluted		(1.664)	0.416
Significant accounting Policies	18		
Notes to accounts	19		

In terms of our report attached.

For Hemant Mhambrey Associates
Chartered Accountants



Proprietor
Membership No. 38238



For and on behalf of the Board of Directors



Director
(M.SAHU)



Director
(S.TRIPATHY)

Place : Mumbai
Date : 1st September, 2014

GEOLOGGING INDUSTRIES LTD

1 SHARE CAPITAL

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
<u>Authorised</u>		
Equity Shares, Rs 10/- par value		
65,00,000 Equity Shares	65,00,000	65,00,000
<u>Issued, Subscribed and Paid-Up</u>		
Equity Shares, Rs 10/- par value		
64,20,630 Equity Shares fully paid up	64,20,630	64,20,630
	64,20,630	64,20,630

Reconciliation of the number of equity shares and share capital:

Particulars	As at March 31,	As at March 31,
	2014	2013
Issued, subscribed and fully paid up equity shares outstanding at beginning of the year	64,20,630	64,20,630
Add: Shares issued on exercise of employee stock options during the year		
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	64,20,630	64,20,630

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/- each. Holder of equity shares is entitled to one vote per share.

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. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of equity shares with voting rights held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Manoranjan B Sahu	1,835,690	28.59	1,835,690	28.59
Anupam Patra	739,900	11.52	739,900	11.52
Sudhiranjan B Sahu	750,000	11.68	750,000	11.68
Bhabesh Chandra Acharya	480,000	7.47	480,000	7.47



2 RESERVES & SURPLUS

In Rs.

Particulars	As at March 31, 2014	As at March 31, 2013
Profit & Loss (Deficit)- Opening Balance	(28,553,297)	(31,226,356)
Add: Net profit after tax transferred from Statement of Profit and Loss	(10,686,789)	2,673,059
Amount available for appropriation	(39,240,086)	(28,553,297)
Adjusted during the year		
Profit & Loss (Deficit)- Closing Balance	(39,240,086)	(28,553,297)

3 LONG TERM BORROWINGS

In Rs.

Particulars	As at March 31, 2014	As at March 31, 2013
Secured loans		
From banks		
Indian Bank	3,037,174	2,381,914
Unsecured		
Related parties	1,631,844	1,857,635
Other parties	11,006,434	11,404,034
	15,675,452	15,643,583

4 TRADE PAYABLES

In Rs.

Particulars	As at March 31, 2014	As at March 31, 2013
Trade payables		
Sundry Creditors(Refer note below)		
a)Micro and Small Enterprises	-	-
b)Others	4,889,056	5,469,523
Due to related parties	9,126,575	9,126,575
	14,015,631	14,596,098

Note:- Creditors are checked subject to confirmation

5 OTHER CURRENT LIABILITIES

In Rs.

Particulars	As at March 31, 2014	As at March 31, 2013
Other payables		
Outstanding Liabilities/Statutory Liabilities	6,297,436	8,719,308
TDS Payables	16,639	711,779
Payable to Employees	921,436	2,024,723
Advances received from client	-	731,981
	7,235,511	12,187,791



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SHORT TERM PROVISIONS

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Provision for employee benefits	405,808	524,604
<u>Provision</u>		
a) Provision for Tax (Current year)	-	1,650,000
b) Provision for expenses	36,258	19,836
	442,066	2,194,440

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LONG TERM LOANS AND ADVANCES

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
<u>Unsecured, considered good</u>		
Security Deposits	67,500	140,500
	67,500	140,500

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TRADE RECEIVABLES

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
<u>Debt outstanding for a period exceeding six months</u>		
Unsecured, considered good	1,334,586	4,944,483
<u>Other trade receivable (Refer Note below)</u>		
Unsecured, considered good	1,333,488	9,885,164
	2,668,074	14,829,647

Provision for doubtful debts:

Periodically, the Company evaluates all customer dues to the Company for collectability. The need for provisions is assessed based on various factors including collect ability of specific dues, risk perceptions of the industry in which the customer operates, general economic factors, which could affect the customer's ability to settle. The Company pursues the recovery of the dues, in part or full.

Debtors are checked subject to confirmation

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CASH AND CASH EQUIVALENTS

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Cash on hand	83,810	89,032
<u>Balances with Scheduled Banks</u>		
In current accounts (Refer Note (i) below)	10,081	82,884
In deposit accounts (Refer Note (ii) below)	3,232,731	4,030,922
	3,242,812	4,113,806
	3,326,622	4,202,839



Note

The details of balances as on Balance Sheet dates with banks are as follows:

Particulars	As at March 31,	As at March 31,
	2014	2013
i <u>In current accounts</u>		
ICICI Bank-3845 (Vile Parle Branch)	3,246	63,950
S. B. I-4404 (Vile Parle Branch)	6,835	18,935
	10,081	82,884
ii <u>In deposit accounts</u>		
FD with Indian Bank	3,232,731	4,030,922
	3,242,812	4,113,806

11 SHORT TERM LOANS AND ADVANCES In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
<u>Unsecured, considered good</u>		
Advance to Associate:-Mono Acriglass Industries Ltd.	21,948,154	21,948,154
(Refer Note below)	21,948,154	21,948,154
Advances, recoverable in cash or in kind for value to be received	709,332	765,578
Prepaid Taxes	6,143,320	5,887,477
Advances paid to creditors	-	716,682
	28,800,806	29,317,891

Note:-

Disclosure as required by clause 32 of Listing Agreement

Balance as on.

	Rs. In Lakh	
	As at March 31,	As at March 31,
	2014	2013
<u>Advance to Associate:-Mono Acriglass Industries Ltd.</u>		
(a) Balance	219.48	219.48
(b) Maximum Amount outstanding during the year	219.48	219.48



12 REVENUE FROM OPERATIONS

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Mudlogging Services	7,059,638	40,828,401
Damage Claimed	-	5,612,245
	<u>7,059,638</u>	<u>46,440,646</u>

13 OTHER NON OPERATING INCOME

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Interest received on Fixed Deposits	250,332	660,648
Training Income	-	1,334,586
Discount	-	89,691
Octroi refund	167,293	-
Sundry balances w/off	96,838	-
Cenvat Credit A/c	-	400,620
Interest on TDS	-	105,032
Other Income	3,987,960	-
	<u>4,502,423</u>	<u>2,590,577</u>

14 OPERATING EXPENSES

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Octroi charges	33,000	1,478
Customs and Clearance Charges	42,000	815,787
Loading and unloading charges	2,200	37,600
Transportation charges	243,080	852,441
Freight and Forwarding charges	123,985	-
Site Expenses	-	24,000
Repairs & maintenance & spares	286,648	1,397,752
	<u>730,913</u>	<u>3,129,058</u>

15 EMPLOYEE BENEFITS EXPENSE

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Salaries and wages	4,512,222	11,310,895
Employers Contributions to provident and other funds	171,686	528,863
Gratuity paid (Refer Note Below)	17,885	66,059
Staff & labour welfare expenses	61,372	92,827
	<u>4,763,165</u>	<u>11,998,644</u>

Note:-Gratuity

The Company has a defined benefit gratuity plan. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous service on resignation, termination or to his nominee on death.



16 FINANCE COST

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Interest & Finance Charges(Bank /O/d)	445,503	1,125,550
Bank charges	178,146	-
Interest on Unsecured Loans	-	2,918,376
	623,649	4,043,926

17 OTHER EXPENSES

In Rs.

Particulars	As at March 31,	As at March 31,
	2014	2013
Advertising expenses	5,027	21,557
Audit Fees	249,440	206,500
Bad debts written off	6,488,869	-
Business and Development	-	45,111
Commission	-	17,288
Conveyance	37,402	118,640
Diwali Expenses	32,831	63,400
Donation	-	20,000
Electricity Chg	72,530	149,340
Entertainment expenses	34,293	73,872
Exchange Loss	-	169,477
Field Staff Expenses	-	92,773
Food Expenses on site	237,439	1,607,332
Foreign Travelling Exp	812,358	1,639,072
Guest House Expenses	55,826	112,093
Hotel Expenses/Room Rent	15,000	63,600
Insurance	69,840	394
Interest on TDS	63,829	-
Internet Expenses	10,493	7,746
Labour Charges	25,000	116,442
Listing Fees	-	204,642
Misc. Expenses	-	6,568
Office Expenses	40,053	362,987
Overseas Expenses	-	345,326
Packing expenses	7,600	138,380
Postage & Courier	85,014	109,744
Printing & Stationery	105,972	422,026
Professional / Consultancy Fees	769,989	745,027
Rates and Taxes	67,476	163,086
Registration Charges	114,465	21,607
Repair and Maintenance -Office	25,200	3,850
Site Expenses	1,060,862	2,994,520
Society Charges	233,924	30,048
Telephone Expenses	101,308	128,189
Tender Fees	41,833	52,500
Training Expenses	18,181	24,417
Travelling Expenses	418,950	1,918,464
Unit Hire Charges	-	15,731,250
Vehicle Charges	59,709	1,869,745
WCT	173,661	378,193
	11,534,374	30,175,207



FIXED ASSETS - TANGIBLE

In Rs.

Sr. No	Rate	Particulars	Original cost			Depreciation and Amortization				Net book value	
			As at April 1, 2013	Additions/A adjustments during the period	Deductions/ Retirement during the period	As at March 31, 2014	As at April 1, 2013	For the period	Deductions/ adjustments during the period	As at March 31, 2014	As at March 31, 2013
1	0%	LAND	112,640	-	-	112,640	-	-	-	112,640	112,640
2	10%	FACTORY SHED	2,159,004	-	-	2,159,004	1,737,029	42,198	-	379,777	421,975
3	13.91%	PLANT & M/C	877,631	-	-	877,631	751,071	17,604	-	108,956	126,560
4	13.91%	OFFICE EQPT	388,447	-	-	388,447	213,273	24,367	-	150,807	175,174
5	18.10%	FUR & FIXTURES	2,031,179	-	-	2,031,179	905,697	203,712	-	921,770	1,125,482
6	40.00%	COMPUTER	2,461,817	-	-	2,461,817	2,224,968	94,740	-	142,109	236,849
7	13.91%	ELEC FITTINGS	85,453	-	-	85,453	51,055	4,785	-	29,613	34,398
8	13.91%	M.L. UNITS	92,331,007	-	-	92,331,007	62,218,537	4,188,645	-	25,923,825	30,112,470
9	25.89%	VEHICLE	30,000	-	-	30,000	23,293	1,736	-	4,971	6,707
10	13.91%	FAX MACHINE	6,150	-	-	6,150	3,207	409	-	2,534	2,943
		TOTAL	100,483,328	-	-	100,483,328	68,128,130	4,578,195	-	27,777,003	32,355,198
		Previous Year	95,440,348	5,042,980	-	100,483,328	62,869,752	5,258,379	-	32,355,198	32,570,595



Particulars

Significant accounting policies**a Basis of accounting and preparation of financial statements**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

c Depreciation and amortisation

Depreciation has been provided on the written down value method as per the rates prescribed in Schedule XIV to the Companies Act, 1956.

Pro-rata Depreciation is provided on additions/disposal of fixed assets during the year.

d Revenue recognition**Sale of units**

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of units to customers. Net sales exclude excise duty, sales tax and value added tax.

Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred. Revenues from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using the proportionate completion method, with contract costs determining the degree of completion. Foreseeable losses on such contracts are recognised when probable.

Revenues from maintenance contracts are recognised pro-rata over the period of the contract.

e Other income

Interest income is accounted on accrual basis. Dividend income is accounted on receipt basis.



f Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets include other incidental expenses incurred up to that date. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired in full or part exchange for another asset are recorded at the fair market value or the net book value of the asset given up, adjusted for any balancing cash consideration. Fair market value is determined either for the assets acquired or asset given up, whichever is more clearly evident.

g Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets or amortised on settlement / over the maturity period of such items if such items do not relate to acquisition of depreciable fixed assets. The unamortised balance is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon.

h Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.



i **Investments**

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

Investment properties are carried individually at cost less accumulated depreciation and impairment, if any. Investment properties are capitalised and depreciated (where applicable) in accordance with the policy stated for Tangible Fixed Assets. Impairment of investment property is determined in accordance with the policy stated for Impairment of Assets.

j **Employee benefits**

Contributions to Provident Fund for the year are recognized in the Profit & Loss Account.

The liability towards gratuity, leave encashment, post retirement benefits and other long-term benefits are provided for in the accounts based on actuarial valuation as at the end of the year. Actuarial gains and losses are recognized in the Profit and Loss Account as income or expense.

k **Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations.

Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

l **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date.



Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

m Impairment of assets

The values of fixed assets are reviewed by the management for impairment at each Balance Sheet date if events or circumstances indicate that the carrying values may not be recoverable. If the carrying value is more than the net selling price of the asset or present value, the difference is recognized as an impairment loss.

n Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

o Borrowing Costs

Borrowing costs attributable to acquisition, construction or production of qualifying asset are capitalized as part of the cost of that asset, till the month in which the asset is ready for use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

p Provisions, Contingent Liabilities and Capital Commitments

Provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Capital commitments and Contingent liabilities disclosed are in respect of items which exceed Rs.0.05 crores in each case.

Contingent liabilities are considered only on conversion of show cause notices issued by various Government authorities into demand.

q Cash flow statement is prepared segregating the cash flows operating, investing and financing activities. Cash flow from operating activities is reported using indirect method.

- i. Transactions of non-cash nature.
- ii. Any deferrals or accruals of past or future operating cash receipts or payments and
- iii. Items of income or expenses associated with investing or financing cash flows.

Cash and cash equivalents (including bank balances) are reflected as such in the cash flow statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with as specific disclosure.



Note 19

- A Amounts in the financial statements are presented in nearest rupee
The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period presentation.
- B Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:
The company has not received any intimation from the suppliers regarding Status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no such disclosure under the said Act is considered necessary.
- C The Company has granted its associate M/s. Mono Acriglass Industries Limited, advance and loans amounting to Rs. 219.48 lacs. M/s Mono Acriglass Industries Ltd has accumulated losses in excess of its share capital. It has become a sick Company as per the Sick Industrial Companies (Special Provision) Act, 1985. The Board of Industrial & Financial Reconstruction vide their order dated 6-2-2007 has declared the company sick. M/s.GSFC successfully preferred an appeal with the AAIFR. The Appellate Authority for Industrial and Financial Reconstruction vide their order dated 02.09.2014 has dismissed the appeal of the company for BIFR protection. The recovery of the above mentioned amount seems highly improbable and therefore should be provided / adjusted accordingly in the books of the company. If this amount were to be adjusted, then the loss of the company would increase by Rs.219.48 lacs approximately.

D Foreign exchange: Transactions

Particulars	As at March 31, 2014	As at March 31, 2013
A. Imports at CIF		
Sensors, Components, Assemblies and Sub-assemblies.	-	3,279,431
B. Expenditure in Foreign Currency	-	9,481,400
C. Value of Export	-	-

The above reflects the foreign exchange commitment in the expenses of the Company

E Related party transaction as per AS -18

List of related parties:

Description of relationship	Names of related parties
i) Associates	M/s.Alexis Financial Consultants P Ltd M/s.E-Log -Jakarta M/s.E-Log - Indonesia M/s.E-Log - Canada M/s.E-Log - (Fareast) Pte.Ltd M/s.Mono Acriglass Industries Ltd
ii) Key Management Personnel (KMP)	Mr.Manoranjana Sahu Mr.S.N.Chaturvedi Mr.Sreedhar Tripathy

Details of related party transactions during the year ended 31 March, 2014 and balances outstanding as at 31 March, 2014:



Particulars	As at March 31, 2014	As at March 31, 2013
Purchase of Assets from:		
i) E-Log Canada	-	3,279,431
Loans & Advance received from:		
ii) Manoranjan Sahu	2,461,000	599,855
Unit Hire Charges		
iii) E-Log Indonesia	-	4,828,950
iv) E-Log Fareast Ltd	-	5,633,775
Training Income:		
v) E-Log (Far East) Pte Ltd	-	1,334,586
d) Outstanding at period end:		
i) <u>Receivables:</u>		
a Mono Acriglass Industries Ltd.	21,948,154	21,948,154
b E-Log (Far East) Pte Ltd	1,334,586	1,334,586
ii) <u>Payables:</u>		
a E-Log (Fareast) Pte. Ltd.	2,259,500	2,259,500
b E-Log Indonesia	6,867,075	6,867,075
c Manoranjan Sahu	410,064	619,855
d Sreedhar Tripathy	50,000	300,000
e Alex Financial Consultant Pvt Ltd	642,780	642,780

F a. Particulars regarding Capacities and Production (as certified by the MANAGING DIRECTOR)

Particulars	2013-14 Mudlogging unit	2012-13 Mudlogging unit
i) Licensed Capacity	0	0
ii) Installed Capacity (as per Management's Estimates)	0	0
iii) Actual Production *	0	0

Note: *This figure refers to Mudlogging Units assembled and capitalised for own use.

b. Consumption of spare parts and consumables

	% of total Completion	2013-14	% of total Completion	2012-13
Imported	-	-	70	3279431
Indigenous	-	-	30	1421752

Note: The above data include items consumed during the manufacturing of plant and machinery for the Company's own use.



c. Details of Sale

Particulars	As at March 31, 2014	As at March 31, 2013
Mudlogging Services	7,059,638	40,828,401
Damage charges	-	5,612,245

G

Particulars	As at March 31, 2014	As at March 31, 2013
i <u>Payments to the auditors comprises (net of service tax input credit, where</u>		
As auditors - statutory audit	249,440	206,500
Total(i)	249,440	206,500
ii <u>Managerial Remuneration</u>		
Amount paid to Directors including Managing Director		
(i)Salary	300,000	300,000
(ii)Company's contribution to PF	9,360	9,360
	-	-
Total(ii)	309,360	309,360

H DEFERRED TAXATION

In Rs.

In accordance with Accounting Standard AS 22 relating to "Accounting for Taxes on Income- the deferred tax

In Rs.

Items Attributable to deferred tax	As at March 31, 2014	As at March 31, 2013
<u>Deferred Tax Liability arising on A/c of timing difference:</u>		
Depreciation	-	47,610
<u>Deferred Tax Assets arising on A/c of timing difference:</u>		
Depreciation	9,729	
Section 43 B items disallowed	256,301	60,994
Net Assets on account of deferred taxation	266,030	108,604
Tax impact is 30.09% of above.		

I EARNING PER EQUITY SHARE

Particulars	As at March 31, 2014	As at March 31, 2013
<u>Basic / diluted</u>		
Net profit / (loss) for the year	(10,686,789)	2,673,059
Less: Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders	(10,686,789)	2,673,059
Weighted average number of equity shares	6,420,630	6,420,630
Par value per share	10	10
Earnings per share - Basic / diluted	(1.664)	0.416

J Segment Reporting

As company's activity falls within a single segment viz. Mudlogging, the disclosure requirements of accounting Standard 17 "Segment Reporting", is issued by the Institute of Chartered Accountants of India is not applicable.

K Contingent Liabilities not provided in respect of the guarantees issued by the Bank on behalf of the Company to the customers and Government authorities.Rs.42,62000/-



- L Remittances by the Company in foreign currencies for dividends
(including fuel consumed and stores consumption included in Repairs and Maintenance)

Dividend for the year ended

	As at March 31, 2014	As at March 31, 2013
i) No of non-resinent shareholders	0	0
ii) No. of Equity Shares of Face Value	0	0
iii) Amount of Dividend	0	0

- M Earnings in Foreign exchange:

	As at March 31, 2014	As at March 31, 2013
i) Interest	0	0
ii) Export of Service	0	0
iii) Guarantee Commision from Subsidiaries	0	0
iv) Dividend	0	0
v) Other	0	0

Terms of our report of even date:

For Hemant Mhambrey Associates

Chartered Accountants

Proprietor
Membership No 38238

Place : Mumbai

Date : 1st September, 2014



For and on behalf of the Board of Directors

Director
(M. SAHU)

Director
(S. TRIPATHY)

**BALANCE SHEET ABSTRACT AND A
COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details :

Registration No. State Code (Refer Code List)

Balance - sheet
Date Date Month Year

II Capital Raised during the year (Amount in Rs.Thousands).

Public Issue <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Right Issue <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Bonus Issue <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>	Private Placement <input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="0"/>	Total Assets <input type="text" value="6"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="0"/>
Sources of Funds	Reserves & Surplus
Paid - up Capital <input type="text" value="6"/> <input type="text" value="4"/> <input type="text" value="2"/> <input type="text" value="0"/> <input type="text" value="6"/>	<input type="text" value="3"/> <input type="text" value="9"/> <input type="text" value="2"/> <input type="text" value="4"/> <input type="text" value="0"/>
Secured Loans <input type="text" value="3"/> <input type="text" value="0"/> <input type="text" value="3"/> <input type="text" value="7"/>	Unsecured Loans <input type="text" value="1"/> <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="3"/> <input type="text" value="8"/>
Current Liabilities <input type="text" value="2"/> <input type="text" value="1"/> <input type="text" value="6"/> <input type="text" value="9"/> <input type="text" value="3"/>	Deferred Tax Liabilities <input type="text" value="2"/> <input type="text" value="6"/> <input type="text" value="6"/>
Application of Funds	Investments
Net Fixed Assets <input type="text" value="2"/> <input type="text" value="7"/> <input type="text" value="8"/> <input type="text" value="4"/> <input type="text" value="4"/>	<input type="text" value="N"/> <input type="text" value="I"/> <input type="text" value="L"/>
Current Assets <input type="text" value="3"/> <input type="text" value="4"/> <input type="text" value="7"/> <input type="text" value="9"/> <input type="text" value="5"/>	Long Term Loans & Advances <input type="text" value="6"/> <input type="text" value="7"/>

IV. Performance of Company (Amount in Rs.Thousands).

Turnover <input type="text" value="1"/> <input type="text" value="1"/> <input type="text" value="5"/> <input type="text" value="6"/> <input type="text" value="2"/>	Total Expenditure <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="2"/> <input type="text" value="3"/> <input type="text" value="0"/>
Profit / Loss Before Tax <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="9"/> <input type="text" value="5"/> <input type="text" value="2"/>	profit / Loss After Tax <input type="text" value="1"/> <input type="text" value="0"/> <input type="text" value="6"/> <input type="text" value="8"/> <input type="text" value="6"/>

(Please tick Appropriate box + for Profit - or Loss)

Earning per share in Rs.

Dividend @ %

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)

Product Description

Note : For ITC Code of Products please refer publication Indian Trade Classification based on harmonised commodity description and coding system by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistics Calcutta - 700 001.



GEOLOGGING INDUSTRIES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	2013-14	2012-13
A. Cash flow from operating activities		
Profit before tax & extra-ordinary items Adjusted for		
Depreciation	(10,668,235)	(5,573,992)
Prior Period Items	4,578,195	5,258,379
Interest received	(284,584)	10,005,655
Interest & Finance charges	(250,332)	(660,648)
Net Transfer to Reserves	623,649	4,043,926
Operating profit before working capital changes		
Changes in	(6,001,307)	13,073,321
Changes in Current Assets	12,751,657	2,638,844
Changes in Current Liabilities	(7,285,122)	(4,871,401)
Cash generated from operations	(534,773)	10,840,764
Provision for Taxation	-	(1,650,000)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(534,773)	9,190,764
Extra-ordinary items	-	-
NET CASH FROM OPERATING ACTIVITIES	(534,773)	9,190,764
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	-	(5,042,980)
Sale of fixed assets	-	-
Interest received	250,332	660,648
NET CASH USED IN INVESTING ACTIVITIES	250,332	(4,382,332)
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
Loan taken /Repaid	-	-
Interest & Finance charges paid	31,869	(1,267,340)
	(623,649)	(4,043,926)
NET CASH USED IN FINANCING ACTIVITIES	(591,779)	(5,311,266)
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	(876,217)	(502,836)
CASH & CASH EQUIVALENTS-OPENING BALANCE	4,202,839	4,705,674
CASH & CASH EQUIVALENTS-CLOSING BALANCE	3,326,622	4,202,839

We have verified the above cash flow statement of Geologging Industries Limited derived from the audited annual financial statements for the years ended March 31, 2013 and March 31, 2014 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with stock exchanges.

For HEMANT MHAMBREY ASSOCIATES
CHARTERED ACCOUNTANTS

CA. HEMANT MHAMBREY
PROPRIETOR
PLACE : MUMBAI
DATED : 1st September, 2014



FOR AND ON BEHALF OF THE BOARD
For GEOLOGGING INDUSTRIES LTD.

M. SAHU
DIRECTOR
PLACE : MUMBAI
DATED : 1st September, 2014