

AUDITOR'S REPORT

To the members of
Rolling Construction Private Limited

We have audited the attached Balance Sheet of Rolling Construction Private Limited as at March 31, 2012, the related Statement of Profit and Loss and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by The Companies (Auditors Report) Order, 2003, as amended by the Companies (Auditors' Report) (Amended) Order 2004, [Order] issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.

We report that:

- i) 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.
- ii) 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.
- iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
- iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the accounting standards referred in sub section (3C) of section 211 of the Companies Act, 1956.
- v) None of the directors of the Company would be disqualified under the provisions of section 274 (1) (g) of the Companies Act, 1956, from being appointed as a director of the Company, as the Company is a private company and the said section only provides for ineligibility from being appointed as a director of any other public company.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with accounting policies and notes thereto, give the information required by the Companies Act, 1956, in the manner



so required and gives a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- b) in the case of Statement of Profit and Loss, of the profit earned by the Company for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

117, New Delhi House,
27, Barakhamba Road,
New Delhi- 110001



May 25, 2012

B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 001596N
By the hand of

Kamal Ahluwalia

Kamal Ahluwalia
Partner
Membership No. 093812

ANNEXTURE TO AUDITOR'S REPORT

[Referred to in paragraph 3 of the Auditor's Report of even date to the members of Rolling Construction Pvt. Ltd. on the financial statements for the year ended March 31, 2012]

- I. In respect of fixed assets:
 - a) The Company is maintaining proper records for fixed assets showing full particulars thereof.
 - b) The fixed assets are physically verified by the management at reasonable interval during the year and no material discrepancies were noticed on such verification as compared to books of accounts.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed asset during the year and the going concern status of the Company is not affected.
- II. The Company does not own any inventory. Accordingly, provisions of clauses (ii)(a), (ii)(b) and (ii)(c) of paragraph 4 of the Order are not applicable to the Company.
- III.
 - a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - b) The Company has accepted interest free unsecured loans from its holding company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 20,00,000 and yearend balance of the said loan is Nil.
 - c) In our opinion and according to the explanation given to us, the terms and conditions of loans taken by the Company are prima facie not prejudicial to the interests of the Company.
 - d) According to the information and explanation given to us, the aforesaid unsecured loan taken by the Company is interest free and repayable on demand and hence the question of repayment and interest being regular does not arise.
- IV. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control systems.
- V.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301, have been so entered.



- b) Transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- VI. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
- VII. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- VIII. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 in respect of activities carried out by the Company.
- IX. 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 been generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at March 31, 2012 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited by the Company with appropriate authorities on account of dispute.
- X. The Company does not have accumulated losses at the end of the financial year ended on March 31, 2012 and it has not incurred cash losses in the financial year covered by our audit and also in the immediately preceding financial year.
- XI. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues of its Bankers.
- XII. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- XIII. The Company is not a chit fund or a nidhi mutual benefit fund/society.
- XIV. The Company is not dealing or trading in shares, securities, debentures and other investments.
- XV. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.



- XVI. In our opinion and according the information and explanation given to us, term loans have been applied for the purpose for which they were obtained.
- XVII. According to the information and explanations given to us and on the basis of an overall examination of the Balance Sheet of the Company, we are of the opinion that no funds raised on short term basis during the year have been used for long term investments.
- XVIII. According the information and explanation given to us, the Company has issued equity shares on preferential allotment basis during the year to parties and companies covered under register maintained under section 301 of the Companies Act, 1956. The price at which shares have been issued is not prejudicial to the interest of the company.
- XIX. The Company had not issued any debentures during the year.
- XX. The Company has not raised any money by way of public issue during the year.
- XXI. Based upon the audit procedures performed and according to the information and explanations to us, no fraud on or by the Company has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.

117, New Delhi House,
27, Barakhamba Road,
New Delhi- 110001



May 25, 2012

B. Bhushan & Co.
Chartered Accountants
Firm Registration No. 001596N
By the hand of

Kamal Ahluwalia

Kamal Ahluwalia
Partner
Membership No. 093812

ROLLING CONSTRUCTION PRIVATE LIMITED

BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
I. EQUITY AND LIABILITIES			
Shareholders' fund			
a) Share capital	2	5,791,940	4,540,240
b) Reserves and surplus	3	480,381,737	353,691,964
		<u>486,173,677</u>	<u>358,232,204</u>
Non current liabilities			
a) Long term borrowings	4	100,000,000	100,000,000
Current liabilities			
a) Short term borrowings	5	-	1,713,309
b) Other current liabilities	6	16,451,972	4,814,694
c) Short term provisions	7	1,249,961	66,871
		<u>17,701,933</u>	<u>6,594,874</u>
		<u>603,875,610</u>	<u>464,827,078</u>
TOTAL			
II. ASSETS			
Non current assets			
a) Fixed assets			
i) Tangible assets	8	340,228,761	340,228,761
ii) Capital work in progress	9	237,801,575	68,230,421
b) Long term loans and advances	10	4,825,928	50,691,782
		<u>582,856,264</u>	<u>459,150,964</u>
Current assets			
a) Cash and bank balances	11	19,671,362	5,015,682
b) Short term loan and advances	12	10,000	35,000
c) Other current assets	13	1,337,984	625,432
		<u>21,019,346</u>	<u>5,676,114</u>
		<u>603,875,610</u>	<u>464,827,078</u>
TOTAL			
SIGNIFICANT ACCOUNTING POLICIES		1	

This is the Balance Sheet referred in our report of even date addressed to the members of Rolling Construction Private Limited.

The notes referred above form an integral part of the Balance Sheet.

B. Bhushan & Co.
Chartered Accountants
By the hand of

Kamal Ahluwalia

Kamal Ahluwalia
Partner
Membership no. 093812
May 25, 2012
New Delhi



Directors

Ashok Sarin
Ashok Sarin

Ashim Sarin
Ashim Sarin

ROLLING CONSTRUCTION PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Notes	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
I INCOME			
Other income	14	4,121,623	247,388
Total revenue		<u>4,121,623</u>	<u>247,388</u>
II EXPENSES			
Employees benefits expense	15	-	1,450
Finance costs	16	23,839	1,395
Other expenses	17	76,447	29,526
Total expenses		<u>100,286</u>	<u>32,371</u>
III Profit before prior period income (I - II)		4,021,337	215,017
IV. Prior period income		97	-
V. Profit before tax (III - IV)		4,021,434	215,017
VI. Tax expense			
Current tax		1,249,961	66,871
VII Profit for the year from continuing operations (V - VI)		<u>2,771,473</u>	<u>148,146</u>
VIII Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]			
1) Basic		5.04	0.33
2) Diluted		5.04	0.33

SIGNIFICANT ACCOUNTING POLICIES

1

This is the Statement of Profit and Loss referred in our report of even date addressed to the members of Rolling Construction Private Limited.

The notes referred above form an integral part of the Statement of Profit and Loss.

B. Bhushan & Co.
Chartered Accountants
By the hand of

Kamal Ahluwalia

Kamal Ahluwalia
Partner
Membership no. 093812
May 25, 2012
New Delhi



Directors

Ashok Sarin
Ashok Sarin

Ashim Sarin
Ashim Sarin

1 SIGNIFICANT ACCOUNTING POLICIES**a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Company have been prepared in accordance with the Indian Generally Accepted Accounting Principles ("Indian GAAP"). The Company has prepared these financial statements to comply in all material aspects with the accounting standard notified under the Companies (Accounting Standard) Rules, 2006 as amended and the relevant provision of the Companies Act, 1956. The financial statement have been prepared under the historical cost convention and on accrual basis.

The accounting policies adopted in the preparation and presentation of financial statements are consistent with those of previous year. The management evaluates all recently issued or revised accounting standards on a ongoing basis.

During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company, for preparation and presentation of its financial statement. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified previous year figures in accordance with the requirements applicable in the current year.

b) TANGIBLE ASSETS AND CAPITAL WORK IN PROGRESS

Tangible Assets are stated at cost including incidental expenses, less impairment losses. Cost comprises the purchase price and any attributable cost incurred in bringing the asset to its working condition for its intended use.

Capital work-in-progress comprises construction work-in-progress, direct expenditure and the cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

c) IMPAIRMENT OF ASSETS

Consideration is given at each Balance Sheet to determine whether there is any indication of impairment of the carrying amount of the Company's fixed assets. If any indication exists, the recoverable value of assets is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount, the latter being greater of net selling price and value in use.

d) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in the income statement in the period in which they are incurred.

e) RECOGNITION OF REVENUE AND EXPENDITURE

Income and expenditure are accounted for on accrual basis.

f) CASH FLOW STATEMENT

Cash flows are reported using indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.



g) CASH AND CASH EQUIVALENTS

In the Cash Flow Statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

h) EARNINGS PER SHARE

The Company reports basic and diluted earnings per share (EPS) in accordance with Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

i) TAXES ON INCOME

Current tax provision is measured by the amount of tax expected to be paid on the taxable profits after considering tax allowances and exemptions and using applicable tax rates and laws.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences between the financial statements, carrying amounts of existing assets and liabilities and their respective tax bases and carry forwards of operating loss. Deferred tax assets and liabilities are measured on the timing differences applying the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Changes in deferred tax assets and liabilities between one Balance Sheet date and the next, are recognized in the Profit and Loss Account in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit and Loss Account in the year of change.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized by way of future taxable income. Deferred tax assets related to unabsorbed depreciation and carry forward losses are recognized only to the extent that there is virtual certainty of realization. Deferred tax assets are reviewed for appropriateness of their carrying amounts at each Balance Sheet date.

j) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized for a present obligation as result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
2 SHARE CAPITAL		
Authorized		
1,000,000 (1,000,000) equity shares of Rs. 10 (Rs. 10) each	10,000,000	10,000,000
Issued, subscribed, and fully paid up		
579,194 (454,024) equity shares of Rs. 10 (Rs. 10) each fully paid up	5,791,940	4,540,240

a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

	As at March 31, 2012		As at March 31, 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	454,024	4,540,240	454,024	4,540,240
Shares issued during the year	125,170	1,251,700	-	-
Number of shares outstanding at the end of the year	579,194	5,791,940	454,024	4,540,240

b) Terms/rights attached to equity shares

The Company has only one class of equity share having a par value of Rs. 10 per share. Each shareholder of equity shares is entitled to one vote per share. The Company declares and pays dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive 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 each shareholders.

c) Shares held by holding Company, Anant Raj Industries Ltd.

*290,176 (*227,466) equity shares of Rs. 10 (Rs. 10) each fully paid up

	2,901,760	2,274,660
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*Includes 4 (4) equity shares held by nominees of the holding company, Anant Raj Industries Ltd.

d) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2012		As at March 31, 2011	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up				
i) Anant Raj Industries Limited*	290,176	50.10%	227,466	50.10%
ii) Monsoon India Infrastructure Direct I Ltd. #	239,118	41.28%	176,658	38.91%
iii) Monsoon India Inflection Fund 2 Ltd	33,267	5.74%	33,267	7.33%

*Anant Raj Industries Limited (ARIL) is a company incorporated under the Indian Companies Act, 1956 and having its registered office at 85.2 K.M. Stone, Village Bhudla, P.O. Sangwari, District Rewari, Haryana.

Monsoon India Infrastructure Direct I Limited ("Investor") is a company incorporated under the law of Mauritius and having its registered office at c/o OCRA (Mauritius Limited), Level 2, Max City Building, Remy Ollier Street, Port Louis, Mauritius.

e) The investments of the Investor along with its affiliates in the equity of the Company are 289,018 (226,558) fully paid up equity shares of Rs. 10 each aggregating to 49.90% shareholding of the Company.



- f) The Company and its shareholders, ARIL and Investor, executed a Share Subscription and Shareholders Agreement whereby the shareholders have agreed to promote development of a technology park near Chandigarh in Haryana, construction whereof is ongoing.
- g) The Company was granted approval by the Foreign Investment Promotion Board up to June 28, 2011 to comply with the minimum capitalization of investment in the Company by the Foreign Investor which has been duly complied within the time allotted to the Company.

	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
3 RESERVES AND SURPLUS		
a) Security premium		
Opening balance	350,483,760	350,483,760
Addition during the year	123,918,300	-
	<u>474,402,060</u>	<u>350,483,760</u>
b) Profit and Loss Account		
Opening balance	3,208,204	3,060,058
Addition during the year	2,771,473	148,146
	<u>5,979,677</u>	<u>3,208,204</u>
	(a+b)	
	<u>480,381,737</u>	<u>353,691,964</u>
4 LONG TERM BORROWINGS		
(Secured)		
a) Term loans from bank	<u>100,000,000</u>	<u>100,000,000</u>
Term loan of Rs. 1,000 lacs (Rs. 1,000 lacs) from Allahabad Bank is secured by (a) exclusive charge by way of equitable mortgage of land measuring approx 10 acres allotted by HSIIDC and building/construction thereon (both present and future) at Panchkula, Haryana; (b) exclusive hypothecation charge over entire moveable assets related to the project; and (c) corporate guarantee of one of the promoters, Anant Raj Industries Limited.		
The bank sanctioned the term loan of Rs. 7,000 lacs against which the Company has availed only Rs. 1,000 lacs till the year end. Principal amount of term loan shall be repaid in 32 unequal quarterly instalments commencing from July 2013. The interest on term loan shall be paid on monthly basis.		
In terms of the Share Subscription and Shareholders Agreement, the shareholders are expected to guarantee the borrowing of the Company pro-rata to their shareholding. The necessary documentation in this regard is yet to be executed.		
5 SHORT TERM BORROWINGS		
(Unsecured)		
a) Loan from related party	<u>-</u>	<u>1,713,309</u>

Loan from related party represents non interest bearing unsecured loan from holding company which is repayable on demand. There is no repayment of principal or payment of interest due by the Company as at the year end.



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
6 OTHER CURRENT LIABILITIES		
a) Other Payables		
i) Creditors for capital goods and services	13,036,126	1,044,876
ii) Book overdraft	-	306,695
iii) Statutory dues payable	1,896,495	719,338
iv) Expenses payable	340,664	471,872
v) Security deposit	-	2,236,956
vi) Interest payable	1,178,687	34,957
	<u>16,451,972</u>	<u>4,814,694</u>
7 SHORT TERM PROVISIONS		
a) Provision for income tax	<u>1,249,961</u>	<u>66,871</u>
8 TANGIBLE ASSETS		
a) Land		
Opening balance	340,177,661	317,871,300
Additions during the year	-	22,306,361
	<u>340,177,661</u>	<u>340,177,661</u>
b) Computer		
Opening balance	51,100	-
Addition during the year	-	51,100
	<u>51,100</u>	<u>51,100</u>
	(a+b)	
	<u>340,228,761</u>	<u>340,228,761</u>
9 CAPITAL WORK IN PROGRESS		
a) Preoperative expenditure pending capitalisation		
Opening balance	3,142,655	267,419
Additions during the year (Refer notes 15, 16 and 17)	4,033,068	2,875,236
	<u>7,175,723</u>	<u>3,142,655</u>
b) Building under construction		
Opening balance	65,087,766	15,045,222
Additions during the year	165,538,086	50,042,544
	<u>230,625,852</u>	<u>65,087,766</u>
	(a+b)	
	<u>237,801,575</u>	<u>68,230,421</u>
10 LONG TERM LOANS AND ADVANCES (Unsecured, considered good)		
a) Capital advances	3,294,908	49,160,762
b) Security deposits	1,531,020	1,531,020
	<u>4,825,928</u>	<u>50,691,782</u>



	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
11 CASH AND BANK BALANCES		
a) Cash and cash equivalents		
i) Balance with bank		
- In current accounts	4,039,011	9,493
- In deposit account	10,624,730	-
ii) Cash on hand	7,621	6,189
	<u>14,671,362</u>	<u>15,682</u>
b) Other bank balances		
i) Fixed deposit against margin money*	5,000,000	5,000,000
	(a+b)	(a+b)
	<u>19,671,362</u>	<u>5,015,682</u>
*Pledged with the bank as margin against bank guarantee issued by the bank.		
12 SHORT TERM LOAN AND ADVANCES (Unsecured, considered good)		
a) Advance to employee	10,000	10,000
b) Advance to supplier	-	25,000
	<u>10,000</u>	<u>35,000</u>
13 OTHER CURRENT ASSETS		
a) Interest accrued but not due	423,524	22,377
b) Income tax receivable	914,460	48,912
c) Unamortised expenditure	-	554,143
	<u>1,337,984</u>	<u>625,432</u>
	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
14 OTHER INCOME		
a) Interest income on fixed deposit	4,121,623	247,388
15 EMPLOYEE BENEFITS EXPENSES		
a) Salary	2,700,414	2,714,689
b) Bonus	105,608	
c) Staff welfare	68,006	1,450
d) Leave encashment	31,608	-
	<u>2,905,636</u>	<u>2,716,139</u>
Less: Transferred to Preoperative expenditure pending capitalisation (Refer note 9)	2,905,636	2,714,689
	<u>-</u>	<u>1,450</u>
16 FINANCE COSTS		
a) Interest on income tax	23,839	1,395
b) Interest on overdrafts	187,650	67,157
	<u>211,489</u>	<u>68,552</u>
Less: Transferred to Preoperative expenditure pending capitalisation (Refer note 9)	187,650	67,157
	<u>23,839</u>	<u>1,395</u>



	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
17 OTHER EXPENSES		
a) Security expenses	324,614	77,103
b) Conveyance	51,762	9,900
c) Payment to auditors as audit fees	22,472	19,302
d) Filing fee	7,540	2,190
e) Legal and professional	31,927	2,818
f) Printing and stationary	1,763	4,023
g) Telephone expenses	7,500	3,237
h) Miscellaneous	1,502	300
i) Bank charges	8,790	4,043
j) Courier charges	1,380	-
k) Unamortised expenditure written off	554,143	-
l) Advertisement expenses	2,836	-
	<u>1,016,229</u>	<u>122,916</u>
Less: Transferred to Preoperative expenditure pending capitalisation (Refer note 9)	<u>939,782</u>	<u>93,390</u>
	<u>76,447</u>	<u>29,526</u>

18 CONTINGENT LIABILITIES (to the extent not provided for):**a) In respect of guarantees**

Contingent liability in respect of bank guarantee provided to Haryana State Pollution Control Board of Rs. 50 lacs (Rs. 50 lacs) towards issuance of "No objection certificate / Consent to Establish" a project at Haryana under the Water (Prevention & Control of Pollution) Act, 1974, Air (Prevention & Control of Pollution) Act, 1981 and Hazardous Waste (Management & Handling) Rules, 1989 as applicable to the Company.

b) In respect of capital commitment

Estimated amount of capital commitment in respect of construction of Technology Park net of advances is Rs. 17,98,62,264 (Rs. 28,04,11,880).

19 The Company has written off entire unamortised expenditure during the year.

20 The expenditure incurred by the Company during the year considered to enhance the value of the development project, i.e., Technology Park, has been transferred to 'Preoperative Expenditure Pending Capitalization' to constitute cost of the project, which will be apportioned over the fixed assets created on completion of development in progress.

21 The earning considered in ascertaining the Company's EPS is the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

Particulars		For the year ended March 31, 2012	For the year ended March 31, 2011
Profit attributable to equity shareholders	Rs.	2,771,473	148,146
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	550,124	454,024
Basic and diluted earnings per share		5.04	0.33



22 Related Party Disclosures

Pursuant to Accounting Standard (AS18)-"Related Party Disclosure" issued by Institute of Chartered Accountants of India following parties are to be treated as related parties along with their relationships:

a) Name of related parties and description of relationships :

Holding Company

Anant Raj Industries Limited

Joint venture

Monsoon India Inflection Fund 2 Limited
Monsoon India Inflection Fund Limited
Monsoon India Infrastructure Direct I Limited

Fellow Subsidiaries

Aakashganga Realty Pvt. Ltd.
Aarkarshak Realators Pvt. Ltd.
Advance Buildcon Pvt. Ltd.
Anant Raj Cons. & Development Pvt. Ltd.
Anant Raj Hotels Ltd.
Anant Raj Housing Ltd.
Anant Raj Projects Ltd.
Ankur Buildcon Pvt. Ltd.
A-Plus Estates Pvt. Ltd.
BBB Realty Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.
Bolt Properties Pvt. Ltd.
Capital Buildcon Pvt. Ltd.
Capital Buildtech Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.
CCC Realty Pvt. Ltd.
Century Promoters Pvt. Ltd.
Echo Buildtech Pvt. Ltd.
Echo Properties Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.
Elegant Estates Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.
Elevator Promoters Pvt. Ltd.
Elevator Properties Pvt. Ltd.
Empire Promoters Pvt. Ltd.
Excellent Inframart Pvt. Ltd.
Fabulous Builders Pvt. Ltd.
Four Construction Pvt. Ltd.
Gadget Builders Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.
Glaze Properties Pvt. Ltd.
Good Luck Buildtech Pvt. Ltd.
Grand Buildtech Pvt. Ltd.
Grand Park Buildtech Pvt. Ltd.
Grand Park Estates Pvt. Ltd.
Greatway Estates Ltd.
Greatways Buildtech Pvt. Ltd.
Green Line Buildcon Pvt. Ltd.
Green Line Promoters Pvt. Ltd.
Green Retreat and Motels Pvt. Ltd.
Green View Buildwell Pvt. Ltd.
High Land Meadows Pvt. Ltd.
Jasmine Buildwell Pvt. Ltd.
Jubilant Software Services Pvt. Ltd.
Kalinga Buildtech Pvt. Ltd.
Kalinga Realtors Pvt. Ltd.
Krishna Buildtech Pvt. Ltd.
Lucky Meadows Pvt. Ltd.
Monarch Buildtech Pvt. Ltd.
North South Properties Pvt. Ltd.
Novel Buildmart Pvt. Ltd.
Novel Housing Pvt. Ltd.
One Star Realty Pvt. Ltd.
Oriental Meadows Ltd.
Oriental Promoters Pvt. Ltd.
Papillon Buildcon Pvt. Ltd.
Papillon Buildtech Pvt. Ltd.
Park Land Const. & Equipment Pvt. Ltd.
Parkland Developers Pvt. Ltd.
Parkview Promoters Pvt. Ltd.
Pasupati Aluminium Ltd.
Pelikan Estates Pvt. Ltd.
Pioneer Promoters Pvt. Ltd.
Rapid Realtors Pvt. Ltd.
Red Sea Realty Pvt. Ltd.
Rising Realty Pvt. Ltd.
Romano Estate Pvt. Ltd.
Romano Infrastructure Pvt. Ltd.
Romano Projects Pvt. Ltd.
Romano Tiles Pvt. Ltd.
Rose Realty Pvt. Ltd.
Roseview Buildtech Pvt. Ltd.
Roseview Properties Pvt. Ltd.
Saffron View Properties Pvt. Ltd.
Sand Storm Buildtech Pvt. Ltd.
Sartaj Developers & Promoters Pvt. Ltd.
Sovereign Buildwell Pvt. Ltd.
Spring View Developers Pvt. Ltd.
Spring view Properties Pvt. Ltd.
Suburban Farms Pvt. Ltd.
Three Star Realty Pvt. Ltd.
Townsend Cons. & Equipments Pvt. Ltd.



ROLLING CONSTRUCTION PRIVATE LIMITED
Notes to financial statement for the year ended March 31, 2012

Green Way Promoters Pvt. Ltd.	Tumhareliye Realty Pvt. Ltd.
Green Wood Properties Pvt. Ltd.	Twenty First Developers Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	Vibrant Buildmart Pvt. Ltd.
Hamara Realty Pvt. Ltd.	West Land Buildcon Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	Woodland Promoters Pvt. Ltd.

Partnership firm in which holding company is partner

Ganga Bishan & Company

Key management Personnel

Ashok Sarin	Chairman & Director
Sunaini Sarin	Director
Ashim Sarin	Director

Note: The related party relationship is as identified by the management.

b) The Company has following transactions with the following related parties:

Sl. No.	Nature of Transactions	Related Party	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
1	Equity share capital allotted to holding company at issue price	Anant Raj Industries Ltd.	62,710,000	-
2	Equity share capital allotted to joint venture company at issue price	Monsoon India Infrastructure Direct I Limited	62,460,000	-
3	Short term borrowings received from holding company	Anant Raj Industries Ltd.	2,300,000	101,713,309
4	Short term borrowings repaid to holding company	Anant Raj Industries Ltd.	4,013,309	101,500,000

c) Amount outstanding as at March 31, 2012:

Sl. No.	Account head	Related Party	As at March 31, 2012 Rs.	As at March 31, 2011 Rs.
1	Equity share capital held by holding company	Anant Raj Industries Ltd.	2,901,760	2,274,660
2	Equity share capital held by Joint venturer	Monsoon India Infrastructure Direct I Limited	2,391,180	1,766,580
3	Equity share capital held by Joint venturer	Monsoon India Inflection Fund 2 Limited	332,670	332,670
4	Equity share capital held by Joint venturer	Monsoon India Inflection Fund Limited	166,630	166,630
5	Short term borrowings payable to holding company	Anant Raj Industries Ltd.	-	1,713,309



23 Details of Capital work in progress as at March 31, 2012:

Particulars	2011-12	2010-11
	Rs.	Rs.
a) Development and construction expenses	217,322,780	61,066,227
b) Finance charges	13,303,072	4,021,539
c) Preoperative expenditure pending capitalisation	7,175,723	3,142,655
	<u>237,801,575</u>	<u>68,230,421</u>

24 In the opinion of the management, the other current assets, short term loans and advances, if realized in the ordinary course of business would yield a sum at least equal to that stated in the Balance Sheet.

25 Figures and words in brackets relate to the previous year unless otherwise indicated.

26 Previous year figures have been regrouped/recast, where ever necessary, to confirm with this year's presentation.

Signatures to the above notes which form an integral part of the Balance Sheet and Statement of Profit and Loss.

Directors



Ashok Sarin



Ashim Sarin

May 25, 2012
New Delhi



ROLLING CONSTRUCTION PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended March 31, 2012 Rs.	For the year ended March 31, 2011 Rs.
A. CASH FLOW FROM OPERATIONS		
Profit before tax from continuing operation	4,021,434	215,017
Unamortised expenditure written off	554,143	-
Interest received	(4,121,623)	(247,388)
Operating profit before working capital changes	453,954	(32,371)
Adjustment for working capital changes:		
Decrease/(Increase) in other current assets	(401,960)	69,832
Decrease/(Increase) in short term loans and advances	25,000	17,903
Increase/(Decrease) in other current liabilities	11,637,278	(1,595,591)
Cash generated from operations	11,714,272	(1,540,227)
Tax paid during the year	(931,606)	(381,559)
Net cash from operating activities	(A) 10,782,666	(1,921,786)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in bank deposits (having original maturity of more than 3 months)	-	(5,000,000)
Addition to fixed assets	-	(22,357,461)
Addition to capital work in progress	(169,571,154)	(52,917,780)
Decrease/(Increase) in long term loans and advances	45,865,854	(49,256,287)
Interest received	4,121,623	247,388
Net cash from investing activities	(B) (119,583,677)	(129,284,140)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity share capital	1,251,700	-
Share premium received	123,918,300	-
Increase/(Decrease) in long term borrowings	-	100,000,000
Increase/(Decrease) in short term borrowings	(1,713,309)	213,309
Net cash from financing activities	(C) 123,456,691	100,213,309
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(A+B+C) 14,655,680	(30,992,617)
Cash and cash equivalents - Opening balance	15,682	31,008,299
Cash and cash equivalents - Closing balance	14,671,362	15,682

Note: Figures in brackets indicate cash outflow

This is the Cash Flow Statement referred to in our report of even date attached.

B. Bhushan & Co.
Chartered Accountants
By the hand of
Kamal Ahluwalia
Kamal Ahluwalia
Partner
Membership no. 093812
May 25, 2012
New Delhi



Directors

Ashok Sarin
Ashok Sarin

Ashim Sarin
Ashim Sarin