

## INDEPENDENT AUDITOR'S REPORT

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To the Members of **Rolling Construction Private Limited**

### 1) Report on the Financial Statements

We have audited the accompanying financial statements of **Rolling Construction Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### 2) 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, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

### 3) 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 the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 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 but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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.

### 4) Unqualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 31, 2014;
- (b) In the case of the 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 the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.



**5) Report on Other Legal and Regulatory Requirements**

- a) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") 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 said Order.
- b) As required by section 227(3) of the Act, 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, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - iv) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
  - v) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

PU-53, Vishakha Enclave,  
Pitampura,  
Delhi- 110088

Delhi  
May 16, 2014

KR & Co.  
Chartered Accountants  
Firm Registration No. 025217N

By the hand of  
New Delhi  
Kamal Anand  
Chartered Accountant  
Partner

Membership No. 093812

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Annexure referred to in paragraph 5(a) of the Independent Auditor's report of even date to the members of Rolling Construction Private Limited on the financial statements for the year ended March 31, 2014)

- I. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies were noticed on such verification compared to book records.
- (c) In our opinion, the Company has not disposed off a substantial part of its fixed assets 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. The Company has neither granted nor taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, provisions of clause 4(iii)(a) to 4(iii)(g) of the Order are not applicable to the Company.
- 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. 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 there are no transactions that need to be entered into the register maintained under section 301 of the Act. Accordingly, provisions of clause (v)(b) of the Order is not applicable to the Company.
- 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 Act 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 Act 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 provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth-tax, service tax, customs duty, cess and other statutory dues applicable to it, and no undisputed amounts payable were outstanding as at March 31, 2014 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 has no accumulated losses at the end of the financial year and it has not incurred cash losses during the current financial year and 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 or debentures.
- XV. According to the information and explanations given to us, the Company has not given any guarantee 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 Act. The price at which shares have been issued is not prejudicial to the interest of the company.
- XIX. The Company has not issued any debentures during the year.
- XX. The Company has not raised any money by way of public issue during the year



XXI. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

PU-53, Vishakha Enclave,  
Pitampura,  
Delhi- 110088

Delhi  
May 16, 2014

KR & Co.

Chartered Accountants

ICAI Registration No. 025217N

By the hand of  
New Delhi  
Kamal Ahluwalia  
Partner

Membership No. 093812

**ROLLING CONSTRUCTION PRIVATE LIMITED**

**BALANCE SHEET AS AT MARCH 31, 2014**

	Notes	March 31, 2014 Rs.	March 31, 2013 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	2	9,214,750	7,985,210
Reserves and surplus	3	841,306,345	698,905,136
		<u>850,521,095</u>	<u>706,890,346</u>
<b>Non current liabilities</b>			
Long term borrowings	4	458,700,000	236,800,000
Other long term liabilities	5	2,367,120	-
Long term provisions	6	276,681	-
		<u>461,343,801</u>	<u>236,800,000</u>
<b>Current liabilities</b>			
Other current liabilities	7	51,099,811	24,017,953
Short term provisions	8	81,727	303,191
		<u>51,181,538</u>	<u>24,321,144</u>
		<b>1,363,046,434</b>	<b>968,011,490</b>
<b>II. ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	1,112,202,815	340,228,761
Capital work in progress	10	55,394,156	544,494,257
Deferred tax assets	11	19,152,387	-
Long term loans and advances	12	75,742,789	8,501,714
		<u>1,262,492,147</u>	<u>893,224,732</u>
<b>Current assets</b>			
Cash and bank balances	13	97,516,416	73,745,827
Trade receivables	14	150,569	-
Short term loan and advances	15	978,853	2,949
Other current assets	16	1,908,448	1,037,982
		<u>100,554,287</u>	<u>74,786,758</u>
		<b>1,363,046,434</b>	<b>968,011,490</b>

**SIGNIFICANT ACCOUNTING POLICIES**

1

**NOTES TO THE FINANCIAL STATEMENTS**

2-2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

KR & Co.

Chartered Accountants

By the hand of

*Kamal Ahluwalia*

Kamal Ahluwalia For Rolling Construction Private Limited

Partner

Membership no. 093812

May 16, 2014

New Delhi.

*[Signature]*  
Company Secretary

Directors

*[Signature]*  
Ashok Sarin (DIN 00016199)

28, Sri Ram Road, Civil Lines, Delhi-110054

*[Signature]*  
Ashim Sarin (DIN 00291515)

28, Sri Ram Road, Civil Lines, Delhi-110054

ROLLING CONSTRUCTION PRIVATE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Notes	March 31, 2014 Rs.	March 31, 2013 Rs.
<b>INCOME</b>			
Revenue from operations	17	1,206,104	-
Other income	18	10,210,393	2,096,479
<b>Total income</b>		<b>11,416,497</b>	<b>2,096,479</b>
<b>EXPENSES</b>			
Employees benefits expense	19	2,451,583	-
Finance cost	20	4,627,560	21,375
Depreciation		1,156,774	-
Other expenses	21	1,655,133	48,845
<b>Total expenses</b>		<b>9,891,050</b>	<b>70,220</b>
<b>Profit before tax</b>		<b>1,525,447</b>	<b>2,026,259</b>
<b>Less: Tax expense</b>			
Current tax (MAT)		290,674	632,718
MAT credit entitlement		290,674	-
		-	632,718
Deferred tax		19,152,387	-
Income tax of earlier year		1,085	3,872
<b>Profit after tax</b>		<b>20,676,749</b>	<b>1,389,669</b>
<b>Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]</b>			
Basic		24.76	2.01
Diluted		24.76	2.01

**SIGNIFICANT ACCOUNTING POLICIES**

1

**NOTES TO THE FINANCIAL STATEMENTS**

2-2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

KR & Co.

Chartered Accountants

By the hand of

*Kamal Ahluwalia*

Kamal Ahluwalia

Partner

Membership no. 093842

May 16, 2014

New Delhi.



Directors

*Ashok Sarin*

Ashok Sarin(DIN 00016199)

28, Sri Ram Road, Civil Lines, Delhi-110054

*Ashim Sarin*

Ashim Sarin(DIN 00291515)

28, Sri Ram Road, Civil Lines, Delhi-110054

For Rolling Construction Private Limited

*[Signature]*  
Company Secretary

**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.

**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.

Revenue from rentals is recognized on accrual in accordance with terms of the relevant agreement.

Interest Income is recognized on time proportion basis taking into account the amount outstanding and the applicable rate of interest.

**f) DEPRECIATION**

Depreciation on fixed assets is charged on the straight line method at rates as specified in Schedule XIV of the Companies Act, 1956. Depreciation on the acquisition/purchase of assets during the year has been provided on pro-rata basis according to the period each asset was put to use during the year.

In respect of an asset for which impairment loss is recognized, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.





**g) EMPLOYEE BENEFITS**

**i. Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries, wages and short term compensated absence etc and the expected cost of ex-gratia is recognized in the period in which the employee renders the related service.

**ii. Post Employment Benefits:**

(a) **Defined Benefit Plans:** The Company's Gratuity and Leave encashment schemes are defined benefit plans. In accordance with the requirements of revised Accounting Standard-15 "Employee Benefits", the Company provides for gratuity covering eligible employees on the basis of actuarial valuation as carried out by an independent actuary using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans is based on the market yields on Government securities as at the Balance Sheet date.

The liability is un-funded. Actuarial gains and losses arising from changes in the actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such gains or losses arise.

Leave encashment benefits payable to employees of the Company with respect to accumulated leave outstanding at the year end are accounted for on the basis of an actuarial valuation as at the Balance Sheet date.

Other employee benefits are accounted for on accrual basis.

**h) TAXES ON INCOME**

Provision for current income tax is made as per the provisions of the Income tax Act, 1961.

Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**i) 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.

**j) 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.

**k) 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.



**k) 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 Statement of Profit and Loss in the year of change. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Statement of Profit and Loss 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.

**l) 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.



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

	March 31, 2014 Rs.	March 31, 2013 Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
10,00,000 (10,00,000) equity shares of Rs. 10 (Rs. 10) each	10,000,000	10,000,000
<b>Issued, subscribed, and fully paid up</b>		
9,21,475 (7,98,521) equity shares of Rs. 10 (Rs. 10) each fully paid up	9,214,750	7,985,210

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

	As at March 31, 2014		As at March 31, 2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Number of shares outstanding at the beginning of the year	798,521	7,985,210	579,194	5,791,940
Shares issued during the year	122,954	1,229,540	219,327	2,193,270
Number of shares outstanding at the end of the year	921,475	9,214,750	798,521	7,985,210

## 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 Limited

\*461,659 (\*400,059) equity shares of Rs. 10 (Rs. 10) each fully paid up 4,616,590 4,000,590

\*Includes 4 (4) equity shares held by nominees of the holding company, Anant Raj Limited.

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

	As at March 31, 2014		As at March 31, 2013	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up:				
i) Anant Raj Limited*	461,659	50.10%	400,059	50.10%
ii) Monsoon India Infrastructure Direct I Ltd.#	409,916	44.48%	348,562	43.65%

\*Anant Raj Limited (ARL) formerly known as Anant Raj Industries Limited is a company incorporated under the Indian Companies Act, 1956, and having its registered office at CP-1, Sector-8, IMT Manesar, Gurgaon, 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.



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

- e) The investments of the Investor along with its affiliates in the equity of the Company are 4,59,816 (3,98,462) fully paid up equity shares of Rs. 10 each aggregating to 49.90% shareholding of the Company.
- f) The Company and its shareholders, ARL 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.

	March 31, 2014 Rs.	March 31, 2013 Rs.
<b>3 RESERVES AND SURPLUS</b>		
Securities premium		
Opening balance	691,535,790	474,402,060
Addition during the year	121,724,460	217,133,730
Balance as at the end of the year	(a) 813,260,250	691,535,790
Surplus as per Statement of Profit and Loss		
Opening balance	7,369,346	5,979,677
Addition during the year	20,676,749	1,389,669
Balance as at the end of the year	(b) 28,046,095	7,369,346
	(a+b) 841,306,345	698,905,136
<b>4 LONG TERM BORROWINGS</b>		
Secured		
Term loan from Allahabad Bank	490,100,000	250,000,000
Less: Current maturities of long term borrowings (Refer notes 5)	31,400,000	13,200,000
	458,700,000	236,800,000

Term loan of Rs. 4,901 lacs (Rs. 2,500 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 Limited.

The bank sanctioned the term loan of Rs. 7,000 lacs against which the Company has availed only Rs. 5,000 lacs till the year end. Principal amount of term loan shall be repaid in 29 unequal quarterly instalments commencing from July 2013. The interest on term loan shall be paid on monthly basis.

**5 OTHER LONG TERM LIABILITIES**

Others

Security deposits from customers

2,367,120	-
2,367,120	-

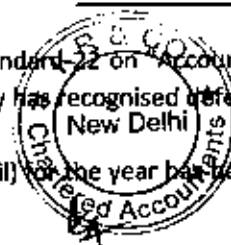


**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

	March 31, 2014	March 31, 2013	
	Rs.	Rs.	
<b>6 LONG TERM PROVISIONS</b>			
Provision for employee benefits			
Gratuity (unfunded)	155,162	-	
Leave encashment (unfunded)	121,519	-	
	<u>276,681</u>	<u>-</u>	
<b>7 OTHER CURRENT LIABILITIES</b>			
Current maturities of long term borrowings	31,400,000	13,200,000	
Other payables			
Security deposit against contract work	7,701,353	1,047,820	
Creditors for capital goods and services	2,660,976	5,366,194	
Statutory dues payable	2,725,756	1,261,824	
Interest payable	5,409,408	2,779,460	
Expenses payable	1,041,246	362,655	
Advance for which value has to be given	161,072	-	
	<u>51,099,811</u>	<u>24,017,953</u>	
<b>8 SHORT TERM PROVISIONS</b>			
Provision for employee benefits			
Gratuity (unfunded)	14,249	-	
Leave encashment (unfunded)	67,478	-	
Provision for income tax (net off of taxes paid)	-	303,191	
	<u>81,727</u>	<u>303,191</u>	
<b>10 CAPITAL WORK IN PROGRESS</b>			
Preoperative expenditure pending capitalisation			
Opening balance	11,241,065	7,175,723	
Additions during the year	4,801,519	4,065,342	
Capitalised during the year	(15,434,375)	-	
	(a) <u>608,209</u>	<u>11,241,065</u>	
Building under construction			
Opening balance	533,253,192	230,625,852	
Additions during the year	252,122,708	302,627,340	
Capitalised during the year	(730,589,953)	-	
	(b) <u>54,785,947</u>	<u>533,253,192</u>	
	(a+b) <u>55,394,156</u>	<u>544,494,257</u>	
<b>11 DEFERRED TAX ASSETS</b>			
	As at April	(Charged)/credited	As at March
	1, 2013	to Statement of	31, 2014
		Profit and Loss	
	Rs.	Rs.	Rs.
Deferred tax assets			
Unabsorbed loss from house property	-	19,041,639	19,041,639
Gratuity	-	52,348	52,348
Leave encashment	-	58,400	58,400
	-	<u>19,152,387</u>	<u>19,152,387</u>

- i) In accordance with the provisions of the Accounting Standard - 22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has recognised deferred tax assets of Rs. 1,91,52,387 (Nil) as at March 31, 2014.
- ii) The deferred tax assets amounting to Rs. 1,91,52,387 (Nil) for the year has been recognised in the Statement of Profit and Loss.



9. FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on April 1, 2013	Additions during the year	Sales during the year	As at March 31, 2014	Upto March 31, 2013	For the year	Upto March 31, 2014	As at March 31, 2014	As at March 31, 2013	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
Land	340,177,661	-	-	340,177,661	-	-	-	340,177,661	340,177,661	
Buildings	-	740,820,251	-	740,820,251	-	1,025,579	1,025,579	739,794,672	-	
Plant and machinery	-	32,099,212	-	32,099,212	-	129,496	129,496	31,969,716	-	
Furniture and fixtures	-	106,125	-	106,125	-	571	571	105,554	-	
Office equipments	-	105,240	-	105,240	-	425	425	104,815	-	
Computers	51,100	-	-	51,100	-	704	704	50,396	51,100	
Total	340,228,761	773,130,828	-	1,113,359,589	-	1,156,774	1,156,774	1,112,202,815	340,228,761	
Previous year	340,228,761	-	-	340,228,761	-	-	-	340,228,761	-	



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

	March 31, 2014	March 31, 2013
	Rs.	Rs.
<b>12 LONG TERM LOANS AND ADVANCES</b>		
Unsecured, considered good		
Capital advances	73,921,095	6,970,694
Security deposits	1,531,020	1,531,020
MAT credit entitlement	290,674	-
	<u>75,742,789</u>	<u>8,501,714</u>
<b>13 CASH AND BANK BALANCES</b>		
Cash and cash equivalents		
Balance with banks		
- In current accounts	7,404,148	1,559,930
- In deposit account	84,606,199	43,172,124
Cash on hand	14,648	13,773
	<u>92,024,995</u>	<u>44,745,827</u>
Other bank balances		
Fixed deposit against margin money*	5,491,421	29,000,000
	<u>97,516,416</u>	<u>73,745,827</u>
*Pledged with the State Bank of India as margin against bank guarantee issued.		
<b>14 TRADE RECEIVABLES</b>		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they became due for payment	-	-
Outstanding for a period less than 6 months from the date they became due for payment	150,569	-
	<u>150,569</u>	<u>-</u>
<b>15 SHORT TERM LOAN AND ADVANCES</b>		
Unsecured, considered good		
Income tax receivables	925,756	2,636
Advances recoverable	5,858	313
Input receivable	47,239	-
	<u>978,853</u>	<u>2,949</u>
<b>16 OTHER CURRENT ASSETS</b>		
Interest accrued but not due	1,898,807	1,037,982
Prepaid expenses	9,641	-
	<u>1,908,448</u>	<u>1,037,982</u>
<b>17 REVENUE FROM OPERATIONS</b>		
Rental income	807,595	-
Maintenance and other receipts	398,509	-
	<u>1,206,104</u>	<u>-</u>
<b>18 OTHER INCOME</b>		
Interest income on fixed deposit	10,210,393	2,096,479



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

	March 31, 2014	March 31, 2013
	Rs.	Rs.
<b>19 EMPLOYEE BENEFITS EXPENSES</b>		
Salary and allowances	5,615,778	3,104,433
Staff welfare	132,817	61,246
Exgratia	166,923	147,952
Bonus	192,300	122,661
	<u>6,107,818</u>	<u>3,436,292</u>
Less: Transferred to Preoperative expenditure pending capitalisation	3,656,235	3,436,292
	<u>2,451,583</u>	<u>-</u>
<b>20 FINANCE COSTS</b>		
Interest expense on		
Term loan borrowings	4,609,725	-
Others	17,835	21,375
	<u>4,627,560</u>	<u>21,375</u>
<b>21 OTHER EXPENSES</b>		
Security	742,706	323,727
Housekeeping	419,663	-
Conveyance	196,499	-
Insurance	142,944	-
Legal and professional	42,400	5,838
Bank charges	28,089	11,466
Payment to auditors as audit fees	25,000	25,000
Filing fees	3,000	4,506
Printing and stationary	11,154	6,754
Telephone	-	6,100
Business promotion	-	71,525
Stamp duty	-	219,337
Repair and maintenance	17,676	-
Miscellaneous	26,002	3,642
	<u>1,655,133</u>	<u>677,895</u>
Less: Transferred to Preoperative expenditure pending capitalisation	-	629,050
	<u>1,655,133</u>	<u>48,845</u>





**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

**22 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. 11,42,87,990 (Rs. 5,27,58,612).

23 During the year, the Company has completed its development project i.e., Technology Park at Panchkula, Haryana, and accordingly, the expenditure incurred under the head "Capital work in Progress" have been capitalised.

24 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, 2014	For the year ended March 31, 2013
Profit attributable to equity shareholders	Rs.	20,676,749	1,389,669
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	835,239	691,562
Basic and diluted earnings per share	Rs.	24.76	2.01

**25 Related Party Disclosures:**

Pursuant to Accounting Standard (AS-18) on "Related Party Disclosures" issued by the Institute of Chartered Accountants of India following parties are to be treated as related parties along with their relationships:

a) List of related parties where control exists and other related parties with whom transactions have taken place and relationships:

**Holding Company**

Anant Raj 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.	High Land Meadows Pvt. Ltd.
Advance Buildcon Pvt. Ltd.	Jasmine Buildwell Pvt. Ltd.
Anant Raj Cons. & Development Pvt. Ltd.	Jubilant Software Services Pvt. Ltd.
Anant Raj Hotels Ltd.	Kalinga Buildtech Pvt. Ltd.
Anant Raj Housing Ltd.	Kalinga Realtors Pvt. Ltd.
Anant Raj Infrastructure Pvt. Ltd.	Krishna Buildtech Pvt. Ltd.
Anant Raj Projects Ltd.	Lucky Meadows Pvt. Ltd.*
Ankur Buildcon Pvt. Ltd.	Monarch Buildtech Pvt. Ltd.
A-Plus Estates Pvt. Ltd.	North South Properties Pvt. Ltd.
AR Login 4 Edu Pvt. Ltd.	Novel Buildmart Pvt. Ltd.
BBB Realty Pvt. Ltd.	Novel Housing Pvt. Ltd.
Blossom Buildtech Pvt. Ltd.	One Star Realty Pvt. Ltd.
Bolt Properties Pvt. Ltd.	Oriental Meadows Ltd.
Capital Buildcon Pvt. Ltd.	Oriental Promoters Pvt. Ltd.
Capital Buildtech Pvt. Ltd.	Papillion Buildtech Pvt. Ltd.
Carnation Buildtech Pvt. Ltd.	Papillon Buildcon Pvt. Ltd.
Century Promoters Pvt. Ltd.	Park Land Construction & Equipment Pvt. Ltd.
Echo Buildtech Pvt. Ltd.	Park Land Developers Pvt. Ltd.
Echo Properties Pvt. Ltd.	Park View Promoters Pvt. Ltd.
Elegant Buildcon Pvt. Ltd.	Pasupati Aluminium Ltd.
Elegant Estates Pvt. Ltd.	Pelikan Estates Pvt. Ltd.
Elevator Buildtech Pvt. Ltd.	Pioneer Promoters Pvt. Ltd.
Elevator Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Elevator Properties Pvt. Ltd.	Redsea Realty Pvt. Ltd.
Empire Promoters Pvt. Ltd.	Rising Realty Pvt. Ltd.
Excellent Inframart Pvt. Ltd.	Romano Estates Pvt. Ltd.
Fabulous Builders Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Four Construction Pvt. Ltd.	Romano Projects Pvt. Ltd.
Gadget Builders Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Gagan Buildtech Pvt. Ltd.	Rose Realty Pvt. Ltd.
Glaze Properties Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Goodluck Buildtech Pvt. Ltd.	Roseview Properties Pvt. Ltd.
Grand Buildtech Pvt. Ltd.	Saffron Views Properties Pvt. Ltd.
Grand Park Estates Pvt. Ltd.	Saiguru Buildmart Pvt. Ltd.
Grandpark Buildtech Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Grandstar Realty Pvt. Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
Greatway Estates Ltd.	Sovereign Buildwell Pvt. Ltd.
Greatways Buildtech Pvt. Ltd.	Spring View Developers Pvt. Ltd.
Green Retreat & Motels Pvt. Ltd.	Springview Properties Pvt. Ltd.
Green Valley Builders Pvt. Ltd.	Suburban Farms Pvt. Ltd.
Green View Buildwell Pvt. Ltd.	Three Star Realty Pvt. Ltd.
Green Way Promoters Pvt. Ltd.	Townsend Construction & Equipment Pvt. Ltd.
Greenline Buildcon Pvt. Ltd.	Turnhare Liye Realty Pvt. Ltd.
Greenline Promoters Pvt. Ltd.	Twenty First Developers Pvt. Ltd.
Greenwood Properties Pvt. Ltd.	Vibrant Buildmart Pvt. Ltd.
Gujarat Anant Raj Vidhyanagar Ltd.	West Land Buildcon Pvt. Ltd.
Hamara Realty Pvt. Ltd.	Woodland Promoters Pvt. Ltd.
Hemkunt Promoters Pvt. Ltd.	

\* Ceased to be subsidiary during the year.

# Incorporated during the year.

**Partnership firm in which holding company is partner**  
Ganga Bishan & Company



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

**Key management Personnel**

Ashok Sarin	Director
Sunaini Sarin	Director
Ashim Sarin	Director

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

**b) Transaction during the year with related parties (excluding reimbursements):**

Sl.	Nature of Transactions	Related Party	March 31, 2014 31, 2014 Rs.	March 31, 2013 31, 2013 Rs.
1	Equity share capital allotted to holding company at issue price	Anant Raj Limited	61,600,000	109,883,000
2	Equity share capital allotted to joint venture company at issue price	Monsoon India Infrastructure Direct I Limited	61,354,000	109,444,000
3	Short term advance paid and received back	Anant Raj Cons. & Development Pvt. Ltd.	195,000,000	-
4	Civil work & mobilisation advance	"	67,300,000	-

**c) Amount outstanding as at the end of the year**

Account head	Related party	March 31,2014 Rs.	March 31,2013 Rs.
1 Capital advances	Anant Raj Cons. & Development Pvt. Ltd.	45,021,520	-

**26 Retirement Benefit Plans**

i) In accordance with the Accounting Standard 15 (Revised) (AS-15) on "Employee Benefits" issued by the Institute of Chartered Accountants of India, the Company has recognised its liability towards defined benefit plans being gratuity liability of Rs. 1,69,411 and leave encashment liability of Rs. 1,88,997.

ii) The disclosures as per the revised AS-15 are as follows:

**a) Change in present value of obligations**

Particulars	Gratuity	Leave encashment
	2013-14	2013-14
Projected benefit obligation at the beginning of the year	78,119	138,536
Current service cost	54,041	50,066
Interest cost	6,640	11,776
Past Service Cost	-	-
Actuarial (gain)/loss on obligations	30,611	137,030
Benefits paid	-	(148,411)
Projected benefit obligation at the end of the year	169,411	188,997

b) The fair value of plan assets is Nil since employee benefit plans are wholly unfunded as on March 31, 2014.



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2014

## c) Net periodic cost

Particulars	Gratuity	Leave encashment
	2013-14	2013-14
Current service cost	54,041	50,066
Interest cost	6,640	11,776
Past Service Cost	-	-
Expected return on plan assets	-	-
Net actuarial (gain)/loss recognised	30,611	137,030
Expenses recognised in the statement of Profit and Loss	91,292	198,872

## d) Principal actuarial assumptions

Particulars	Gratuity and leave encashment
Discount rates	8.50% (8.50%) per annum
Future salary increases	8.00% (8.00%) per annum

- e) The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities.
- f) The estimates of future salary increase considered in the actuarial valuation takes into account factors like inflation, seniority, promotion and other relevant factors.
- g) The employees are assumed to retire at the age of 58 years.
- h) The mortality rates considered are as per the published rates under Indian Lives Mortality (2005-2008) ultimate table.

## 27 Details of Capital work in progress as at March 31, 2014:

Particulars	2013-14	2012-13
	Rs.	Rs.
a) Development and construction expenses	49,676,916	503,463,481
b) Finance charges	5,109,031	29,789,711
c) Preoperative expenditure pending capitalisation	608,209	11,241,065
	<u>55,394,156</u>	<u>544,494,257</u>

28 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.

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

30 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 the Statement of Profit and Loss.

Directors



Ashok Sarin(DIN 00016199)

28, Sri Ram Road, Civil Lines, Delhi-110054

Ashim Sarin(DIN 00291515)

28, Sri Ram Road, Civil Lines, Delhi-110054

May 16, 2014  
New Delhi.

For Rolling Construction Private Limited

  
Company Secretary

ROLLING CONSTRUCTION PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2014

	For the year ended March 31, 2014 Rs.	For the year ended March 31, 2013 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>		
Profit before tax from continuing operation	1,525,447	2,026,259
Unamortised expenditure written off		-
Provision for Tax	-	
Depreciation	1,156,774	
Interest received	(10,210,393)	(2,096,479)
<b>Operating profit before working capital changes</b>	<b>(7,528,172)</b>	<b>(70,220)</b>
<b>Adjustment for working capital changes:</b>		
Decrease/(Increase) in other current assets	(870,466)	(614,458)
Decrease/(Increase) in short term loans and advances	(1,126,473)	9,687
Increase/(Decrease) in Short term provisions	(221,464)	
Increase/(Decrease) in long term provisions	276,681	-
Increase/(Decrease) in other long term liabilities	2,367,120	-
Increase/(Decrease) in other current liabilities	27,081,858	7,565,981
<b>Cash generated from operations</b>	<b>19,979,084</b>	<b>6,890,990</b>
Tax paid during the year	(1,085)	(671,536)
<b>Net cash from operating activities</b>	<b>(A) 19,977,999</b>	<b>6,219,454</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in bank deposits (having original maturity of more than 3 months)	23,508,579	(24,000,000)
Addition to Fixed assets	(773,130,828)	
Addition to capital work in progress	489,100,101	(306,692,682)
Decrease/(Increase) in long term loans and advances	(67,241,075)	(3,675,786)
Interest received	10,210,393	2,096,479
<b>Net cash from investing activities</b>	<b>(B) (317,552,830)</b>	<b>(332,271,989)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity share capital	1,229,540	2,193,270
Share premium received	121,724,460	217,133,730
Increase/(Decrease) in long term borrowings	221,900,000	136,800,000
<b>Net cash from financing activities</b>	<b>(C) 344,854,000</b>	<b>356,127,000</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) 47,279,168</b>	<b>30,074,465</b>
Cash and cash equivalents - Opening balance	44,745,827	14,671,362
Cash and cash equivalents - Closing balance	92,024,996	44,745,827

Note: Figures in brackets indicate cash outflow.

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

KR & Co.

Chartered Accountants

By the hand of

*Kamal Ahluwalia*

Kamal Ahluwalia

Partner

Membership no. 093812

May 16, 2014

New Delhi.



for Rolling Construction Private Limited

*Ashish Sarin*  
Company Secretary

Directors

*Ashish Sarin*

Ashish Sarin(DIN 00016199)

28, Sri Ram Road, Civil Lines, Delhi-110054

Ashish Sarin(DIN 00291515)

28, Sri Ram Road, Civil Lines, Delhi-110054