

## INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

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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, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### 2) Management's Responsibility for the Financial Statements.

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

### 3) Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



#### 4) Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its loss and its cash flows for the year ended on that date.

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

As required by the Companies (Auditor's Report) Order, 2016 (the Order) issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rule 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

PU-53, Vishakha Enclave  
Pitampura  
New Delhi- 110088

May 21, 2016  
New Delhi.

KR & Co  
Chartered Accountants  
Firm Registration No. 025217N  
By the hand of



*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner  
Membership No.093812

**"ANNEXURE A" TO INDEPENDENT AUDITOR'S REPORT**  
(Annexure to in paragraph 5)

- i)
  - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us , all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) The Company does not own any inventory. Accordingly, provisions of clause (ii) of paragraph 3 of the Order are not applicable to the Company.
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act.
- iv) The Company has complied with the provisions of section 185 to 189 of the Act in respect of loans, investments, guarantees, and security, to the extent applicable.
- v) The Company has not accepted any deposits within the meaning of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder.
- vi) According to the information and explanations given to us, the provisions of sub-section (1) of section 148 of the Act are not applicable to the Company.
- vii)
  - (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, employees' state insurance, income-tax, sale tax, wealth-tax, service tax, duty of customs, duty of excise , value added tax, cess and other statutory dues with the appropriate authorities and no undisputed amounts payable were outstanding as at March 31, 2016, 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, duty of customs, duty of excise, value added tax and cess that have not been deposited by the Company with appropriate authorities on account of dispute.
- viii) The Company has not defaulted in repayment of borrowings to a financial institution or bank or government or dues to debenture holders.
- ix) The Company did not raise any money by way of initial public offer or further public offer and term loans during the year.
- x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company has not paid any managerial remuneration during the year.



- xii) The Company is not a nidhi company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) The Company has not made any preferential allotment or private placement of shares during the year under review.
- xv) The Company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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May 21, 2016  
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By the hand of  
*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner  
Membership No. 093812

## **"ANNEXURE B" TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of the section 143 of the Act**

We have audited the internal financial controls over financial reporting of **Rolling Construction Private Limited** ("the Company") as of March 31, 2016, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for laying down and maintaining internal financial controls based on 'the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting (Guidance Note) issued by the Institute Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Standards of Auditing, to the extent applicable to an audit of internal financial controls and the Guidance Note, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain the reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.



### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of its inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

PU-53, Vishakha Enclave  
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New Delhi- 110088

May 21, 2016  
New Delhi.



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By the hand of  
*Kamal Ahluwalia*  
Kamal Ahluwalia  
Partner  
Membership No. 093812

ROLLING CONSTRUCTION PRIVATE LIMITED

H-65, Connaught Circus, New Delhi-110 001

BALANCE SHEET AS AT MARCH 31, 2016

	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' fund</b>			
Share capital	2	10,698,780	10,698,780
Reserves and surplus	3	891,091,101	937,499,303
		<u>901,789,881</u>	<u>948,198,083</u>
<b>Non current liabilities</b>			
Long term borrowings	4	307,800,000	394,800,000
Other long term liabilities	5	15,798,072	6,464,670
Long term provisions	6	86,093	65,795
		<u>323,684,165</u>	<u>401,330,465</u>
<b>Current liabilities</b>			
Other current liabilities	7	305,631,101	116,454,024
Short term provisions	8	36,997	14,611
		<u>305,668,098</u>	<u>116,468,635</u>
		<b>1,531,142,144</b>	<b>1,465,997,183</b>
<b>ASSETS</b>			
<b>Non current assets</b>			
<b>Fixed assets</b>			
Tangible assets	9	1,436,930,608	1,374,516,036
Capital work in progress	10	-	-
Deferred tax assets	11	49,828,079	34,712,154
Long term loans and advances	12	17,775,082	19,683,023
		<u>1,504,533,769</u>	<u>1,428,911,213</u>
<b>Current assets</b>			
Cash and cash equivalents	13	21,337,006	33,253,446
Trade receivables	14	1,431,302	1,168,026
Short term loan and advances	15	3,500,514	2,377,864
Other current assets	16	339,553	286,634
		<u>26,608,375</u>	<u>37,085,970</u>
		<b>1,531,142,144</b>	<b>1,465,997,183</b>
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	1		
<b>NOTES TO THE FINANCIAL STATEMENTS</b>	2-28		

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. 093812

May 21, 2016

New Delhi.

*Sunaini Sarin*

Sunaini Sarin, Director

DIN: 01507973

28, Sri Ram Road,

Civil Lines, Delhi.

*Ashim Sarin*

Ashim Sarin Director

DIN: 00291515

28, Sri Ram Road

Civil Lines, Delhi.

ROLLING CONSTRUCTION PRIVATE LIMITED

H-65, Connaught Circus, New Delhi-110 001

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Notes	March 31, 2016 Rs.	March 31, 2015 Rs.
<b>INCOME</b>			
Revenue from operations	17	22,271,727	8,812,065
Other income	18	462,994	3,265,860
<b>Total income</b>		<b>22,734,721</b>	<b>12,077,925</b>
<b>EXPENSES</b>			
Employees benefits expense	19	1,461,662	2,819,467
Finance cost	20	54,381,693	53,880,483
Depreciation	9	17,102,006	14,412,291
Other expenses	21	11,313,487	7,248,827
<b>Total expenses</b>		<b>84,258,848</b>	<b>78,361,068</b>
<b>Loss before tax and prior period items</b>		<b>(61,524,127)</b>	<b>(66,283,143)</b>
Less: Prior period items		-	2,636
<b>Loss before tax</b>		<b>(61,524,127)</b>	<b>(66,285,779)</b>
Less: Tax expense			
Current tax		-	-
Deferred tax		15,115,925	15,559,767
<b>Loss for the year</b>		<b>(46,408,201)</b>	<b>(50,726,012)</b>
<b>Earnings per share [equity share, par value of Rs. 10 (Rs. 10) each]</b>			
Basic		(43.38)	(52.59)
Diluted		(43.38)	(52.59)

SIGNIFICANT ACCOUNTING POLICIES

1

NOTES TO THE FINANCIAL STATEMENTS

2-28

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. 093812

May 21, 2016

New Delhi.

*Sunaini Sarin*

Sunaini Sarin, Director

DIN: 01507973

28, Sri Ram Road,

Civil Lines, Delhi.

*Ashim Sarin*

Ashim Sarin Director

DIN: 00291515

28, Sri Ram Road

Civil Lines, Delhi.



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

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material aspects with the accounting standards as notified under section 133 of the Companies Act, 2013, read with Rule 7 of [Companies (Accounts) Rules, 2014, as amended], and other relevant provisions of Companies Act, 2013. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**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 in accordance with estimate of useful life of the assets, on straight line method, at rates specified in Schedule II of the Companies Act, 2013. Depreciation on assets purchased/sold during a period is proportionately charged.

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) 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.



**h) 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.

**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.

**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, 2016

	March 31, 2016	March 31, 2015
	Rs.	Rs.
<b>2 SHARE CAPITAL</b>		
<b>Authorized</b>		
15,00,000 (15,00,000) equity shares of Rs. 10 (Rs. 10) each	15,000,000	15,000,000
<b>Issued, subscribed, and fully paid up</b>		
10,69,878 (10,69,878) equity shares of Rs. 10 (Rs. 10) each fully paid up	10,698,780	10,698,780

Notes:

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

	As at March 31, 2016		As at March 31, 2015	
	Number	Rs.	Number	Rs.
Number of shares outstanding at the beginning of the year	1,069,878	10,698,780	921,475	9,214,750
Shares issued during the year	-	-	148,403	1,484,030
Number of shares outstanding at the end of the year	1,069,878	10,698,780	1,069,878	10,698,780

(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

\*5,36,009 (\* 5.36,009) equity shares of Rs. 10 (Rs. 10) each fully paid up 5,360,090 5,360,090

\*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, 2016		As at March 31, 2015	
	Number	% holding	Number	% holding
Equity Shares of Rs. 10 (Rs. 10) each fully paid up:				
i) Anant Raj Limited*	536,009	50.10%	536,009	50.10%
ii) Monsoon India Infrastructure Direct I Ltd.#	483,969	45.24%	483,969	45.24%

\*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.

(e) The investments of the Investor along with its affiliates in the equity of the Company are 5,33,869 (5,33,869) 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.



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

	March 31, 2016	March 31, 2015
	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>		
Securities premium		
Balance as at the beginning of the year	960,179,220	813,260,250
Add: Additions during the year	-	146,918,970
Balance as at the end of the year	(a) <u>960,179,220</u>	<u>960,179,220</u>
Deficit as per Statement of Profit and Loss		
Balance as at the beginning of the year	(22,679,917)	28,046,095
Add: Loss for the year	(46,408,201)	(50,726,012)
Balance as at the end of the year	(b) <u>(69,088,119)</u>	<u>(22,679,917)</u>
	(a+b)	<u>891,091,101</u>
<b>4 LONG TERM BORROWINGS</b>		
Secured		
Term loan from Allahabad Bank	<u>307,800,000</u>	<u>394,800,000</u>
Note:		
(a) Term loan of Rs. 4,100 lacs (Rs. 4,403 lacs) from Allahabad Bank is secured by, (i) 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, (ii) exclusive hypothecation charge over entire moveable assets related to the project, and (iii) corporate guarantee of one of the promoters, Anant Raj Limited.		
(b) 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.		
(c) Current maturities of long term debts have been shown separately under the head "Other Current Liabilities".		
(d) The Company has not made any default as at the reporting date in repayment of loan and interest.		
<b>5 OTHER LONG TERM LIABILITIES</b>		
Others		
Security deposits from customers	<u>15,798,072</u>	<u>6,464,670</u>
	<u>15,798,072</u>	<u>6,464,670</u>
<b>6 LONG TERM PROVISIONS</b>		
Provision for employee benefits		
Gratuity (unfunded)	65,693	46,001
Leave encashment (unfunded)	20,400	19,794
	<u>86,093</u>	<u>65,795</u>
<b>7 OTHER CURRENT LIABILITIES</b>		
Current maturities of long term borrowings*	102,200,000	45,500,000
Enhancement cost	105,792,495	43,991,293
Interest accrued and due	4,351,526	4,711,245
Sundry creditors for capital goods	3,658,733	11,018,268
Other payables		
Security deposits	7,591,720	10,025,927
Expenses payable	1,179,931	492,959
Statutory dues	114,533	664,544
Advance for which value has to be given	63,347	49,788
Cheques issued but not presented	80,678,815	-
	<u>305,631,101</u>	<u>116,454,024</u>

\* Include an installment of Rs. 1.52 crores pertians to financial year 2015-16.



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

	March 31, 2016	March 31, 2015	
	Rs.	Rs.	
<b>8 SHORT TERM PROVISIONS</b>			
Provision for employee benefits			
Gratuity (unfunded)	25,946	3,873	
Leave encashment (unfunded)	11,051	10,738	
	<u>36,997</u>	<u>14,611</u>	
<b>10 CAPITAL WORK IN PROGRESS</b>			
Preoperative expenditure pending capitalisation			
Balance as at the beginning of the year	-	608,209	
Add: Additions during the year	-	7,719,377	
Capitalised during the year	-	(8,327,586)	
	(a)	-	
Building under construction			
Balance as at the beginning of the year	-	54,785,947	
Add: Additions during the year	-	129,094,715	
Capitalised during the year	-	(183,880,662)	
	(b)	-	
	(a+b)	-	
<b>11 DEFERRED TAX ASSETS</b>			
	As at April	(Charged)/credited	As at March
	1, 2015	to Statement of	31, 2016
		Profit and Loss	
	Rs.	Rs.	Rs.
Deferred tax assets			
Unabsorbed loss from house property	34,687,309	15,102,736	49,790,044
Gratuity	15,411	12,905	28,316
Leave encashment	9,434	284	9,718
	<u>34,712,154</u>	<u>15,115,925</u>	<u>49,828,079</u>
Notes:			
(a) 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. 4,98,28,079 (Rs. 3,47,12,154) as at March 31, 2016.			
(b) The deferred tax asset/(liability) amounting to Rs. 1,51,15,925 (Rs. 1,55,59,767) for the year has been recognised in the Statement of Profit and Loss.			
<b>12 LONG TERM LOANS AND ADVANCES</b>			
Unsecured, considered good			
Capital advances		15,203,388	17,111,329
Security deposits		2,281,020	2,281,020
MAT credit entitlement		290,674	290,674
		<u>17,775,082</u>	<u>19,683,023</u>
<b>13 CASH AND CASH EQUIVALENTS</b>			
Balance with banks			
In current accounts		21,323,154	14,239,179
In deposit account		-	19,000,000
Cash on hand		13,852	14,267
		<u>21,337,006</u>	<u>33,253,446</u>



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

	March 31, 2016	March 31, 2015
	Rs.	Rs.
<b>14 TRADE RECEIVABLES</b>		
Unsecured, considered good		
Outstanding for a period exceeding 6 months from the date they became due for payment	68,740	402,409
Outstanding for a period less than 6 months from the date they became due for payment	1,362,562	765,617
	<u>1,431,302</u>	<u>1,168,026</u>
<b>15 SHORT TERM LOAN AND ADVANCES</b>		
Unsecured, considered good		
Tax deducted at source	3,095,672	1,992,995
Advances recoverable	344,566	323,939
Input receivable	60,276	60,930
	<u>3,500,514</u>	<u>2,377,864</u>
<b>16 OTHER CURRENT ASSETS</b>		
Interest accrued but not due	-	237,126
Prepaid expenses	339,553	49,508
	<u>339,553</u>	<u>286,634</u>
<b>17 REVENUE FROM OPERATIONS</b>		
Rental income	15,913,954	6,625,395
Maintenance and other receipts	6,357,773	2,186,670
	<u>22,271,727</u>	<u>8,812,065</u>
<b>18 OTHER INCOME</b>		
Interest receipts on		
Fixed deposits	322,688	3,265,802
Income tax refund	36,484	-
Others	103,822	58
	<u>462,994</u>	<u>3,265,860</u>
<b>19 EMPLOYEE BENEFITS EXPENSES</b>		
Salary and allowances	1,267,576	2,905,555
Staff welfare	60,888	67,882
Exgratia	29,662	158,844
Bonus	35,849	95,514
Gratuity	41,765	-
Leave Encashment	25,922	-
	<u>1,461,662</u>	<u>3,227,795</u>
Less: Transferred to Preoperative expenditure pending capitalisation	-	408,328
	<u>1,461,662</u>	<u>2,819,467</u>
<b>20 FINANCE COSTS</b>		
Interest expense on		
Term loan borrowings	54,380,681	61,016,354
Others	1,012	38,429
	<u>54,381,693</u>	<u>61,054,783</u>
Less: Transferred to Preoperative expenditure pending capitalisation	-	7,174,300
	<u>54,381,693</u>	<u>53,880,483</u>



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

	March 31, 2016	March 31, 2015
	Rs.	Rs.
<b>21 OTHER EXPENSES</b>		
Housekeeping	2,859,632	2,405,497
Electricity charges (Net)	2,696,022	323,678
Power and fuel	941,030	-
Water charges	160,575	-
Security	1,295,066	1,606,928
Insurance	484,064	444,033
Composition fees	-	394,034
Legal and professional	211,025	362,693
Conveyance	175,332	186,850
Stamp duty	-	414,315
Business promotion	121,979	-
Repair and maintenance		
Garden maintenance	357,682	540,880
Maintenance charges/equipments	275,759	263,951
Maintenance charges-HSIIDC	1,125,193	-
Others	376,193	200,173
Payment to auditors		
Audit fees	25,000	25,000
Tax audit fees	7,500	7,500
Miscellaneous	201,435	210,044
	<u>11,313,487</u>	<u>7,385,576</u>
Less: Transferred to Preoperative expenditure pending capitalisation	-	136,749
	<u>11,313,487</u>	<u>7,248,827</u>



**22 CONTINGENT LIABILITIES (to the extent not provided for):****a) In respect of capital commitment**

Estimated amount of capital commitment in respect of construction of Technology Park net of advances is Rs. 74,47,033 (Rs. 1,14,35,851).

- 23** The earnings 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		March 31, 2016	March 31, 2015
Loss for the year	Rs.	(46,408,201)	(50,726,012)
Nominal value of equity share	Rs.	10	10
Weighted average number of equity shares outstanding during the year	No.	1,069,878	964,573
Basic and diluted earnings per share	Rs.	(43.38)	(52.59)

**24 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**

Advance Buildcon Private Limited

Anant Raj Cons. & Development Pvt. Ltd.

Anant Raj Hotels Limited

Anant Raj Housing Limited

Aakashganga Realty Private Limited

Anant Raj Projects Ltd.

Ankur Buildcon Private Limited

A-Plus Estates Private Limited

AR Login 4 Edu Private Limited

Anant Raj Estate Management Services Limited

BBB Realty Pvt. Ltd.

Blossom Buildtech Pvt. Ltd.

Bolt Properties Pvt. Ltd.

Capital Buildcon Private Limited

Capital Buildtech Private Limited

Carnation Buildtech Private Limited

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 Private Limited

Fabulous Builders Pvt. Ltd.

Four Construction Pvt. Ltd.

Gadget Builders Pvt. Ltd.

Gagan Buildtech Private Limited

Glaze Properties Pvt. Ltd.

Goodluck Buildtech Pvt. Ltd.

Grand Buildtech Pvt. Ltd.

Grand Park Estates Pvt. Ltd.

GrandPark Buildtech Pvt. Ltd.

Grandstar Realty Private Limited

Greatways Buildtech Private Limited

Green Retreat and Motels Pvt. Ltd.

Green Valley Builders Private Limited

Green View Buildwell Pvt. Ltd.

Green Way Promoters Pvt. Ltd.

Greenline Buildcon Pvt. Ltd.





Greenline Promoters Pvt. Ltd.	Rapid Realtors Pvt. Ltd.
Greenwood Properties Pvt. Ltd.	Redsea Realty Private Limited
Gujarat Anant Raj Vidhyanagar Ltd.	Rising Realty Private Limited
Hamara Realty Pvt. Ltd.	Anant Raj Infrastructure Private Limited
Hemkunt Promoters Pvt. Ltd.	Romano Estates Pvt. Ltd.
High Land Meadows Pvt. Ltd.	Romano Infrastructure Pvt. Ltd.
Jasmine Buildwell Pvt. Ltd.	Romano Projects Pvt. Ltd.
Jubilant Software Services Pvt. Ltd.	Romano Tiles Pvt. Ltd.
Kalinga Buildtech Pvt. Ltd.	Rose Realty Pvt. Ltd.
Kalinga Realtors Pvt. Ltd.	Roseview Buildtech Pvt. Ltd.
Krishna Buildtech Private Limited	Roseview Properties Pvt. Ltd.
Monarch Buildtech Private Limited	Romano Estate Management Services Ltd
North South Properties Pvt. Ltd.	Saiguru Buildmart Private Limited
Novel Buildmart Pvt. Ltd.	Sand Storm Buildtech Pvt. Ltd.
Novel Housing Pvt. Ltd.	Sartaj Developers & Promoters Pvt. Ltd.
One Star Realty Pvt. Ltd.	Sovereign Buildwell Pvt. Ltd.
Oriental Meadows Ltd.	Spring View Developers Pvt. Ltd.
Oriental Promoters Private Limited	Springview Properties Pvt. Ltd.
Papillion Buildtech Private Limited	Suburban Farms Pvt. Ltd.
Papillon Buildcon Private Limited	Three Star Realty Pvt. Ltd.
Park Land Construction & Equipment Pvt. Ltd.	Townsend Construction & Equipment Pvt. Ltd.
Park Land Developers Pvt Ltd	Tumhare Liye Realty Pvt. Ltd.
Park View Promoters Pvt Ltd.	Twenty First Developers Pvt. Ltd.
Pasupati Aluminium Ltd.	Vibrant Buildmart Pvt. Ltd.
Pelikan Estates Pvt. Ltd.	West Land Buildcon Private Limited
Pioneer Promoters Pvt Ltd.	Woodland Promoters Pvt. Ltd.

\* Ceased to be subsidiary during the year

**Partnership firm in which holding company is partner**

Ganga Bishan & Company

**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:**

Sl.	Nature of Transactions	Related Party	March 31, 2016 Rs.	March 31, 2015 Rs.
(i)	Equity share capital allotted to holding company at issue price	Anant Raj Limited	-	74,350,000
(ii)	Equity share capital allotted to joint venture company at issue price	Monsoon India Infrastructure Direct I Limited	-	74,053,000
(iii)	Short term advance paid and received back	Anant Raj Cons & Development Pvt. Ltd.	80,700,000	-
(iv)	Civil work & mobilisation advance given	Anant Raj Cons & Development Pvt. Ltd.	-	22,500,000
(v)	Civil work & mobilisation advance received back	Anant Raj Cons & Development Pvt. Ltd.	-	52,211,625
(vi)	Security received and paid back	Anant Raj Cons & Development Pvt. Ltd.	-	7,000,000
(vii)	Advance received	Anant Raj Limited	-	-



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

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

Account head	Related party	March 31, 2016 Rs.	March 31, 2015 Rs.
(i) Other current liabilities	Anant Raj Limited	13,471	-

**25 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. 91,639 (Rs. 49,874) and leave encashment liability of Rs. 31,451 (Rs. 30,532).

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

**a) Change in present value of obligations during the year**

Particulars	Gratuity	Leave encashment
	2015-16	2015-16
Projected benefit obligation at the beginning of the year	49,874	30,532
Current service cost	12,388	6,182
Interest cost	3,940	2,412
Past Service Cost	-	-
Actuarial (gain)/loss on obligations	25,437	17,328
Benefits paid	-	(25,003)
Projected benefit obligation at the end of the year	91,639	31,451

**b) Amounts recognised in the Balance Sheet**

Particulars	Gratuity	Leave encashment
	2015-16	2015-16
Present value of obligations as the end of the year	91,639	31,451
Fair value of plan assets as at the end of the year	-	-
Funded status	(91,639)	(31,451)
Unrecognised actuarial (gains)/losses	-	-
Net liability recognised in Balance Sheet	91,639	31,451

**c) Amounts recognised in the Profit & Loss Account for the period**

Particulars	Gratuity	Leave encashment
	2015-16	2015-16
Current service cost	12,388	6,182
Past Service Cost	-	-
Interest cost	3,940	2,412
Expected return on plan assets	-	-
Curtailment cost/(credit)	-	-
Settlement cost/(credit)	-	-
Net actuarial (gain)/loss recognised in the year	25,437	17,328
Expenses recognised in the Statement of Profit and Loss	41,765	25,922

**d) Principal actuarial assumptions**

Particulars	Gratuity and leave encashment
Interest rate for discounting	7.90% (7.90%) per annum
Future salary increases	8% (8.00%) per annum



**ROLLING CONSTRUCTION PRIVATE LIMITED**

Notes to financial statements for the year ended March 31, 2016

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Financial assumptions

- e) Salary increase should take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- f) The liability is not funded and rate of return on plan assets is not relevant.
- 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 (2006-2008) ultimate table.

- 26 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.
  - 27 Figures and words in brackets relate to the previous year unless otherwise indicated.
  - 28 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.



Sunaini Sarin, Director  
DIN: 01507973  
28, Sri Ram Road,  
Civil Lines, Delhi.



Ashim Sarin Director  
DIN: 00291515  
28, Sri Ram Road  
Civil Lines, Delhi.

May 21, 2016  
New Delhi.



9. TANGIBLE ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on April 1, 2015 Rs.	Additions during the year Rs.	Sales during the year Rs.	As at March 31, 2016 Rs.	Upto March March 31, 2015 Rs.	For the year Rs.	Upto March 31, 2016 Rs.	As at March 31, 2016 Rs.	As at March March 31, 2015 Rs.	
Land	424,348,833	61,801,202	-	486,150,035	-	-	-	486,150,035	424,348,833	
Buildings	932,758,041	13,379,387	-	946,137,428	13,305,498	14,815,337	28,120,835	918,016,593	919,452,543	
Plant and machinery	32,369,670	1,860,000	-	34,229,670	2,169,656	2,082,717	4,252,373	29,977,297	30,200,014	
Furniture and fixtures	106,125	-	-	106,125	10,875	10,304	21,179	84,946	95,250	
Office equipments	451,332	184,473	-	635,805	65,905	111,615	177,519	458,286	385,427	
Vehicles	-	2,291,516	-	2,291,516	-	65,606	65,606	2,225,910	-	
Computers	51,100	-	-	51,100	17,131	16,427	33,558	17,542	33,969	
Total	1,390,085,101	79,516,578	-	1,469,601,679	15,569,065	17,102,006	32,671,071	1,436,930,608	1,374,516,036	
Previous Year	1,113,359,589	276,725,512	-	1,390,085,101	1,156,774	14,412,291	15,569,065	1,374,516,036	1,112,202,815	



ROLLING CONSTRUCTION PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

		For the year ended March 31, 2016 Rs.	For the year ended March 31, 2015 Rs.
<b>A. CASH FLOW FROM OPERATIONS</b>			
Profit before tax from continuing operation		(61,524,127)	(66,285,779)
Unamortised expenditure written off		-	-
Depriciation		17,102,006	14,412,291
Finance cost		54,381,693	53,877,269
Interest received		(322,688)	(3,265,802)
<b>Operating profit before working capital changes</b>		<b>9,636,884</b>	<b>(1,262,021)</b>
<b>Adjustment for working capital changes:</b>			
Decrease/(Increase) in other current assets		(52,919)	1,621,814
Decrease/(Increase) in Trade receivables		(263,276)	(1,017,457)
Decrease/(Increase) in short term loans and advances		(1,122,650)	(1,399,011)
Increase/(Decrease) in Short term provisions		22,386	(67,116)
Increase/(Decrease) in long term provisions		20,298	(210,886)
Increase/(Decrease) in other long term liabilities		9,333,402	4,097,550
Increase/(Decrease) in other current liabilities		189,177,077	65,354,213
<b>Cash generated from operations</b>		<b>206,751,202</b>	<b>67,117,086</b>
Tax paid during the year		-	-
<b>Net cash from operating activities</b>	<b>(A)</b>	<b>206,751,202</b>	<b>67,117,086</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>			
Investment in bank deposits (having original maturity of more than 3 months)		-	5,491,421
Addition to Fixed assets		(79,516,578)	(276,725,512)
(Increase)/ decrease in capital work in progress		-	55,394,156
Decrease/(Increase) in long term loans and advances		1,907,941	56,059,766
Interest received		322,688	3,265,802
<b>Net cash from investing activities</b>	<b>(B)</b>	<b>(77,285,949)</b>	<b>(156,514,367)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of equity share capital		-	1,484,030
Share premium received		-	146,918,970
Finance cost		(54,381,693)	(53,877,269)
Increase/(Decrease) in long term borrowings		(87,000,000)	(63,900,000)
<b>Net cash from financing activities</b>	<b>(C)</b>	<b>(141,381,693)</b>	<b>30,625,731</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C)</b>	<b>(11,916,440)</b>	<b>(58,771,550)</b>
Cash and cash equivalents - Opening balance		33,253,446	92,024,995
Cash and cash equivalents - Closing balance		21,337,006	33,253,446

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 New Delhi

Partner

Membership no. 093812

May 21, 2016

New Delhi.

*Sunaini Sarin*

Sunaini Sarin, Director

DIN: 01507973

28, Sri Ram Road,

Civil Lines, Delhi.

*Ashim Sarin*

Ashim Sarin Director

DIN: 00291515

28, Sri Ram Road

Civil Lines, Delhi.