

RELIANCE CEMENT CORPORATION PRIVATE LIMITED
ANNUAL ACCOUNTS FOR
THE FY 2014-15

Bhandari Dastur Gupta & Associates

Chartered Accountants

**Independent Auditor's Report
To the Members of
Reliance Cement Corporation Private Limited**

Report on the Financial Statements


We have audited the accompanying financial statements of **Reliance Cement Corporation Private Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for 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 and presentation 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. While conducting the audit we have taken into account the provision 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal 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 Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the 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 on financial statement.

Emphasis of Matter:

Without qualifying our opinion we draw your attention to Note 14 to the financial statements of the company, wherein its stated that inspite of erosion of networth the accounts of the company have been prepared on going concern basis, based on assurance by the promoters of providing the necessary financial support to the company as and when required.

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.

- a) in the case of the Balance Sheet, the state of affairs of the company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date;

Report on Other Legal and Regulatory Requirements

1. This report does not include a statement as required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the company.

2. As required by Section 143(3) of the Act, we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company does not have any pending litigations which would impact its financial position.
 - ii. the Company does 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.

RELIANCE CEMENT CORPORATION PRIVATE LIMITED

Balance Sheet as at March 31, 2015

Particulars	Note No	Amount in Rs.	
		As at March 31, 2015	As at March 31, 2014
I. EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	13,00,000	13,00,000
Reserves and Surplus	3	(9,43,83,561)	(9,40,63,103)
		(9,30,83,561)	(9,27,63,103)
Current Liabilities			
Short Term Borrowings	4	9,32,50,000	9,32,50,000
Trade payables	5	16,854	16,854
Total		1,83,293	5,03,751
II. ASSETS			
Current assets			
Cash and cash equivalents	6	1,83,293	5,03,751
Total		1,83,293	5,03,751

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS 1 to 16

As per our attached report of even date

For Bhandari Dastur Gupta & Associates
Chartered Accountants
Firm Registration No.: 119739W

Nisha Doshi
Partner
Membership No.: 118100

Place: Mumbai
Date: May 18, 2015

For and on behalf of the Board of Directors

Mohan Limaye
Director

Prakash Khedekar
Director

Place: Mumbai
Date: May 18, 2015

RELIANCE CEMENT CORPORATION PRIVATE LIMITED

Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Note No	Amount in Rs.	
		Period Ended March 31, 2015	Year Ended March 31, 2014
Revenue from Business		-	-
Other Income		-	-
Total Revenue		-	-
<u>Expenses:</u>			
Other Expenses	7	3,20,458	9,32,85,469
Total Expenses		3,20,458	9,32,85,469
Profit(Loss) before tax		(3,20,458)	(9,32,85,469)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit(Loss) for the year		(3,20,458)	(9,32,85,469)
Earnings per equity share (Face value of Rs 10/- each):	8		
Basic		(2.47)	(1,133.08)
Diluted		(2.47)	(1,133.08)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

1 to 16

As per our attached report of even date

For Bhandari Dastur Gupta & Associates
Chartered Accountants
Firm Registration No.: 119739W

Nisha Doshi
Partner
Membership No.: 118100

Place: Mumbai
Date: May 18, 2015

For and on behalf of the Board of Directors

Mohan Limaye
Director

Prakash Khedekar
Director

Place: Mumbai
Date: May 18, 2015

RELIANCE CEMENT CORPORATION PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Amount in Rs.	
	Year Ended March 31, 2015	Year Ended March 31, 2014
A. Cash flow from operating activities		
Net Profit/(Loss) before tax	(3,20,458)	(9,32,85,469)
Operating Profit before working capital changes	(3,20,458)	(9,32,85,469)
Adjustments for working capital changes: Increase/(Decrease) in Current liabilities	-	-
Cash generated from operations	(3,20,458)	(9,32,85,469)
Direct taxes received / (paid)	-	-
Net Cash generated from / (used in) operating activities (A)	(3,20,458)	(9,32,85,469)
B. Cash Flow from Investing activities	-	-
Net Cash generated from / (used in) investing activities (B)	-	-
C. Cash Flow from Financing Activities		
Proceeds from Issue of Shares	-	5,00,000
Proceeds from Borrowings	-	9,32,50,000
Net Cash generated from / (used in) financing activities (C)	-	9,37,50,000
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(3,20,458)	4,64,531
Cash and Cash Equivalents at the beginning of the year	5,03,751	39,220
Cash and Cash Equivalents at the end of the year	1,83,293	5,03,751
Net increase/(decrease) as disclosed above	(3,20,458)	4,64,531
Composition of cash and cash equivalents:		
Balances with banks in current accounts	1,83,293	5,03,751
	1,83,293	5,03,751

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

1 to 16

As per our attached report of even date

For Bhandari Dastur Gupta & Associates
Chartered Accountants
Firm Registration No.: 119739V

For and on behalf of the Board of Directors

Nisha Doshi
Partner
Membership No.: 118100

Place: Mumbai
Date: May 18, 2015

Mohan Limaye
Director

Prakash Khedekar
Director

Place: Mumbai
Date: May 18, 2015

Reliance Cement Corporation Private Limited

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

1 Significant accounting policies and Notes to financial statements

a Basis of preparation of financial statements:

The financial statements are prepared on an accrual basis of accounting and in accordance with the generally accepted accounting principles in India (Indian GAAP), and in accordance with the Accounting Standard specified under Section 133 of the Companies Act, 2013 (read with Rule 7 of the Companies (Accounts) Rule, 2014).

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b Presentation and disclosure of financial statements:

The preparation and presentation of financial statement is made in accordance with the requirements of Schedule III under the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

c Use of Estimate:

The preparation of financial statements in conformity with India GAAP required the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d Revenue Recognition Policy:

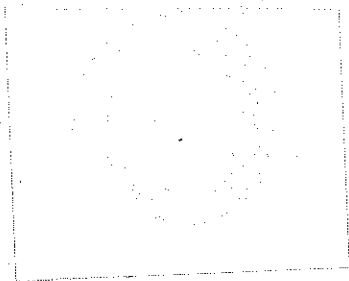
All the items of Income and expenses are recognized on accrual basis of accounting.

e Accounting for Taxes on Income:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the assets will be realised in future.

f Provisions:

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.



Reliance Cement Corporation Private Limited

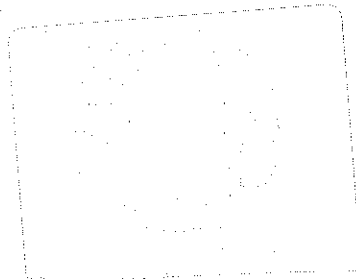
Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

g Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash in hand, cash at bank and demand deposits with banks and short-term investments with an original maturity of three months or less.

h Contingent liability and contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as a contingent liability. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in notes to the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.



Reliance Cement Corporation Private Limited

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

Notes to Financial statements

2 Share Capital

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount in Rs.	Number	Amount in Rs.
Authorised Equity Shares of Rs.10 each	50,00,000	5,00,00,000	50,00,000	5,00,00,000
Issued, Subscribed & Paid up Equity Shares of Rs.10 each	1,30,000	13,00,000	1,30,000	13,00,000
Total	1,30,000	13,00,000	1,30,000	13,00,000

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

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining asset of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, the Company had not declared any dividend.

No bonus shares have been issued, no shares have been issued for consideration other than cash and no shares have been bought back during last five years.

1,30,000 (PY 1,30,000) Equity Shares i.e 100% (i.e 100%) are held by Reliance Infrastructure Limited. (Holding Company)

- b **Shares held by Holding Company and/or their Subsidiaries/Associates**
1,30,000 Equity Shares of Rs. 10 each (i.e 100%) are held by Reliance Infrastructure Limited (Holding Company)

- c **Reconciliation of the number of Equity shares outstanding:**

Particulars	As at March 31, 2015		As at March 31, 2014	
	Number	Amount in Rs.		Amount in Rs.
Shares outstanding at the beginning of the year	1,30,000	13,00,000	80,000	8,00,000
Shares Issued during the year	-	-	50,000	5,00,000
Shares outstanding at the end of the year	1,30,000	13,00,000	1,30,000	13,00,000

- d **Shares in the company held by each shareholder holding more than 5 percent shares:**

Name of Shareholder	As at March 31, 2015		As at March 31, 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Reliance Infrastructure Limited	1,30,000	100	130000	100

Reliance Cement Corporation Private Limited

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

3 Reserves and Surplus:

Particulars	As at March 31, 2015	As at March 31, 2014
Surplus/ (Deficit) as per the Statement of Profit and Loss		
Opening Balance	(9,40,63,103)	(7,77,634)
(+) Net Profit/ (Loss) for the Current Year	(3,20,458)	(9,32,85,469)
Closing Balance	(9,43,83,561)	(9,40,63,103)
Total	(9,43,83,561)	(9,40,63,103)

4 Short Term Borrowings

Particulars	As at March 31, 2015	As at March 31, 2014
Unsecured		
Inter Corporate Deposits (Repayable on demand)	9,32,50,000	9,32,50,000
Total	9,32,50,000	9,32,50,000

5 Trade Payables

Particulars	Amount in Rs.	
	As at March 31, 2015	As at March 31, 2014
Sundry Creditors	16,854	16,854
Total	16,854	16,854

6 Cash and Cash Equivalents:

Particulars	As at March 31, 2015	As at March 31, 2014
Balance with Banks in Current account	1,83,293	6,03,751
Total	1,83,293	6,03,751

7 Other Expenses:

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
Legal and Professional Fees	31,231	2,809
Audit Fees		
Statutory Audit (Including Service Tax)	16,854	16,854
Gift	2,50,000	9,32,42,000
Bank charges	-	306
Filing Fees	19,873	1,660
Profession Tax	2,500	21,840
Total	3,20,458	9,32,85,469

Reliance Cement Corporation Private Limited

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

8 Earnings per Equity Share:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted-average number of equity shares outstanding during the year. The weighted-average number of equity shares outstanding during the year and for all years presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

<u>Particulars</u>	2014-15	2013-14
Profit / (Loss) after tax available for Equity Share holders (Rs.)	(3,20,458)	(9,32,85,469)
Weighted Average Number of Equity Shares (Nos.)	1,30,000	82,329
Nominal Value per Share (Rs.)	10	10
Earnings per Equity Share- Basic	(2.47)	(1,133.08)
Earnings per Equity Share- Diluted	(2.47)	(1,133.08)

9 Related Party Disclosure:

As per Accounting Standard -18 as prescribed under the Companies (Accounting Standards) Rules, 2006, the Company's related parties and transactions are disclosed below:

(a) Parties where control exists:

Holding Company - Reliance Infrastructure Limited. (w.e.f 27/09/2013)

(b) Other related parties with whom transactions have taken place during the year: Nil

(c) Details of transactions during the year and closing balances as at the year end.

<u>Particulars</u>	Holding Company - Reliance Infrastructure Limited.	
	2014-15	2013-14
Transactions during the year:		
Proceeds towards Issue of Equity Shares	-	5,00,000
Purchase of Investments		
SU Toll Road Private Limited	-	4,24,56,000
TD Toll Road Private Limited	-	2,14,92,000
TK Toll Road Private Limited	-	2,92,94,000
Closing Balance:		
Share Capital	13,00,000	13,00,000

10 Segment wise Revenue, Results and Capital Employed

The Company has not commenced its commercial operation hence, there are no separate reportable segments as required under Accounting Standard 17 "Segment Reporting" as prescribed under the Companies (Accounting Standards) Rules 2006

Reliance Cement Corporation Private Limited

Notes annexed to and forming part of the Financial Statements for the year ended March 31, 2015

- 11 Disclosure under Micro, Small and Medium Enterprises Development Act, 2006:
There are no Micro and Small Scale Business Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.
- 12 In the opinion of the management adequate provision has been made in the accounts in respect of all known liabilities.
- 13 Since there is no timing difference between the taxable income and accounting income the question of recognizing deferred tax assets / (liability) does not arise.
- 14 In view of the assurance of the promoters to financially support the Company as and when required, in spite of the accumulated losses and networth being substantially eroded, the accounts are prepared on going concern basis.
- 15 The Company has given Rs.2,50,000/- (Rupees two lakh fifty thousand only) to Reliance Toll Road Trust towards Corpus Fund by way of gift and same is charged to Statement of Profit and Loss.
- 16 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year. Figures in bracket indicate previous year's figures

As per our attached report of even date

For Bhandari Dastur Gupta & Associates
Chartered Accountants
Firm Registration No.: 119739W

Nisha Doshi
Partner
Membership No.: 118100

Place: Mumbai
Date: May 18, 2015

For and on behalf of the Board

Mohan Limaye
Director

Prakash Khedekar
Director

Place: Mumbai
Date: May 18, 2015