



Independent Auditor's Report

To the Members of NKG INFRASTRUCTURE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **NKG INFRASTRUCTURE LIMITED** ('the Company') which comprise the balance sheet as at 31 March 2015, 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.

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 these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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.

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 31 March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

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, 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 financial statements 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 March 31, 2015, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 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 have disclosed the impact of pending litigations on its financial position in note no. 2.26 to the financial statement.
 - ii) The Company does not have any foreseeable losses on long-term contracts including derivative contracts, if any, in respect of which any provision is required to be made under the applicable law and Accounting Standards.
 - iii) There are no amounts that are required to be transferred to the Investor Education and Protection Fund by the Company

For S.K. Mehta & Co.
Chartered Accountants
(FRN No. 000478N)



(Jyoti Bagga)

Partner

Membership No. 087002

New Delhi, Dated 4th September, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

The Annexure referred to in our report to the members of NKG INFRASTRUCTURE LIMITED ('the Company') for the year ended 31 March 2015.

1.
 - a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
 - b) According to information and explanations given to us, the fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
2.
 - a) As explained to us the inventories have been physically verified by the management on periodic basis.
 - b) In our opinion, procedure of physical verification is reasonable and adequate in relation to the size of the Company and nature of its business.
 - c) The Company has maintained proper records of the inventory and no material discrepancies were noticed on physical verification.
3. The Company has not granted any loans secured or unsecured to any Company, firms or other parties covered in register maintained under section 189 of the Companies Act, 2013. Accordingly the clauses (3)(a) and (3)(b) of the report are not applicable.
4. In our opinion and according to information and explanations provided to us there are adequate internal control procedures regarding purchase of inventory and fixed assets and for the sale of goods. During the course of audit we have not observed any continuing failure to correct major weakness in internal control system.
5. The Company has not accepted any deposits from the public. Accordingly, the provisions of section 73 to 76 or any other relevant provisions of the Companies Act & rules framed there under are not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the company pursuant to the Rules made by the Central Government for maintenance of cost records prescribed under Section 148(1) of the Companies Act and we are of the opinion that prima facie the prescribed records have been made and maintained. However we have not made detailed examination of those cost records.
7.
 - a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Value added tax, Excise Duty, Cess and other material statutory dues applicable to the company and there are no undisputed statutory dues outstanding as on 31st March, 2015 for a period of more than six months from the date they became payable.
 - b) According to information and explanations given to us, following disputed demands of Income Tax / Sales Tax / Custom Duty / Wealth Tax / Service Tax / Excise Duty / Cess dues have not been deposited:

Name of the statute	Nature of Dues & Year	Amount in ₹ (Net of amount deposited)	Forum where dispute is pending
(A) Income Tax Act, 1961	Income Tax Demand		
	Ass. Year 2006-07	13,08,586	Asstt. Commissioner of Income Tax, Delhi.
	Ass. Year 2009-10	32,00,752	Asstt. Commissioner of Income Tax, Delhi.
	TOTAL	45,09,338	
(B) Finance	Service Tax		

Act, 1994	Demand		
	Financial Year- 2006-07.	66,35,778	Appellate Tribunal- Custom, Excise & Service Tax

- c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (I of 1956) and rules made there under.
8. The company has no accumulated losses as on 31st March, 2015 and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
 9. In our opinion and according to information and explanations provided to us the company has not defaulted in the repayment of dues to financial institution or banks. The Company has so far not issued any debentures.
 10. In our opinion and according to information and explanations provided to us the company has not given any guarantee for loans taken by others from Banks or financial Institutions during the year.
 11. As per information and explanations given to us, term loans were applied for the purpose of which loans were obtained.
 12. 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 explanation 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 such case by the Management.

For S.K. Mehta & Co.
Chartered Accountants
(FRN No. 000478N)



(Jyoti Bagga)
Partner
Membership No. 087002
New Delhi, Dated 4th September, 2015

NKG INFRASTRUCTURE LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

(Amount in ₹)

Particulars	Note	As at 31.03.2015	As at 31.03.2014
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2.1	56,50,00,120	56,46,00,120
Reserves and Surplus	2.2	5,55,99,50,633	5,18,15,21,631
		6,12,49,50,753	5,74,61,21,751
Non-Current Liabilities			
Long-Term Borrowings	2.3	1,08,66,60,355	88,34,66,928
Deferred Tax Liabilities (Net)	2.4	39,52,49,860	35,68,49,860
Other Long Term Liabilities	2.5	1,09,14,92,588	88,08,81,064
Long-Term Provisions	2.6	1,79,56,020	1,69,09,383
		2,59,13,58,823	2,13,81,07,235
Current Liabilities			
Short-Term Borrowings	2.7	2,29,34,08,919	2,36,60,57,510
Trade Payables		1,16,03,45,618	1,33,26,75,922
Other Current Liabilities	2.8	1,61,77,25,763	1,89,87,39,212
Short-Term Provisions	2.9	3,90,801	2,27,698
		5,07,18,71,101	5,59,77,00,342
TOTAL		13,78,81,80,677	13,48,19,29,328
II. ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	2.10	4,25,08,39,615	4,14,51,22,956
Intangible Assets	2.10	8,56,584	11,25,023
Intangible Assets under Development	2.11	43,63,500	-
Long-Term Loans and Advances	2.12	66,00,13,140	90,49,04,196
		4,91,60,72,839	5,05,11,52,175
Current Assets			
Current Investments	2.13	-	5,00,000,00
Inventories	2.14	3,88,11,59,916	4,22,22,46,263
Trade Receivables	2.15	1,79,67,94,343	1,71,79,06,068
Cash and Bank Balances	2.16	76,47,16,677	76,20,45,814
Short-Term Loans and Advances	2.17	2,39,87,18,925	1,69,33,38,763
Other Current Assets	2.18	3,07,17,977	3,47,40,245
		8,87,21,07,838	8,43,07,77,153
TOTAL		13,78,81,80,677	13,48,19,29,328
Significant Accounting Policies	1		
Notes on Accounts	2		

Notes referred above form an integral part of the Balance Sheet

As per our report of even date attached

For S.K.Mehta & Co.
Chartered Accountants
(FRN No. 000478N)

Jyoti Bagga
Partner
Membership No. 087002

Place : New Delhi
Date : 04/09/2015

For and on behalf of the Board of Directors

Pradeep Kumar Garg
Managing Director

Rakesh Kumar
Executive Director & CFO

Rakhi Singh
(M.No. ACS 31522)



NKG INFRASTRUCTURE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

Particulars	Note	(Amount in ₹)	
		Year Ended 31.03.2015	Year Ended 31.03.2014
Revenue from Operations	2.19	16,32,82,90,815	18,36,34,19,289
Other Income	2.20	7,43,30,123	8,55,64,513
Total Revenue		16,40,26,20,938	18,44,89,83,802
Expenses:			
Purchases	2.21	13,19,38,87,588	15,09,66,81,333
Changes in Inventories	2.22	34,10,86,347	21,45,23,699
Employee Benefits Expense	2.23	27,32,95,411	26,31,74,864
Finance Costs	2.24	63,73,07,558	51,27,53,355
Depreciation and Amortization Expense		32,22,03,989	24,13,67,540
Operating, Administration and Other Expenses	2.25	1,05,53,11,043	1,21,96,37,932
Total Expenses		15,82,30,91,936	17,54,81,38,723
Profit Before Tax		57,95,29,002	90,08,45,079
Tax Expense:			
Current Tax		15,63,00,000	12,50,00,000
Deferred Tax		3,84,00,000	8,61,39,821
Profit for the year		20,47,00,000	21,11,39,821
		37,48,29,002	68,97,05,258
Earning per Equity share :	2.28		
Basic		7.43	13.67
Diluted		6.63	12.40
Significant Accounting Policies	1		
Notes on Accounts	2		

Notes referred above form an integral part of the Statement of Profit and Loss

As per our report of even date attached

For S.K.Mehta & Co.
Chartered Accountants
(FRN No. 000478N)

Jyoti Bagga
Partner
Membership No. 087002

Place : New Delhi
Date : 04/09/2015

For and on behalf of the Board of Directors

Pradeep Kumar Garg
Managing Director

Rakesh Kumar
Executive Director & CFO

Rakhi Singh
(M.No. ACS 31522)



CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

(Amount in ₹)

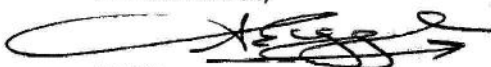
Sr. No.	Particulars	As at 31 st March 2015	As at 31 st March 2014
(A)	CASH FLOW STATEMENT FROM OPERATING ACTIVITIES		
	Net Profit Before Taxation (Cr.)	57,95,29,002	90,08,45,079
	Adjustments for :-		
	Depreciation	32,22,03,989	24,13,67,540
	Interest Paid	63,73,07,558	51,27,53,355
	Bad Debts written off (Adjusted against Reserves)		(31,26,31,694)
	Loss on sale of Fixed Assets	84,311	20,02,874
	Loss on Sale of Investments		5,75,168
	Interest Income	(7,25,14,397)	(8,55,64,513)
	Operating Profit Before Working Capital Changes	1,46,66,10,463	1,25,93,47,809
	Adjustments for :-		
	Increase/ (Decrease) in Trade Receivables	7,88,88,275	1,06,71,736
	Increase/ (Decrease) in Inventories	(34,10,86,347)	(21,45,23,699)
	Increase/ (Decrease) in Loans & Advances	45,41,43,787	20,88,43,023
	Increase/(Decrease) in Liabilities & Provisions	(24,03,41,155)	1,03,91,34,395
	Net Increase/(Decrease) in Working Capital	43,22,86,870	(1,03,41,43,335)
	Cash Generated from Operations	1,03,43,23,593	2,29,34,91,144
	Direct Taxes Paid (Net of Refunds) (Dr.)	17,26,45,319	13,52,61,180
	Total Cash Flow from Operation (A)	86,16,78,274	2,15,82,29,964
(B)	CASH FLOW FROM INVESTING ACTIVITIES (Cr.)		
	Purchase of Fixed Assets	43,20,15,709	1,36,06,10,594
	Disposal of Fixed Assets	84,311	(1,08,39,524)
	Interest Received	(7,65,36,665)	(7,57,76,793)
	Purchase / (Sale) of Investments	(5,00,000)	(5,88,69,861)
	Net Cash Used in Investing Activities (B)	35,50,63,355	1,21,51,24,416
(C)	CASH FLOW FROM FINANCING ACTIVITIES (Cr.)		
	Proceeds from issue of Share Capital		
	(a) Share Capital	4,00,000.00	87,30,000
	(b) Share Premium	36,00,000.00	7,85,70,000
	Proceeds from Borrowings:		
	Long Term Borrowings	18,26,86,316	(23,48,68,251)
	Short Term Borrowings	(7,26,48,591)	(29,00,11,498)
	Interest Paid	(61,79,81,781)	(48,63,03,049)
	Net Cash From Financing Activities (C)	(50,39,44,056)	(92,38,82,798)
(D)	Net Increase/ Decrease in Cash & Cash Equivalents (A-B+C)	26,70,863	1,92,22,750
	Opening Balance of Cash & Cash Equivalents	76,20,45,814	74,28,23,064
	Closing Balance of Cash & Cash Equivalents	76,47,16,677	76,20,45,814
	Cash/ Cheques in hand	79,80,588	1,72,18,827
	Balance with Banks	19,36,150	1,87,44,357
	In Current Accounts	75,47,99,939	72,60,82,630
	in Fixed Deposits*		

* Includes ₹74,99,68,828 (Previous Year ₹ 72,60,82,630) held as margin money with Banks against limits & amount deposited as securities with Govt./Other authorities

As per our report of even date attached

For S.K.Mehta & Co.

Chartered , For and on behalf of the Board of Directors
(FRN No. 000478N)



Jyoti Bagga
Partner

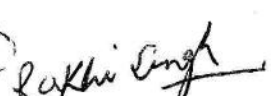
Membership No. 087002



Pradeep Kumar Gang
Managing Director



Rakshi Kurnai
Executive Director & CFO



Mohini Singh
(M No ACS 31522)

Place : New Delhi

Date : 04/09/2015



Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of shares	Amount	Number of shares	Amount
NOTE NO.2.1 - SHARE CAPITAL				
Equity Share Capital				
AUTHORISED				
Equity Shares of ₹ 10/- each	6,04,62,012	60,46,20,120	6,40,00,000	64,00,00,000
Convertible Preference Shares of ₹ 10/- each	95,37,988	9,53,79,880	60,00,000	6,00,00,000
TOTAL		70,00,00,000		70,00,00,000
ISSUED, SUBSCRIBED AND FULLY PAID-UP				
Equity Shares of ₹ 10/- each fully paid up	5,04,62,012	50,46,20,120	5,04,62,012	50,46,20,120
0% Convertible Preference Shares of ₹ 10/- each	60,38,000	6,03,80,000	59,98,000	5,99,80,000
TOTAL		56,50,00,120		56,46,00,120

Further Notes:

(a) Reconciliation of number of shares outstanding and amount of share capital is set out as follow:

Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of Equity shares	Amount	Number of Equity shares	Amount
Opening Balance	5,04,62,012	50,46,20,120	5,04,62,012	50,46,20,120
Closing Balance	5,04,62,012	50,46,20,120	5,04,62,012	50,46,20,120
Particulars	As at 31 March, 2015		As at 31 March, 2014	
	Number of 0% Convertible Preference shares	Amount	Number of 0% Convertible Preference shares	Amount
Opening Balance	59,98,000	5,99,80,000	51,25,000	5,12,50,000
Add: 0% Convertible Preference shares Issued during the year	40,000	4,00,000	8,73,000	87,30,000
Closing Balance	60,38,000	6,03,80,000	59,98,000	5,99,80,000

(b) Details of Shareholders who are holding more than 5% of Share Capital :

(i) Equity Shares

Name of Shareholders	As at 31 March, 2015		As at 31 March, 2014	
	Number of Equity shares	% Holding	Number of Equity shares	% Holding
Pradeep Kumar Garg	1,94,17,432	38.48	1,94,17,432	38.48
Archit Steels Pvt. Ltd.	1,51,29,664	29.98	1,51,29,664	29.98
Pradeep Sons Pvt. Ltd.	75,09,984	14.88	75,09,984	14.88
Aman Promoters Pvt. Ltd.	49,13,332	9.74	49,13,332	9.74
Total	4,69,70,412	93.08	4,69,70,412	93.08

(ii) 0% Convertible Preference Shares

Name of Shareholders	As at 31 March, 2015		As at 31 March, 2014	
	Number of Convertible Preference shares	% Holding	Number of Convertible Preference shares	% Holding
Navya Projects Pvt. Ltd.	21,75,000	36.02	21,75,000	36.26
Elegant Infraworld Pvt. Ltd.	14,75,000	24.43	14,75,000	24.59
Jai Shree Radhey Land & Estate Developers Pvt. Ltd.	7,50,000	12.42	7,50,000	12.50
NKG Infrastructure IT Ltd.	7,25,000	12.01	7,25,000	12.09
GNG Steels Pvt. Ltd.	8,73,000	14.46	8,73,000	14.55
Aashiana Rolling Mills	40,000	0.66	-	-
Total	60,38,000	100.00	59,98,000	100.00

(c) Bonus Shares for ₹ 37,84,65,090/- (3,78,46,509 no. of shares of Rs. 10/- each) have been issued on 4th June 2010 by way of Capitalization of Securities Premium account.

(d) The holders of equity shares are entitiled to receive dividends as declared from time to time and are entitled to one vote per Share at the meetings of the Company

(e) Company had allotted 40,000 0% Cumulative Preference Shares of ₹ 10/- each in the month of May 2014 at a premium of ₹ 90/- per share. These shares are compulsorily convertible into equity shares at the premium of ₹ 90/- per share at the expiry of ten years pursuant to approval of shareholders at the Extra Ordinary General meetings of the Company held in the month of April, 2014 (Previous year 8,73,000 0% Cumulative Preference Shares @ Rs. 10/- per share at a premium of ₹ 90/- per share)



PARTICULARS	(Amount in ₹)			
		AS At 31st March 2015		AS At 31st March 2014
NOTE NO.2.2 - RESERVES & SURPLUS				
General Reserve				
As at the beginning of the year	3,85,81,22,551		3,48,10,48,987	
Add: Transfer from Surplus account	37,48,29,002	4,23,29,51,553	37,70,73,564	3,85,81,22,551
Securities Premium Reserve				
As at the beginning of the year	1,32,33,99,080		1,24,48,29,080	
Add: Premium on issue of 0% Preference Shares	36,00,000	1,32,69,99,080	7,85,70,000	1,32,33,99,080
Surplus (Balance in Statement of Profit & Loss)				
As at the beginning of the year	37,48,29,002		68,97,05,258	
Add : Amount of Profit for the year	37,48,29,002		68,97,05,258	
Less :				
: Bad Debts written off			31,26,31,694	
: Amount transferred to General Reserve	37,48,29,002		37,70,73,564	
TOTAL		5,55,99,50,633		5,18,15,21,631
Note No. 2.3 - LONG TERM BORROWINGS				
Term Loans				
(a) Secured				
(i) From Banks				
(Secured against hypothecation of specific Machineries, vehicles & equitable mortgage of Land of Solar Plant)		38,33,88,555		69,98,40,622
(ii) From Others				
(Secured against hypothecation of specific Machineries & vehicles/Other Assets)		66,60,70,768		13,20,91,173
(b) Unsecured				
From Directors		2,85,01,032		5,15,35,133.00
Inter Corporate Loans		87,00,000		
TOTAL		1,08,66,60,355		88,34,66,928
Note No. 2.4 - DEFERRED TAX LIABILITIES (NET)				
Deferred Tax Liability				
Difference on account of depreciation (a)		40,20,75,585		36,26,74,750
Deferred Tax Assets				
Expenditure disallowed under Income Tax Act allowable on payment basis (b)		68,25,725		58,24,890
TOTAL - Deferred Tax Liability (Net)- (a-b)		39,52,49,860		35,68,49,860
(i) During the year net increase in deferred tax liability of ₹3,84,00,000/- is being recognised in the Statement of Profit & Loss (Previous Year ₹8,61,39,821/-)				
(ii) Deferred tax liability is not being recognised for timing difference on account of depreciation in respect of Company's Solar Plant, which is eligible for deduction under section 80 I of Income Tax Act 1961 which will be reversed during the tax holiday period in terms of Accounting Standard Interpretation (ASI-3) issued for Accounting Standard (AS-22) " Accounting for Taxes on Income" notified under Companies Act, 2013.				



PARTICULARS	(Amount in ₹)	
	AS At 31st March 2015	AS At 31st March 2014
Note No. 2.5 - OTHER LONG TERM LIABILITIES		
Mobilisation & Other Advances from Customers	2,07,54,07,307	2,18,12,68,978
Less: Amount reflected under Other Current Liabilities in Note No. 2.8	98,39,14,719	1,30,03,87,914
Note : Mobilization and other advances received from customers are segregated between Long Term Liabilities and other Current Liabilities based on expected turnover in subsequent years for such contracts as evaluated by Management.	1,09,14,92,588	88,08,81,064
TOTAL	1,09,14,92,588	88,08,81,064
Note No. 2.6 - LONG TERM PROVISIONS		
Employee Benefits	1,79,56,020	1,69,09,383
TOTAL	1,79,56,020	1,69,09,383
Note No. 2.7 - SHORT TERM BORROWINGS		
<u>Cash Credit</u> <u>(Secured)</u> <u>From Banks</u> (Secured by way of pari-passu first charge on the current assets and moveable fixed assets excluding those specifically charged to other bankers, equitable mortgage of immovable properties in the name of Company, directors/ relatives/ associate companies and by way of guarantees of directors/ relatives/ associate companies)	2,29,34,08,919	2,36,60,57,510
TOTAL	2,29,34,08,919	2,36,60,57,510




NKG INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE ACCOUNTS

PARTICULARS		(Amount in ₹)	
		As At 31st March 2015	As At 31st March 2014
<u>NOTE NO.2.8 - OTHER CURRENT LIABILITIES</u>			
Current maturities of long term debts		43,97,25,382	46,02,32,493
Dues for Capital expenditure		6,66,83,416	2,91,65,113
Mobilisation & Other Advances from customers: (Due for recovery within 12 months)		98,39,14,719	1,30,03,87,914
Statutory Dues		1,42,34,162	2,48,82,556
Other Liabilities		3,56,51,815	2,58,80,644
Interest accrued but not due		7,75,16,269	5,81,90,492
TOTAL		1,61,77,25,763	1,89,87,39,212
<u>NOTE NO.2.9 - SHORT TERM PROVISIONS</u>			
Employee Benefits		3,90,801	2,27,698
TOTAL		3,90,801	2,27,698




NKG INFRASTRUCTURE LIMITED

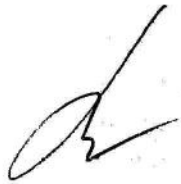
NOTES FORMING PART OF THE ACCOUNTS

NOTE NO. 2.10 - TANGIBLE / INTANGIBLE ASSETS

Particulars	Gross Block			Adjustment	Total as on 31.3.2015	Upto 31.03.2014	Depreciation/Amortisation			Adjustment	Total as on 31.03.2015	(Amount in ₹)	
	Cost as on 01.04.2014	Additions during the year	Sale/ Disposal				During the Year	Sale/ Disposal	As on 31.3.2015			As on 31.3.2014	
(1) Tangible Assets													
(A) Construct on Division													
Land													
Building *	3,29,750	2,65,000	-		5,94,750								
Plant & Machinery	2,67,55,79,850	51,68,19,398	-		2,08,86,573	18,29,985	3,26,943					5,94,750	3,29,750
Vehicles	10,63,53,721	75,52,063	6,04,819		3,19,23,99,248	29,71,44,347	20,38,91,051			21,56,928	1,87,29,645	1,90,56,588	
Furniture & Fixtures	33,58,382	3,25,589	-		11,33,00,965	3,20,71,547	1,45,40,940	3,20,506		50,60,35,398	2,68,63,63,850	2,37,84,35,503	
Office Equipment	1,75,77,828	15,76,735	-		36,83,971	10,52,221	4,00,449			4,62,91,981	6,70,08,984	7,42,82,174	
Earth Moving Machine	41,98,13,988	1,66,76,293	-		1,91,54,563	75,30,552	65,35,006			14,52,670	22,31,301	23,06,161	
Electrical Installations & Equipment	55,15,103	3,74,979	-		43,64,90,281	25,07,97,169	3,77,83,207			1,40,65,558	50,89,005	1,00,47,277	
(B) Solar Division					58,90,082	14,43,181	7,06,342			28,85,80,376	14,79,09,905	16,90,16,819	
Leasehold Land	9,55,45,613									21,49,523	37,40,559	40,71,921	
Building	3,74,930				9,55,45,613	55,55,742							
Office Equipment	12,60,120				3,74,930	33,663	22,138			55,55,742	8,99,89,871	8,99,89,871	
Plant & Machinery	1,56,62,60,104				12,60,120	1,51,408	2,68,105			55,801	3,19,129	3,41,267	
Total				11,56,53,536	1,45,06,06,568	17,01,23,190	5,24,61,359			4,19,513	8,40,607	11,13,060	
Previous Year	4,91,28,55,962	54,35,90,057	6,04,819	11,56,53,536	5,57,14,94,736	76,77,33,005	32,19,25,550	3,20,506		22,25,84,559	1,22,80,22,009	1,39,61,32,565	
(2) Intangible Assets	3,55,18,17,873	1,38,15,69,098	2,05,37,009	-	4,91,28,55,962	53,45,18,329	24,09,67,540	77,52,864		1,08,93,48,049	4,25,06,39,615	4,14,51,22,956	
Software Licences	20,00,000									76,77,33,005	4,14,51,22,956		
Previous Year	20,00,000			-	20,00,000	8,74,977	2,68,439						
Grand Total	4,91,48,55,962	54,35,90,057	6,04,819	11,56,53,536	5,57,34,94,736	76,86,07,982	4,00,000			11,43,416	8,56,584	11,25,023	
Previous year	3,55,36,17,873	1,38,15,69,098	2,05,37,009	-	4,91,48,55,962	53,49,93,306	24,13,67,540	77,52,864		8,74,977	11,25,023	-	
NOTE NO. 2.11 - INTANGIBLE ASSETS UNDER DEVELOPMENT													
ERP Software										1,09,04,91,465	4,25,16,56,199	4,14,62,47,979	
Previous year					43,63,500					76,86,07,982	4,14,62,47,979		
* Represent Capital expenditure incurred on properties acquired on lease basis													
					43,63,500						43,63,500	-	



PARTICULARS	(Amount in ₹)	
	AS At 31st March 2015	AS At 31st March 2014
NOTE NO.2.12 - LONG TERM LOANS AND ADVANCES (Unsecured & Considered Good)		
Prepaid Expenses	1,78,61,813	2,31,74,141
Security Deposit / Retention Money	24,22,96,421	48,82,20,468
Advance Tax (Net of Provisions)	19,82,34,906	14,70,89,587
Mat Credit Entitlement	20,16,20,000	24,64,20,000
TOTAL	66,00,13,140	90,49,04,196
NOTE NO.2.13 - CURRENT INVESTMENTS		
Current Investments		
Equity Shares:		
Shares in Euphoria Sports City Private Limited	-	5,00,000
Nil (Previous year 50,000) Equity Shares of ₹ 10/- each fully paid up		
TOTAL	-	5,00,000
NOTE NO.2.14 - INVENTORIES (Refer Note No. 1 (8) for valuation of Inventory)		
As taken, valued and certified by Management of the Company- Including Goods in transit ₹ 92,89,194- (Previous Year ₹ 5,23,99,113/-)		
Work-In-Progress (Including stock at sites)	3,88,11,59,916	4,22,22,46,263
TOTAL	3,88,11,59,916	4,22,22,46,263




NKG INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE ACCOUNTS

PARTICULARS	(Amount in ₹)	
	AS At 31st March 2015	AS At 31st March 2014
NOTE NO.2.15 - TRADE RECEIVABLES (Unsecured & Considered good)		
Debts outstanding for a period exceeding six months	2,30,81,411	4,61,99,170
Other Debts	1,77,37,12,932	1,67,17,06,898
TOTAL	1,79,67,94,343	1,71,79,06,068
NOTE NO.2.16 - CASH & BANK BALANCES		
Cash & Cash Equivalents:		
Cash in hand (Including Imprest Balances)	79,80,588	1,72,18,827
Balance with Scheduled Banks :		
In Current Accounts	19,36,150	1,87,44,357
Other Bank Balances:		
In Fixed Deposit Accounts (Including ₹ 74,99,68,828/- (Previous Year ₹ 72,60,82,630/-) pledged with Banks/ Govt. Deptts.)	75,47,99,939	72,60,82,630
TOTAL	76,47,16,677	76,20,45,814
NOTE NO. 2.17 -SHORT TERM LOANS & ADVANCES (Unsecured & Considered good)		
Advances recoverable in cash or in kind or for value to be received	55,12,05,177	40,78,46,290
Security deposits / Retention Money held with customers	1,76,62,43,836	1,21,44,34,332
Prepaid Expenses	7,23,62,066	6,24,19,187
Other recoverables	89,07,846	86,38,954
TOTAL	2,39,87,18,925	1,69,33,38,763
NOTE NO. 2.18 - OTHER CURRENT ASSETS		
Interest accrued but not due on fixed deposits	3,07,17,977	3,47,40,245
TOTAL	3,07,17,977	3,47,40,245

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NKG INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE ACCOUNTS

		(Amount in ₹)	
PARTICULARS		For Year ending 31st March 2015	For Year ending 31st March 2014
<u>NOTE NO.2.19 - REVENUE FROM OPERATIONS</u>			
Revenue from Operations		16,06,75,35,870	18,10,35,84,429
Revenue from sale of electricity		26,07,54,945	25,98,34,860
TOTAL		16,32,82,90,815	18,36,34,19,289
<u>NOTE NO.2.20 - OTHER INCOME</u>			
Interest received		7,25,14,397	8,55,64,513
Misc.Receipt		13,15,726	-
Profit on sale of shares		5,00,000	-
TOTAL		7,43,30,123	8,55,64,513
<u>NOTE NO.2.21 - PURCHASES</u>			
Purchases (Including Job Work)		13,19,38,87,588	15,09,66,81,333
TOTAL		13,19,38,87,588	15,09,66,81,333




NKG INFRASTRUCTURE LIMITED

NOTES FORMING PART OF THE ACCOUNTS

		(Amount in ₹)	
PARTICULARS		For Year ended 31st March 2015	For Year ended 31st March 2014
NOTE NO.2.22 - CHANGE IN INVENTORIES			
Opening Work-in Progress (Including stock at sites)		4,22,22,46,263	4,43,67,69,962
Less :Closing Work-in- progress (Including stock at sites)		3,88,11,59,916	4,22,22,46,263
Net (Accretion)/Decretion		34,10,86,347	21,45,23,699
NOTE NO.2.23 - EMPLOYEE BENEFITS EXPENSE			
Salary & other benefits		25,68,23,571	24,61,09,181
Contribution to Provident & Other Funds		29,83,102	29,60,203
Staff Welfare		1,34,88,738	1,41,05,480
TOTAL		27,32,95,411	26,31,74,864
NOTE NO.2.24 - FINANCE COSTS			
Interest on :			
Term Loans		14,85,04,542	13,97,13,400
Cash Credit and Short Term Loans		30,10,17,063	27,36,78,852
Others		18,77,85,953	9,93,61,103
TOTAL		63,73,07,558	51,27,53,355




PARTICULARS	(Amount in ₹)	
	For year ended 31st March 2015	For year ended 31st March 2014
Note No. 2.25 - Operating, Administration and Other Expenses		
Wages & Labour	48,11,35,156	55,17,16,005
Cartage & Hire charges	12,62,21,324	15,31,44,136
Contract Expenses	8,85,45,028	20,01,59,559
Rent, Rates & Taxes	89,40,757	1,08,15,038
Postage, Telephone & Telegram	61,14,023	39,24,850
Power, Electricity & Water charges	3,86,73,667	2,83,90,807
Travelling & Conveyance	1,04,09,780	93,42,855
Printing & Stationery	50,74,280	29,33,683
Repair & Maintenance - Vehicles	71,77,770	60,55,566
- Others	2,65,67,081	2,90,26,438
Insurance	1,94,93,388	2,04,87,689
Advertisement & Business Promotion	4,96,617	4,04,481
Legal & Professional charges	4,22,31,931	3,10,26,040
Service Tax	2,49,43,910	2,27,61,300
Auditors' Remuneration	11,19,102	10,11,240
Donation	11,16,300	5,26,100
Tender Expenses	13,16,885	23,69,034
Loss on sale/disposal of Fixed Assets	84,311	20,02,874
Loss on Sale of Investments	-	5,75,168.00
Bank & other finance charges	15,84,17,331	14,08,98,045
Miscellaneous expenses	72,32,402	20,67,024
TOTAL	1,05,53,11,043	1,21,96,37,932




NKG INFRASTRUCTURE LTD

Note No. 1

SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING POLICIES

1. Basis of Preparation:

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with the generally accepted accounting principles and relevant provisions of the Companies Act, 1956 (to the extent applicable) & the Companies Act, 2013 (to the extent notified) including Accounting Standards notified there under.

2. Use of Estimates:

The preparation of financial statements, in conformity with the generally accepted accounting principles, require estimates and assumptions to be made that affect the reported amount of assets and liabilities as of the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results materialize.

3. Revenue Recognition:

- a) Contract revenue is recognized using the percentage completion method on the basis of physical measurement of work actually completed on the balance sheet date.
- b) Interest income is recognized on the time basis determined by the amount outstanding and rates applicable.

4. Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefit of ownership of the leased items are considered as operating lease. Operating lease payments are recognized as an expense in the profit and loss account on straight line basis over lease term.

5. Fixed Assets:

- a) Fixed assets are carried at cost less depreciation / amortization and impairment loss, if any. The cost of fixed assets includes cost of acquisition and directly attributable cost for bringing the assets in an operational condition for their intended use including pre-operative expenditure till commencement of commercial production and other incidental expenses subsequent thereto up to the date of stabilization of



production but excluding refundable taxes and duties thereon, if any.

- (b) An intangible asset is recognized where it is probable that the future economic benefit attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Such assets are stated at cost less accumulated amortization.
- (c) Machinery Spares / Standby Equipments which can be used only in connection with an item of Fixed Asset and whose use is expected to be irregular are capitalized.
- (d) Capital work- in-progress is carried at cost.

6. **Investments:**

- a) Long Term Investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such Investments.
- b) Current Investments are valued at the lower of cost and fair value determined on an Individual Investment basis.

7. **Depreciation/Amortisation on Fixed Assets:**

Depreciation:

- (a) Depreciation on Fixed Assets has been provided on Straight Line Method, based on useful life as specified in Schedule II of the Companies Act, 2013..
- (b) Fixed Assets individually costing up to ₹ 5,000/- are being fully depreciated in the year of acquisition.
- (c) Depreciation on Machinery spares / Standby Equipments has been charged over the residual life of related Plant and Machinery.
- (d) Depreciation on assets discarded from active use and held for disposal is not being provided.

Amortization:

- (a) Value of Leasehold Land is amortized over the period of lease.
- (b) Intangible assets comprising of software licences are amortized on straight line method over a period of legal right or five years whichever is earlier on pro-rata basis.

8. **Inventories:**

- a) Raw material and stores are valued at lower of cost or net realizable value. The cost is arrived at by first in first out method.
- b) Work in progress is valued at Net realizable value determined on the basis of percentage of completion method.



9. **Current Tax and Deferred Tax:**

Tax expense for the period, comprising Current Tax and Deferred Tax is included in determining the Net Profit/ (Loss) for the year.

- a) Provision for Current Income Tax is made on the basis of assessable income as per Income Tax Act, 1961.
- b) Deferred Tax resulting from "timing differences" between taxable income and accounting income is determined by using the tax rates and the tax laws that have been enacted or substantively enacted as on the balance sheet date. Deferred tax assets are carried forward to the extent it is reasonably/ virtually certain that future taxable profit will be available against which such deferred tax assets can be realized.

10. **Retirement Benefits:**

Company's contribution to Provident fund is provided at actual. Liability for gratuity and leave encashment has been provided on the basis of actuarial valuation at the year-end.

11. **Borrowing Cost:**

Borrowing cost that is attributable to acquisition or construction of qualifying assets is capitalized as part of cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are charged to revenue.

12. **Provisions, Contingent Liabilities and Contingent Assets:**

- a) Provisions are recognized for liabilities that can be measured by using a substantial degree of estimation, if:
 - i. The company has a present obligation as a result of a past event;
 - ii. A probable outflow of resources embodying economic benefits is expected to settle the obligation; and
 - iii. The amount of the obligation can be reliably estimated.
- b) Contingent liability is disclosed in case of:
 - i. A present obligation arising from a past event when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
 - ii. A possible obligation, unless the probability of outflow in settlement is remote.
- c) Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- d) Contingent assets are neither recognized nor disclosed in the financial statements.



13. Foreign Currency Transactions:

Foreign currency transactions are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Foreign currency monetary items remaining unsettled at the end of the year are reported at year-end rates. Non Monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Foreign Exchange Variation on the settlement / translation of monetary items are recognized in the Statement of Profit & Loss except for foreign exchange variation arising out of settlement / translation of long term monetary items related to fixed assets which is adjusted in the cost of related assets .

14. Impairment of Assets:

At each balance sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount, is provided in the books of account.

OTHER NOTES:

2.26 Contingent Liabilities :

- Disputed Income Tax & Service Tax Demands ₹ 1,11,45,116/- (Previous Year ₹ Nil)

2.27 Segment Information:

a) Business Segments:

The Company's main business is construction activities and generation of solar electricity. Construction activities include supply of construction materials.

b) Segment Revenue and Expense:

Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.

c) Segment Assets and Liabilities:

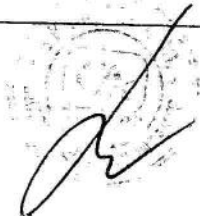
Segment assets include all operating assets in respective Segments comprising of net fixed assets and current assets, loans and advances. Segment liabilities include operating liabilities and provisions.



- d) Details of Segment Revenue and Expenditure, Operating results, Segment Assets & Liabilities and other information as required under AS-17 "Segment Reporting" are given as below:

(Amount in ₹)

	BUSINESS SEGMENTS		
	Construction	Power	Total
	Year ended 31.03.15	Year ended 31.03.15	Year ended 31.03.15
Revenue from Operations	1606,75,35,870 (1810,35,84,429)	26,07,54,945 (25,98,34,860)	16,32,82,90,815 (1836,34,19,289)
Segment Results:	103,98,83.861 (127,25,34,807)	20,15,10,498 (16,94,47,189)	124,13,94,359 (144,19,81,996)
Unallocated Corporate expenses, Interest and finance charges			66,18,65,357 (54,11,36,917)
Profit before Tax			57,95,29,002 (90,08,45,079)
Income Tax (Net)			20,47,00,000 (21,11,39,821)
Profit after Tax			37,48,29,002 (68,97,05,258)
Other Information			
Segment Assets	1192,91,10,427 (1173,06,92,919)	145,92,15,343 (1,55,58,57,878)	1338,83,25,770 (1328,65,50,797)
Unallocated Corporate and other Assets			39,98,54,907 (39,40,09,587)
Total assets			1378,81,80,677 (1368,05,60,384)



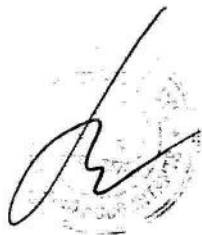

Segment Liabilities	337,78,71,615 (380,26,02,610)	1,20,99,048 (70,38,740)	338,99,70,663 (380,96,41,350)
Unallocated Corporate and other Liabilities			427,32,59,261 (4,12,47,97,283)
Total Liabilities			766,32,29,924 (793,44,38,633)
Depreciation/ Amortisation	26,94,52,377 (15,51,70,260)	5,27,51,612 (8,61,97,280)	32,22,03,989 (24,13,67,540)
Capital Expenditure (Net)	54,73,48,738 (129,45,31,178)	Nil (6,60,15,164)	54,73,48,738 (136,05,46,342)

Previous year's figures are given in brackets.

2.28 Earning Per Share:

The elements considered for calculation of Earning per Share (Basic & Diluted) are as under:-

Particulars	Current Year	Previous Year
Basic		
Net Profit after tax used as numerator	₹ 374829002	₹ 689705258
Weighted average number of equity shares used as denominator	50462012	50462012
Face Value per Share	₹ 10.00	₹ 10.00
Earning Per Share (Basic)	₹ 7.43	₹ 13.67
Diluted		
Net Profit after tax used as numerator	₹ 374829002	₹ 689705258
Weighted average number of diluted equity shares used as denominator	56494423	55612031
Face Value per Share	₹ 10.00	₹ 10.00
Earning Per Share (Diluted)	₹ 6.63	₹ 12.40




2.29 In terms of the disclosures required to be made under the Accounting Standard (AS) 7, the amounts considered in the financial statements up to the date of Balance Sheet are as follows:

Particulars	For the year ended	(Amount in ₹)
	31.03.2015	For the year ended 31.03.2014
Contact revenue recognized as revenue for the year	857,72,65,241	1161,39,25,271
Aggregate amount of contract cost incurred and recognized profits (less recognized losses) during the year for contracts in process as at the end of the financial year.	775,10,25,574	648,96,59,158
Amount of customer advances outstanding for contracts in process as at the end of the financial year.	2,07,54,07,307	218,12,68,978
Amount of retention due from customers for contracts in process as at the end of the financial year.	1,32,52,91,789	134,66,60,572

2.30 Related Parties Disclosure:

Information on Related Party Disclosures as per Accounting Standard (AS-18) on Related Party Disclosures is given below:

List of Related Parties

Key Management Personnel

- 1) Mr. Naresh Kumar Garg - Chairman
- 2) Mr. Devendra Kumar Garg – Joint Managing Director
- 3) Mr. Pradeep Kumar Garg – Managing Director
- 4) Mr. Rakesh Kumar – Executive Director




Relatives of Key Management Personnel

- 1) Mrs. Suman Agarwal
- 2) Mrs. Meenu Garg
- 3) Mr. Archit Garg
- 4) Mr. Pramod Garg
- 5) Mr. Surendra Garg
- 6) Mrs. Shashi Rani Garg

Enterprises over which Key Management Personnel/Directors and their relatives are able to exercise significant influence

- 1) Aashiana Rolling Mills Ltd.
- 2) Aman Promotors Pvt. Ltd.
- 3) Expert Power System India Ltd.
- 4) Pradeep Kumar Garg (HUF)
- 5) NKG Infrastructure IT Ltd.
- 6) GNG Steels Pvt. Ltd.

A.	0 % Convertible Preference Shares Allotted on Premium	(Amount in ₹)	
		Current Year	Previous Year
(i)	Aashiana Rolling Mills Ltd.		
(ii)	GNG Steels Private Ltd.	40,00,000	Nil
	TOTAL	Nil	8,73,00,000
		40,00,000	8,73,00,000
B.	Unsecured Loans		
(i)	NKG Infrastructure IT Ltd.		
	Repayment of Loan during the year	Nil	75,00,000
	Closing Balance	Nil	Nil
(ii)	Mr. Naresh Kumar Garg		
	Closing Balance	Nil	108,80,000
(iii)	Mr. Pradeep Kumar Garg		
	Closing Balance	2,85,01,032	406,55,133
(iv)	Mrs. Meenu Garg		
	Loan Received	44,50,000	Nil
	Loan Repaid	44,50,000	Nil
	Closing Balance	Nil	Nil



C.	Security Deposit Paid		
	Mrs. Meenu Garg		
	Mrs. Shashi Garg	10,23,02,263	Nil
		5,78,97,156	Nil
D.	Purchase/Contract/ Other Charges		
	Aashiana Rolling Mills Ltd.	76,749	20,951
	Expert Power System India Ltd.	Nil	3,85,242
	TOTAL	76,749	4,06,193
E.	Remuneration		
	Mr. Pradeep Kumar Garg	60,00,000	1,00,00,000
	Mr. Rakesh Kumar	15,00,000	15,00,000
	Mr. Archit Garg	10,00,000	Nil
	TOTAL	85,00,000	1,13,75,000
F.	Rent		
	Mr. Pradeep Kumar Garg	1,20,000	1,20,000
	Mrs. Meenu Garg	1,20,000	1,20,000
	Pradeep Kumar Garg (HUF)	12,00,000	12,00,000
	Aman Promoters Pvt. Ltd.	Nil	7,20,000
	TOTAL	14,40,000	21,60,000
G.	Sale of Investments		
	Ms. Meenu Garg	Nil	87,50,000
H.	Balances Payable:		
(i)	Mr. Pramod Kumar Garg	Nil	23,00,000
(ii)	Mr. Devendra Kumar Garg	Nil	9,02,844
(iii)	Mrs. Meenu Garg	Nil	8,38.98,768
(iv)	Mr. Surendra Garg	Nil	5,68,695
(v)	Mr. Rakesh Kumar	Nil	4,25,920
(vi)	Pradeep Kumar Garg (HUF)	26,10,000	15,30,000
I.	Balance Receivable		
	NKG Infrastructure IT Ltd.	18,47,100	18,47,100



2.31 Employee Benefits:

The summarized position of Post-employment benefits and other long term employee benefits recognized in the Statement of Profit & Loss and the Balance Sheet as required in accordance with Accounting Standard – 15 (Revised) are as under

(a) Expenses recognized in Statement of Profit & Loss.

	Gratuity Unfunded		Leave Encashment Unfunded	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
Current Service Cost	48,34,694	49,04,022	11,48,240	15,37,754
Interest Cost	12,43,605	10,16,429	2,55,890	2,94,968
Expected return on Plan Assets	Nil	Nil	Nil	Nil
Net actuarial (Gain)/ Loss recognized in the year	(28,97,333)	(24,07,034)	(8,68,239)	14,75,178
Total expenses recognized in Profit & Loss Account	31,80,966	35,13,417	5,35,891	33,07,900

(b) Amount recognized in the Balance Sheet

	Gratuity Unfunded		Leave Encashment Unfunded	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
Estimated Present value of obligations as at end of the year	1,51,37,956	1,42,12,626	32,08,865	29,24,455
Fair value of Plan Assets as at the end of the year	Nil	Nil	Nil	Nil
Unfunded Net Asset /(Liability) recognized in Balance Sheet	(151,37,956)	(142,12,626)	(32,08,865)	(29,24,455)

(c) Change in the present value of obligations

	Gratuity Unfunded		Leave Encashment Unfunded	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
Present Value of obligation as at the beginning of the year	1,42,12,626	1,27,05,367	29,24,455	36,87,094
Interest Cost	12,43,605	10,16,429	2,55,890	2,94,968
Current service Cost	48,34,694	49,04,022	11,48,240	15,37,754
Benefits Paid	(22,55,636)	(20,06,158)	(2,51,481)	(40,70,539)
Actuarial loss/ (gain) on obligation	(28,97,333)	(24,07,034)	(8,68,239)	14,75,178
Present value of obligation at the end of the year	151,37,956	142,12,626	32,08,865	29,24,455




(d) Principal actuarial assumptions at the Balance Sheet Date

Method Used	Projected Unit Credit Method	
	2014-15	2013-14
Discount Rate	7.75%	8.75%
Expected rate of salary increase	5.25%	6.25%

Estimate of future salary increase takes into account inflation / seniority and other relevant factors.

(e) Contribution to Provident Fund for the year 2014-15 amounting to ₹ 24,48,818/- (Previous year ₹ 23,95,347/-) is recognized in the Statement of Profit & Loss.

2.32 Company is Joint Venture partner in Joint Venture Entity M/s Dwarika-NKG where in NKG is entitled to have 25% share in the profits earned by Joint Venture company in lieu of management and technical services provided by the Company to Joint Venture Company. No equity is contributed by Company in Joint Venture Company and Company is entitled to only 25% of profits earned by JV Company. Pending receipt of financial accounts for the Financial year 2011-12, Company's share in profit/loss of JV Company could not be determined and hence not accounted for.

2.33 Sales Tax / VAT deducted by the customers wherever Company has opted for composition scheme under VAT Act are recognized as expenses. Liability/ refund if any will be recognized in the year of assessment.

2.34 During the year Company has revised depreciation rates as per useful life specified in Schedule II of the Companies Act, 2013. Thus by charging depreciation at revised rates, depreciation charge for the year is higher by ₹ 3,83,55,470 and profit before tax is lower by ₹ 3,83,55,470.

2.35 In the opinion of the Management, the value of any of the assets other than fixed assets and non-current investments on realization in the ordinary course of business will not be less than the value at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess/short of the amount considered reasonable & necessary.

2.36 Payment to Auditors
(Excluding Service Tax)

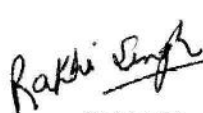
(Amount in ₹)

	Current Year	Previous Year
Audit Fee	7,50,000	7,50,000
Tax Audit Fee	1,50,000	1,50,000
Arrears of Fees	1,35,000	-
Other Charges	60,000	-



- 2.37 Security Deposit includes interest free deposits of ₹ 19,07,49,419/- given to certain parties, who have mortgaged their personal properties with the Company's bankers for the loans/ limits availed by the Company.
- 2.38 **Foreign Exchange Variation :**
- (i) Foreign exchange gain de-capitalized during the year is ₹ 11,32,03,038/- (Previous year Foreign Exchange Loss ₹ 2,88,00,550/-)
- (ii) Foreign Exchange Gain /Loss recognized in Statement of Profit & loss is Nil (Previous year Gain/Loss ₹ Nil)
- 2.39 Detail of expenditure incurred in foreign currency is given as under:
- Interest on Term Loan ₹ 5,45,98,172/- (Previous year ₹ 4,88,16,424/-)
- 2.40 Earning in foreign currency Nil (Previous year Nil)
- 2.41 Employee Remuneration and Benefits includes remuneration paid to managing director and other directors amounting to ₹60,00,000 and ₹ 15,00,000 respectively (previous year ₹1,00,00,000 and ₹ 13,75,000)
- 2.42 Contract expenses include cost of materials provided by the customers.
- 2.43 Purchases are net of returns.
- 2.44 All amounts in the financial statements are presented in Rupees. Figures of previous year have been re-grouped / re-arranged, wherever considered necessary.

For and on behalf of the Board of Directors



Rakhi Singh
Company
Secretary

(M.No. ACS31522)



Rakesh Kumar
Executive
Director & CFO



Pradeep Kumar Garg
Managing Director

Place: New Delhi

Date: 04/09/2015

