



## INDEPENDENT AUDITORS' REPORT

To the Members of **The Ganges Rope Company Limited**

### Report on the Financial Statements

1. We have audited the accompanying financial statements of **The Ganges Rope Company Limited** (the "Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013, the Statement of Profit and Loss for the year then ended and the Cash Flow for the year ended on that date alongwith a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

### Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India and Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

6. 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2013;
- b) In the case of the Statement of Profit and Loss, of the **PROFIT** for the year ended on that date; and
- c) In the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's Report) Order, ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
8. As required by Section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books subject to our comment given below and mentioned elsewhere in this report at appropriate places:
  - c) The Company has regularly followed up for Balance Confirmation from various parties in respect of transaction entered during the reporting period (including Loan Confirmation). However the same has not yet been received by the company.
  - d) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - e) In our opinion, the Balance Sheet and the Statement of Profit and Loss comply with the Accounting Standards referred to in section 211(3C) of the Act;
  - f) On the basis of the written representations received from the directors as on 31st March, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of Section 274(1)(g) of the Act.

**Place:** 501, Ashoka House  
3A, Hare Street  
Kolkata- 700 001

**Date:** 27.08.2013



For, **Saraf & Chandra**  
Chartered Accountants  
(Reg. No. : 315096E)

CA Subhash Chandra Saraf  
Partner  
Membership No: 052244



**ANNEXURE TO AUDITORS' REPORT OF  
THE GANGES ROPE COMPANY LIMITED**

As referred to in Paragraph 3 of our report of even date: -

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
b) The Company has a phased programme of physical verification of its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme all the fixed assets were physically verified by management during the year and no material discrepancies were identified during such verification.  
  
c) No substantial part of fixed assets has been disposed off during the Year therefore not affecting the going concern assumption.
- ii. a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
  
b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
c) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the books records.
- iii. The Company has neither accepted nor paid any unsecured loans from / to companies, firms or other parties listed as per the register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to sale of goods. Further on the basis of our examination and according to the information and explanations given to us, we have neither come across nor we have been informed of any instances of major weakness in the aforesaid internal control system.
- v. a) As explained to us and on the basis of our examination of records, there were no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.





- b) In our opinion and according to the information and explanations given to us, there were no transactions made in pursuance of contracts or arrangements entered that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- vi. The Company has not accepted any Deposit from public falling under the provision of Section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rule 1975.
- vii. In our opinion and as per the information and explanation given to us, the Company has an in-house internal audit system commensurate with its size and nature of its business.
- viii. The provision of maintenance of cost records is not applicable to the Company.
- ix. a) According to the information & explanations given to us, the provisions of Employee's Provident Fund & Miscellaneous Provision Act, 1952 and Employees' State Insurance Scheme are not applicable to the Company for the year under review. In respect of the other statutory dues, the company is generally regular in depositing with appropriate authorities undisputed dues including income tax, trade license fee, municipal taxes, sales tax, and other local dues **except listing fees 84,000/-** as on 31<sup>st</sup> March 2013 for more than 6 months from the date it became payable.
- b) As informed to us, the Company does not have any disputed amounts payable in respect of statutory dues.
- x. The company has not incurred any cash loss during the year under reference and as well as in the immediately preceding financial year.
- xi. According to the information and explanations given to us and on the basis of our examination of records, the Company does not have any dues to financial institutions hence the question of making default in repayment does not arise.
- xii. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The company is neither a chit fund company nor a nidhi / mutual benefit fund society, therefore, the provisions of clause 4(xiii) of CARO, 2003 are not applicable to the company.
- xiv. The Company is not dealing or trading in shares, securities, debentures and other investments hence the provisions of clause 4(xiv) of CARO, 2003 are not applicable to the company.





- xv. According to the information and explanations given to us, the company has not given any guarantees against loans taken by other, from bank and financial institution during the year under reference.
- xvi. The company has not obtained any term loans during the year under reference.
- xvii. The company has not raised any fund on short-term basis during the year under review.
- xviii. The company has not made any preferential allotment of shares during the year under reference.
- xix. The company has not issued any debenture during the year under reference.
- xx. The company has not made a public issue during the year under reference.
- xxi. According to the information and explanations given to us and on the basis of the records of the Company examined by us, no fraud on or by the company has been noticed or reported during the year, nor we have been informed of any such case by the management.

**Place:** 501, Ashoka House  
3A, Hare Street  
Kolkata- 700 001

**Date:** 27.08.2013



For, Saraf & Chandra  
Chartered Accountants  
(Reg. No. : 315096E)

CA Subhash Chandra Saraf  
Partner  
Membership No: 052244

# THE GANGES ROPE COMPANY LIMITED

Balance Sheet as at 31st March 2013

Amount in Indian Rupees

Particulars	Note No	As at 31st March 2013	As at 31st March 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	14,700,000	14,700,000
(b) Reserves and Surplus	3	62,806,277	23,192,093
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Borrowings	4	6,856,308	6,342,561
(c) Other Long Term Liabilities	5	48,449,177	57,274,144
(d) Long Term Provisions	6	7,746,662	326,255
<b>(3) Current Liabilities</b>			
(a) Other current liabilities	7	486,135	402,278
<b>Total</b>		<b>141,044,559</b>	<b>102,237,331</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
<i>(a) Fixed assets</i>			
Tangible assets	8	2,188,150	1,742,267
(b) Non Current Investments	9	67,682,464	52,092,464
(c) Long term loans and advances	10	62,114,181	39,879,252
(c) Deferred Tax Assets	11	-	923,159
<b>(2) Current assets</b>			
(c) Inventories	12	872,667	351,084
(c) Cash and cash equivalents	13	8,187,097	7,249,105
<b>Total</b>		<b>141,044,559</b>	<b>102,237,331</b>
<b>Significant Accounting Policies</b>	1		

As per our Report of Even date

The Notes referred to herein form an integral part of the Financial Statements

For Saraf & Chandra  
Chartered Accountants



CA Subhash Chandra Saraf  
Partner

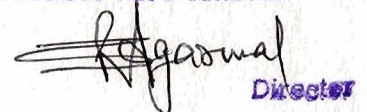
Membership No 052244

FRN : 315096E

501, Ashoka House, 3A Hare Street  
Kolkata, 27th day of August 2013

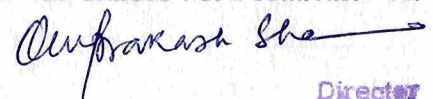


For THE GANGES ROPE COMPANY 'TD.



Director

For THE GANGES ROPE COMPANY 'TD.



Director

# THE GANGES ROPE COMPANY LIMITED

## Statement of Profit & Loss for the year ended 31st March 2013

Amount in Indian Rupees

Particulars	Note No	As at 31st March 2013	As at 31st March 2012
<b>INCOME</b>			
I. Revenue from operations	14	27,472,114	-
II. Other Income	15	27,262,867	27,203,582
<b>III. Total Revenue (I + II)</b>		<b>54,734,981</b>	<b>27,203,582</b>
<b>EXPENDITURE</b>			
<i>IV. Expenses:</i>			
Changes in Inventory of Finished Goods	16	(521,583)	-
Employee benefit expense	17	548,800	548,800
Finance Costs	18	570,830	528,058
Depreciation and amortization expense	8	413,561	400,913
Other expenses	19	5,313,030	727,326
<b>Total Expenses</b>		<b>6,324,638</b>	<b>2,205,097</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>48,410,343</b>	24,998,485
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		<b>48,410,343</b>	24,998,485
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		<b>48,410,343</b>	24,998,485
X. Tax expense:			
(1) Current tax expense for current year		7,840,400	445,000
(2) Deferred tax		923,159	-
XI. Profit(Loss) from the period from continuing operations (IX-X)		<b>39,646,784</b>	<b>24,553,485</b>
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		<b>39,646,784</b>	<b>24,553,485</b>
XVI. Earning per equity share:			
Basic & Diluted		<b>79.29</b>	<b>49.11</b>
<b>Significant Accounting Policies</b>	<b>1</b>		

As per our Report of Even date

The Notes referred to herein form an integral part of the Financial Statements

For Saraf & Chandra  
Chartered Accountants



**CA Subhash Chandra Saraf**  
Partner

Membership No 052244

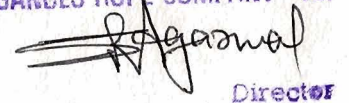
FRN : 315096E

501, Ashoka House, 3A Hare Street

Kolkata, 27th day of August 2013

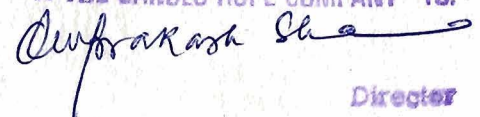


For THE GANGES ROPE COMPANY 'TD.



Director

For THE GANGES ROPE COMPANY 'TD.



Director

**The Ganges Rope Company Limited**

Notes forming part of Financial Statements for the year ended 31st March 2013

	As at 31st March 2013 Amount (Rs.)	As at 31st March 2012 Amount (Rs.)
<b>2. Share Capital</b>		
<b>Authorized Share Capital:</b>		
1,50,000 Equity Shares of Rs 100/- each	15,000,000	15,000,000
<b>Issued, Subscribed &amp; Paid Up:</b>		
1,47,000 Equity Shares of Rs 10/- each fully paid up	14,700,000	14,700,000
	<b>14,700,000</b>	<b>14,700,000</b>

**2.1 The details of Shareholders holding more than 5% shares:**

Name of the Shareholder	No. of Shares	% held	No. of Shares	% held
	NIL			

**2.2 The reconciliation of the number of shares outstanding is set out below:**

Particulars	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	147,000	147,000
Shares issued during the year	NIL	NIL
Equity Shares at the end of the year	147,000	147,000

**3. Reserves and Surplus**

**3.3 Surplus / (Deficit) in Statement of Profit and Loss**

Opening Balance	23,192,093	(1,327,600)
Add: Profit / (Loss) for the year	39,646,784	24,553,485
<b>Less: Appropriations</b>		
Prior Period Adjustments	32,600	32,862
Tax Adjustments For Earlier Years	-	930
Closing Balance	<b>62,806,277</b>	<b>23,192,093</b>

**4. Long Term Borrowings**

Other Loans from Bodies Corporate	6,856,308	6,342,561
	<b>6,856,308</b>	<b>6,342,561</b>

**5. Other Long Term Liabilities**

Liabilities towards miscellaneous purchases / services	522,084	506,404
Advance from Customers	27,482,750	30,462,911
Advance against Sale of Land	18,825,367	24,344,673
Deffered WBST Payable	1,618,076	1,870,076
	<b>48,449,177</b>	<b>57,274,144</b>

**6. Long Term Provisions**

Provision for Income tax	7,746,662	326,255
	<b>7,746,662</b>	<b>326,255</b>

**7. Other Current Liabilities**

**Other Payables**

Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	357,317	304,806
Liabilities towards miscellaneous purchases / services	128,818	97,472
	<b>486,135</b>	<b>402,278</b>

**8. Fixed Assets**

**Tangible Assets**

Owned by the Company (Net of Depreciation) (Details separately attached as per Annexure A)	2,188,150	1,742,267
	<b>2,188,150</b>	<b>1,742,267</b>

**9. Non Current Investments**

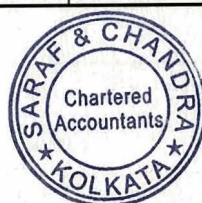
**Other Investments**

Investment in Equity instrument of Other Entities		
Shares Quoted - (Non Trade)	1,791,124	1,791,124
Shares Unquoted - (Non Trade)	65,891,340	50,301,340
Shares Unquoted - (Non Trade)	67,682,464	52,092,464





<b>10. Long Term Loans &amp; Advances</b>		
<b>10.1 Balances with Government Authorities</b>		
Income Tax Refundable	399,186	399,186
<b>10.2 Loans and Advances</b>		
Loan to Bodies Corporates	15,870,970	3,937,481
Security Deposits for Miscellaneous Services	125,000	125,000
Share Application Money	5,500,000	5,500,000
Advance for Miscellaenous Purchases / Services	40,219,025	29,917,585
	<b>62,114,181</b>	<b>39,879,252</b>
<b>11. Deferred Tax Assets</b>		
Related to Fixed Assets	-	(15,561)
Related to Losses of earlier years	-	43,528
Related to Statutory Liabilities not yet paid	-	895,192
	-	<b>923,159</b>
<b>12. Inventories</b>		
Stock of Land	872,667	351,084
	<b>872,667</b>	<b>351,084</b>
<b>13. Cash &amp; Cash Equivalents</b>		
Cash on hand	561,488	55,190
Balances with Bank		
- In Current Account	7,625,609	7,193,915
	<b>8,187,097</b>	<b>7,249,105</b>
<b>14. Revenue from Operations</b>		
<b>Sale of Products :</b>		
- Sale of Land	27,472,114	-
	<b>27,472,114</b>	<b>-</b>
<b>15. Other Income</b>		
<b>15.1 Interest Income</b>		
Interest on Loans Given	323,630	764,189
<b>15.2 Net Gain on Sale of</b>		
Fixed Assets	-	2,214,206
Non Current Investment	162,000	125,000
<b>15.3 Other Non-Operating Income</b>		
Dividednd Income from Non Current Investment	26,777,237	24,100,187
	<b>27,262,867</b>	<b>27,203,582</b>
<b>16. Changes in Inventory of Finished Goods</b>		
Inventories at the Close of the year	872,667	351,084
Inventories at the beginning of the year	351,084	351,084
	<b>(521,583)</b>	<b>-</b>
<b>17. Employee Benefit Expenses</b>		
Salary & Wages	548,800	548,800
	<b>548,800</b>	<b>548,800</b>
<b>18. Finance Costs</b>		
Interest Expenses on		
- Borrowings	570,830	528,058
	<b>570,830</b>	<b>528,058</b>
<b>19. Other Expenses</b>		
Repairs & Maintenance	90,300	106,402
Rent, Rates & Taxes	2,901,557	85,668
Brokerage on Sale of Flat	424,897	-
Travelling and Conveyance	384,438	357,139
Donation Paid	1,400,000	125,000
Listing Fees	10,500	10,500
Legal and Professional	16,500	2,200
<b>Payments to Auditors</b>		
- For Statutory Audit	33,708	22,472
- For Tax Audit	16,854	-
- For Other Services	6,877	6,201
Miscellaneous expenses	27,399	11,744
	<b>5,313,030</b>	<b>727,326</b>



<b>20. Additional Information to the Financial Statements</b>			
<b>20.1 Contingent Liabilities and Commitments</b> (to the extent not provided for)	-		-
<b>20.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006</b>	-		-
<b>20.3 Earnings in Foreign Currency</b>	-		-
	-		-
<b>21. Related Party Disclosures</b>			
<b>21.1 Details of Related Party</b>			
<b>Names of the Related party :</b>	<b>Relationship</b>		
Sri Om Prakash Sharma	Key Management Personnel		
Sri Sitaram Agarwal	Key Management Personnel		
Sri Ramesh kumar Gupta	Key Management Personnel		
Topper Distributors (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Reliance Electronics (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Acalta Trading Company Limited	Enterprises over which KMP are able to exercise Significant Influence		
Blupex Vinimoy (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Oscar Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Priyanka Nirmaan (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Nivedita Construction (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Agam Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Aikatan Properties (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Aisawat Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Anshumati Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Anurag Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Geodata Tradelink (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Geosoft Distributors (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Sukh Dealors (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Ascent Trading (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Hillarious Apartments (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Samrat Tieup (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Ramgopal Mahadeo Estates (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Koira Minerals Limited	Enterprises over which KMP are able to exercise Significant Influence		
Balaji Dealtrade (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Mukta Sales Agencies (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Richbirds Nursing Home (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Richbirds Drinking Water (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Gembwell Distributors (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Rivergrove Tradelink (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Appolo Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Ganayaya Properties (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Palmgrove Estates (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Suvarna Properties (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Indramani Vinicom (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Gurumantraya Properties (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Baruni Commodities (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Yummy Commerce (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Rivergrove Delears (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
IPW Containers (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Antariksh Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Dhandhanza Construction (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Gotraya Housing (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Rana Properties (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Abhinav Commercial Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Ishma Financial Services (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Nathmall Girdharilal Steels Ltd	Enterprises over which KMP are able to exercise Significant Influence		
Geodata Tradelink (P) Ltd	Enterprises over which KMP are able to exercise Significant Influence		



**21.2 Details of Related Party Transactions during the year ended 31st March 2013 and balances outstanding as at 31st March 2013**

Particulars	Key Management Personnel	Enterprises over which KMP are able to exercise significant influence	Total
Advances Received	-	2,810,000	2,810,000
	-	(300,000)	(300,000)
Advances Repaid	-	2,395,000	2,395,000
	-	(1,069,000)	(1,069,000)
Advances Given	-	4,550,000	4,550,000
	-	-	-
Balances as at 31st March 2013	-	2,995,000	2,995,000
- Advances Repayable	-	(4,885,500)	(4,885,500)
- Advances Receivable	-	13,923,000	13,923,000
	-	(531,000)	(531,000)

**22. Earnings Per Share**

**Continuing and Total Operations**

Net Profit / (Loss) for the year from Total Operations

39,646,784

24,553,485

Less : Preference Dividend and tax thereon

-

-

Net Profit / (Loss) for the year from Total Operations attributable to the equity Shareholders

39,646,784

24,553,485

Weighted Average Number of Equity Shares

147,000

147,000

Par Value Per Share

10

10

Earnings Per Share from Total Operations - Basic & Diluted

269.71

167.03

**23. Deferred Tax (Liability) / Asset**

**Tax effect of items constituting deferred tax liability**

On difference between book balance and tax balance of fixed assets

10,635

12,101

Tax effect of items constituting deferred tax liability

10,635

12,101



For THE GANGES ROPE COMPANY 'TD.

*[Signature]*  
Director

For THE GANGES ROPE COMPANY 'TD.

*[Signature]*  
Director

## THE GANGES ROPE COMPANY LIMITED

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. Basis of Accounting

The accounts have been prepared in conformity to the generally accepted accounting principles as enunciated by the relevant authorities and are based on accrual basis of accounting.

#### 2. Fixed Assets

Fixed assets are stated at historical cost inclusive of duties, taxes and incidental expenses related thereto less accumulated depreciation.

#### 3. Depreciation

Depreciation on fixed assets has been charged at the rates specified in schedule – XIV of the Companies Act, 1956 (as amended) on Written Down Value method.

#### 4. Investments

Long-term investments are stated at cost. Current investments are stated at cost or net realisable value whichever is lower.

#### 5. Revenue Recognition

Revenue has been recognised in accordance with the "Accounting Standard 9" on "Revenue Recognition" issued by the Central Government as per the Companies (Accounting Standard) Rules, 2006.

#### 6. Inventories

Inventories are stated at Cost or Net Realisable value whichever is lower.

#### 7. Employee Benefits

The Payment of Gratuity Act, 1972 and Provident Fund and Miscellaneous Provisions Act, 1952 is not applicable to the company for the year under review.

#### 8. Earning per share

Basic earnings per share are calculated considering the weighted average number of equity share outstanding during the year.

Diluted earnings per share are calculated considering the effects of potential equity shares on net profit after tax for the year and the weighted average number of equity shares outstanding during the year.



**9. Taxation**

**Current Tax:** Provision for tax has been made in accordance with the provisions of Income Tax Act, 1961.

**Deferred Tax:** Deferred Tax has been calculated in accordance with the Accounting Standard 22 on "Taxes on Income" as per the Companies Accounting Standard Rules, 2006

- 10.** There are no Micro and Small Enterprises, to whom the Company owes dues which are outstanding at the balance sheet date. The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
- 11.** Previous year's figure have been regrouped and/or rearranged wherever required to make them comparable with current year's figure.



**The Ganges Rope Company Limited**

**Annexure 1 - Annexed to note no 8 related to Fixed Assets**

Description	Gross Block				Accumulated Depreciation and Impairment				Net Block	
	Balance as on 1st April 2012	Additions	Disposals	Balance as on 31st March 2013	Balance as on 1st April 2012	Depreciation / Amortisation expense for the Year	Eliminated on disposal of Assets	Balance as on 31st March 2013	Balance as on 31st March 2013	Balance as on 31st March 2012
<b>Tangible Assets - Owned</b>										
Land	103,967	-	-	103,967	-	-	-	-	103,967	103,967
Buildings	1,468,658	-	-	1,468,658	1,394,849	3,690	-	1,398,539	70,119	73,809
Plant & Equipment	4,946,707	-	-	4,946,707	4,871,643	10,441	-	4,882,084	64,623	75,064
Furniture & Fixtures	684,608	-	-	684,608	438,891	44,474	-	483,365	201,243	245,717
Vehicles	2,378,077	859,444	-	3,237,521	1,265,816	337,342	-	1,603,158	1,634,363	1,112,261
Office Equipments	973,060	-	-	973,060	841,611	17,614	-	859,225	113,835	131,449
<b>Total</b>	<b>10,555,077</b>	<b>859,444</b>	<b>-</b>	<b>11,414,521</b>	<b>8,812,810</b>	<b>413,561</b>	<b>-</b>	<b>9,226,371</b>	<b>2,188,150</b>	<b>1,742,267</b>
<b>Previous Year</b>	<b>17,066,199</b>	<b>756,672</b>	<b>7,267,794</b>	<b>10,555,077</b>	<b>8,411,897</b>	<b>400,913</b>	<b>-</b>	<b>8,812,810</b>	<b>1,742,267</b>	<b>-</b>



For THE GANGES ROPE COMPANY LTD.

*[Signature]*  
Director

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