



WE GROW

With Dreams



19th ANNUAL REPORT
2013-2014

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Company Information

Chairman & Managing Director	Mr. Kanubhai M. Patel
Joint Managing Directors	Mr. Brijesh K. Patel Mr. Mrunal K. Patel
Whole Time Directors	Mr. Suhas V. Joshi Mr. Naresh P. Suthar
Company Secretary	Mr. Gunjan Taunk
Auditors	Surana Maloo & Co. Chartered Accountants 2nd Floor, Akashganga Complex, Parimal Under Bridge, Nr. Suvidha Shopping Center , Paldi, Ahmedabad-380 007.
Bankers	Oriental Bank of Commerce Karur Vysya Bank Limited Indian Overseas Bank Bank of Baroda State Bank of India IDBI Bank Limited ICICI Bank Limited
Registered Office	706, Shilp Building, 7th Floor, Nr. Municipal Market, C.G. Road, Navrangpura, Ahmedabad-380 009.
Central Workshop	Manbeej Workshop, At & Post : Ognaj, Tal : Dascroi, Dist : Ahmedabad-380 060.



Chairman's Epistle

"Against the backdrop of the challenging environment, your Company has turned in a commendable performance on all key performance parameters. In consonance with our financial acumen, we took a cautious approach towards selection of new projects. The Company was successful in bagging high value infrastructure projects in this year.

Infrastructure sector is a sector of choice for getting India back on the growth track. India's Infrastructure segment is expected to be the first in the sector to see a pickup in order. The Road Ministry has set a target of awarding more than 6,000 km worth of road projects during the financial year 2014-15 and set a target to achieve 25 kms of highways per day."

Dear All,

Its being pleasure to present the 19th Annual Report of your Company.

The global economic environment remained challenging during the year. A multiplicity of business, economic and political factors had thrown stiff challenges to the entrepreneurs.

We strive to make evolving customer aspirations our immediate business priorities. In consonance with our financial acumen, we took a cautious approach towards selection of new projects. The Company was successful in bagging high value infrastructure projects in this year.

We have strengthened across all parameters and are focused in managing costs and prudent use of capital which place us in a decent position for laying foundation to continual growth.


Against the backdrop of the challenging environment, your Company has turned in a commendable performance on all key performance parameters. Order inflows which are the mainstay of any Company stood in at **4000 crore** representing an impressive growth of 105% over the previous year. The Company has achieved Revenue Growth of 23% and stood at **780 crore** for the year.

We are attracting and acquiring the best talent for key positions to bring best practices and knowledge. As we leverage new business opportunities and widen our scope of operations, we will continue to focus on stakeholder trust. We are thankful for your continued confidence and support for the Company's growth and look forward to a bright future for your Company.

Before I conclude, I would like to thank all Montecs for their unstinted support and commitment during the challenging yet exciting period.

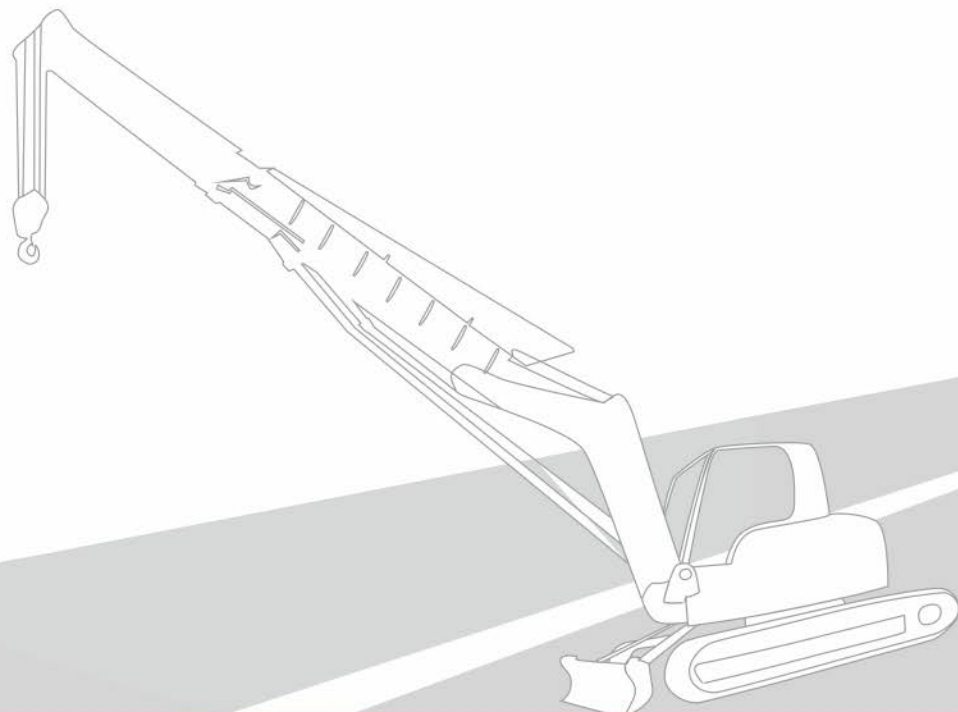
With best wishes,

Sincerely,



Kanubhai M. Patel

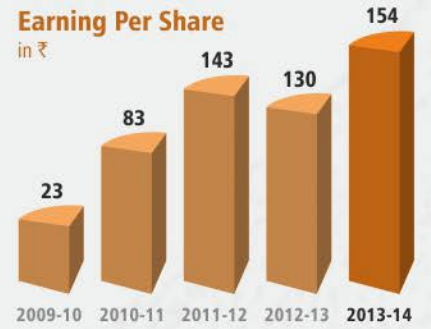
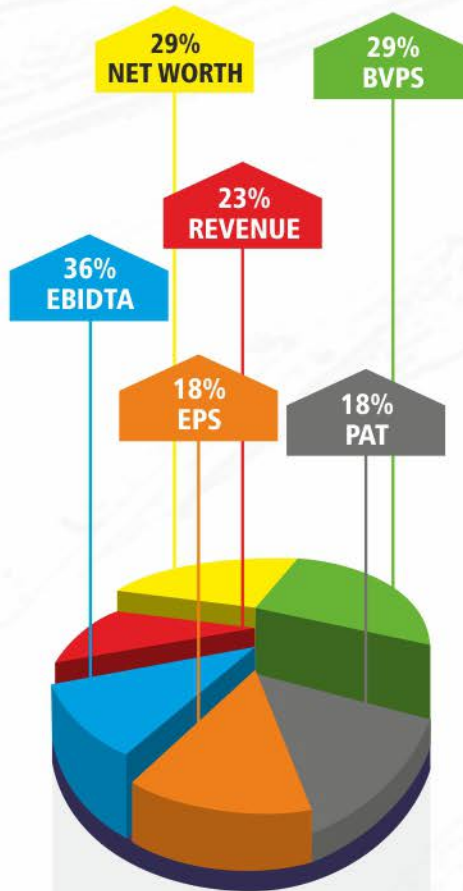
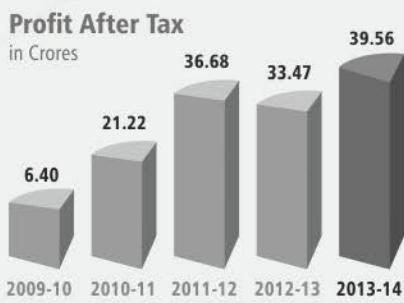
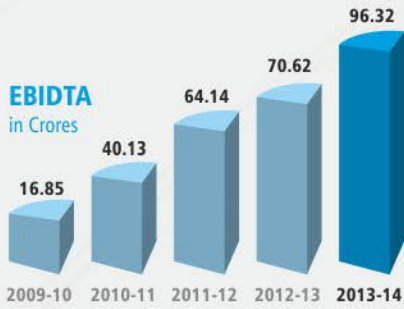
Chairman & Managing Director

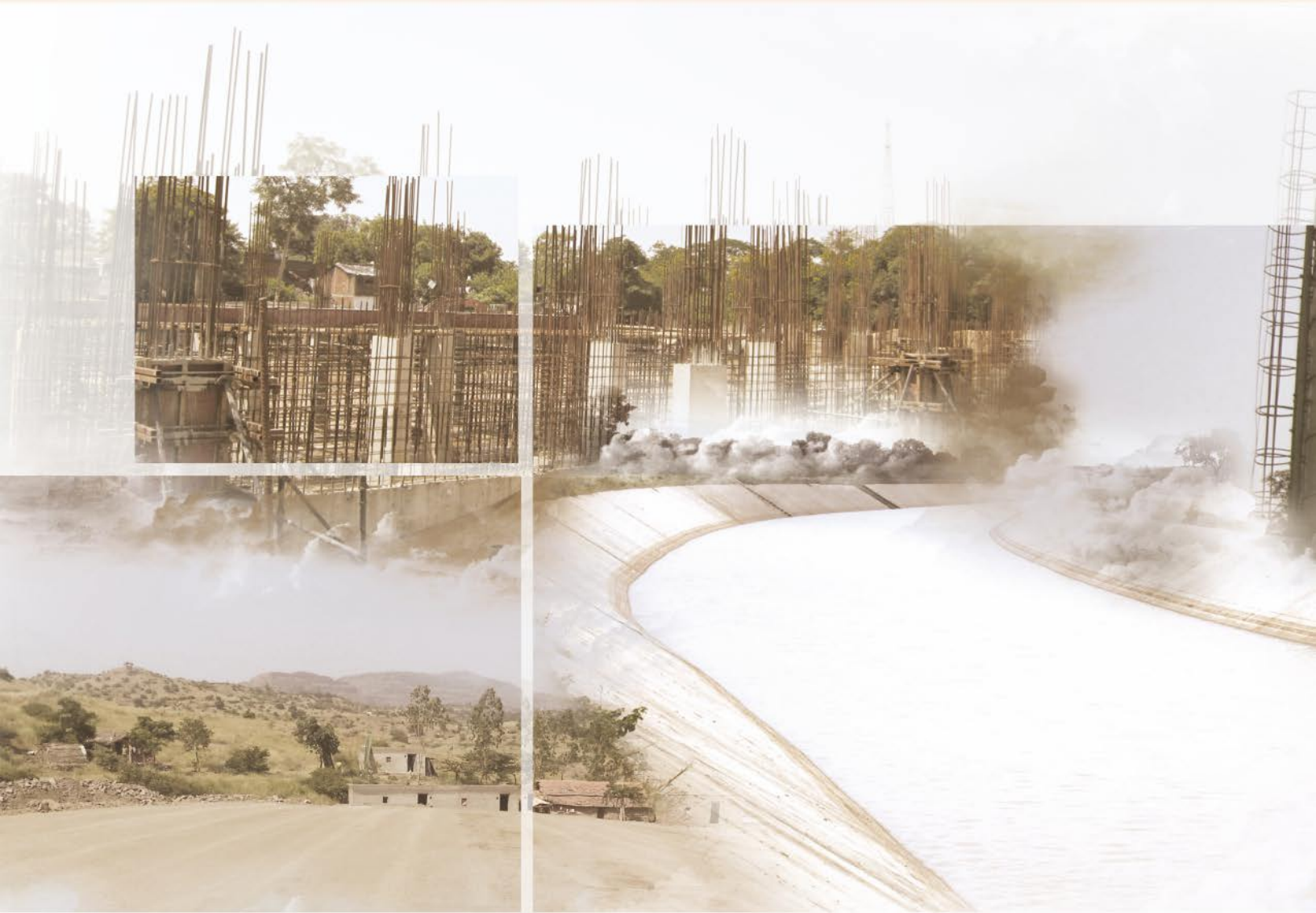



Financial Highlights 2014

(₹ in Lacs)

Particulars	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue From Operation	20,107	34,982	53,092	63,351	78,034
Other Income	17	176	306	310	701
Total Revenue	20,124	35,158	53,398	63,661	78,735
Profit Before Interest, Depreciation And Tax (PBIDT)	1,685	4,013	6,414	7,062	9,632
Interest	36	409	235	1,148	2,419
Depreciation	642	935	1,037	1,041	1,583
Provision For Taxation And Extraordinary Item	367	547	1,474	1,526	1,674
Profit After Tax (PAT)	640	2,122	3,668	3,347	3,956
Cash Flow (PAT+Depreciation+Def. Tax)	1,349	3,109	4,685	4,362	5,616
Share Capital	256	256	256	256	256
Reserve & Surplus	4,299	6,354	9,937	13,283	17,240
Shareholder Fund	4,555	6,610	10,193	13,539	17,496
Earnings Per Share (in ₹)	23	83	143	130	154
Cash Earnings Per Share (in ₹)	53	121	183	170	219
Book Value Per Share (in ₹)	178	258	398	528	683







A JOURNEY *of* DREAM

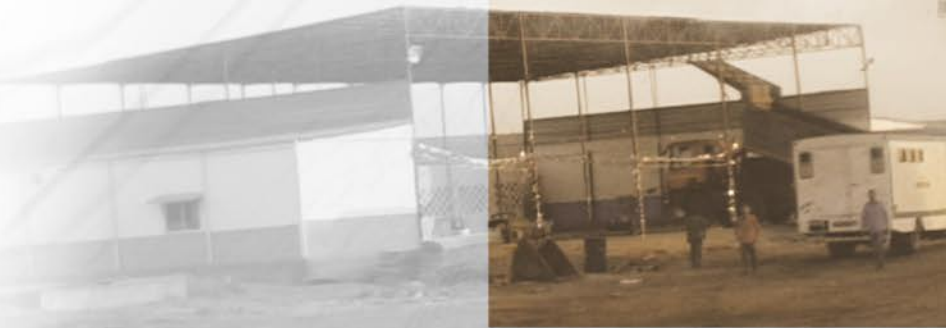
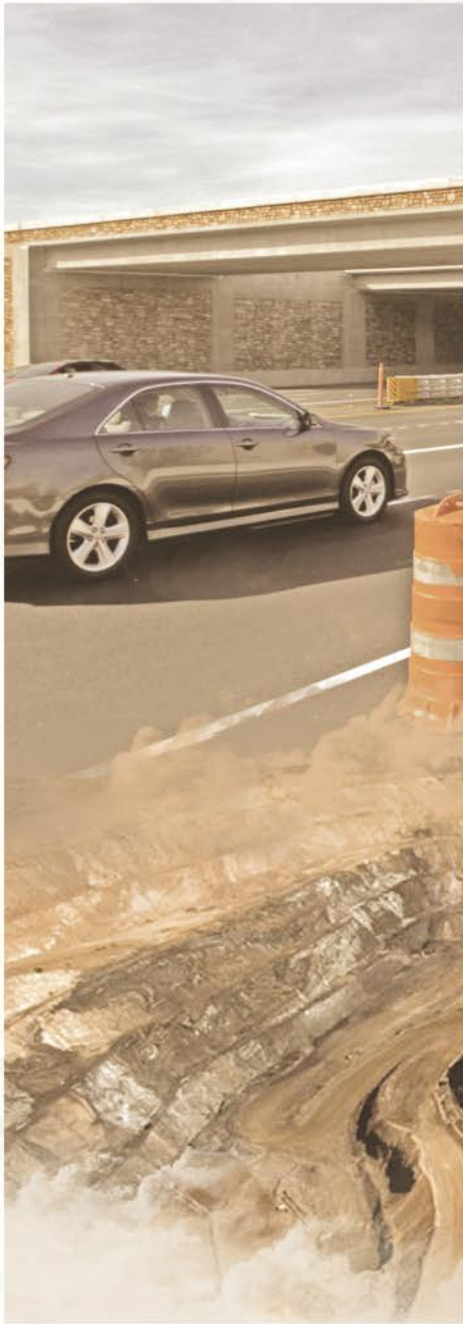
The best way to predict the future is to create it
..... Peter Drucker

By coming up with ideas about what we want to do,
we begin to **plan**.

As we plan, we begin to take **actions**.

As we take actions, we begin to create our **future**.

“The lotus is the most beautiful flower, whose petals open one by one. But it will only grow in the mud. In order to grow and gain wisdom, first you must have the mud, the obstacles of life and its suffering.... The mud speaks of the common ground that humans share, no matter what our stations in life. ... Whether we have it all or we have nothing, we are all faced with the same obstacles. If we are to strive as human beings to gain more wisdom, more kindness and more compassion, we must have the intention to grow as a lotus and open each petal one by one.”





CHANGE IS INEVITABLE

GROWTH IS INTENTIONAL

SETTING GOALS IS THE
FIRST STEP IN TURNING THE
INVISIBLE INTO THE VISIBLE

AIMING GROWTH NEEDS "DESIRE"

GAINING GROWTH NEEDS "DEDICATION"

COPING GROWTH NEEDS "DECISIONS"

MANAGING GROWTH NEEDS "REVIEW"

To,
The Members,
Montecarlo Limited,
Ahmedabad

Your directors have pleasure in presenting their 19th **Annual Report** of the Company, along with the audited accounts for the financial year ended on 31st March 2014.

FINANCIAL RESULTS

The financial performance of the company for current financial year and for previous year are summarized below.

(₹ in Lacs)

PARTICULARS	2013-14	2012-13
Revenue from Operation	78,034.39	63,350.71
Other Income	701.19	310.15
Profit Before Interest, Depreciation & Tax (PBDIT)	9,631.73	7,062.16
Interest / Financial Charges	2,419.10	1,147.51
Depreciation	1,582.53	1,040.80
Tax Expenses:		
- Provision for Current Tax	1,595.32	1,551.72
- Provision for Deferred Tax Liability	77.30	(26.26)
- Provision for Wealth Tax	1.46	1.48
Profit After Tax	3,956.02	3,346.91

DIVIDEND

The company has major projects on hand, which require funds to take the same forward and also that company is diversifying in new areas of activities, much more funds would be required for such new projects. This internal accruals is decided to be used internally for various projects and that would enable the company to reduce its cost burden due to debt funding also. In order to meet such expansion and diversification of projects, the board of directors of the company has decided to plough back the profits earned for the year and hence no dividend is recommended for the financial year 2013-2014.

BUSINESS OVERVIEW

The total revenue from operations during the year under review is ₹ 78,034.39 lacs as against ₹ 63,350.71 lacs for the previous year, recording a growth of 23.18%. The operating profit (PBDIT) for the current year is ₹ 9,631.73 lacs as against ₹ 7,062.16 lacs of previous year, thereby recording a growth of 36.39%. The net profit after tax of the company for the year under review is ₹ 3,956.02 lacs as against ₹ 3,346.91 lacs of previous year, thereby recording a growth of 18.20%. The company is expecting better performance in years to come.

FUTURE OUTLOOK

Montecarlo has expertise in varied segments like Highways & Bridges, Irrigation & Water Supply, Mining, Power Sector and Building & Factories across India. India's Infrastructure has seen a big improvement over the past few years, but recent years suggest that the challenge is more towards how to do it and how to fund it rather what to do. However the way things are gearing up, have certain visibility of cash flow and overall positive outlook.

India's focus on infrastructure since the turn of the millennium has helped make it second fastest growing economy in the world. The road segment is expected to be the first in the sector to see a pickup in order. The Road Ministry has set a target of awarding 6,000 km worth of road projects during the financial year (2014-15), under the BOT (build, own, operate) and EPC (engineering, procurement and construction) models and set a target to achieve 25 kms of highways per day. The present Government has made it clear that it will not tolerate any delays in green clearances. Policy changes to iron out all problems in environment and forest clearances are in the process. Ministry of environment and forests grants clearances to industry leaders before they can go ahead with big projects like airports, ports, mining, power plants and road construction. A committed support can be envisaged from Government towards uninterrupted Power Supply and received extension of tax holidays to the sector which begin generation, transmission and distribution by 2017, along with assurance of adequate coal supply with fast track clearances of environmental issues.

Infrastructure sector is a sector of choice for getting India back on the growth track. The Company has sufficient, healthy and diversified order book position to achieve its targets and taking all necessary steps for improvement in productivity of key resources and reduction in costs wherever required. The Company has been pre-qualified for large infrastructure and building projects on standalone basis as well as with JV partners. Plus increased thrust of infrastructure by Government will also provide considerable opportunities in coming years which surely help company in securing major contracts.

DEPOSITS

During the year under review the company has neither invited nor accepted deposits & hence provisions of section 58A of the Companies Act, 1956 are not applicable to the company.

DIRECTORATE

Mr. Jigar S. Patel has resigned as a Director as well as Executive Director of the Company with effect from 5th October, 2013. The Board of Directors places on record its appreciation for the invaluable contribution made by Mr. Jigar S. Patel during his tenure as a Director of the Company.

Shri Naresh P. Suthar and Shri Suhas V. Joshi, directors of the company are liable to retire by rotation and are eligible for reappointment, have been recommended for re-appointment at the ensuing annual general meeting of the company.

PARTICULARS OF CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

As the company is engaged in the business of Construction of Road, Dam and Canal & Transmission of Power and Mining activities, the information as required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is not applicable and hence the same is not annexed herewith. During the year under review the company has neither earned nor expensed any foreign exchange transactions.

PARTICULARS OF EMPLOYEES

The company has paid remuneration attracting the provisions of the Companies (Particulars of Employees) Rules, 1975 read with Section 217(2A) of the Companies Act, 1956.

Employee throughout the year and in receipt of remuneration aggregating to Rs.60,00,000/- or more per annum.

Name of Employee	Mr. Kanubhai Mafatlal Patel	Mr. Brijesh Kanubhai Patel	Mr. Mrunal Kanubhai Patel
Designation	Chairman & Managing Director	Joint Managing Director	Joint Managing Director
Nature of Duties	Overall management of the company.	To act under supervision of board of directors.	To act under supervision of board of directors.
Remuneration Received During the Year	₹ 2,76,00,000/-	₹ 1,80,00,000/-	₹ 1,80,00,000/-
Qualification & Experience	B. Com, having vast experience of 39 years in Infrastructure Development Sector.	B.E. (Mechanical) having more than 13 years of experience in Infrastructure Development Sector	B.E. (Information Technology) having more than 8 years of experience in Infrastructure Development Sector.
Age	59 years	35 years	30 years
Date of Commencement of Employment	Since incorporation i.e. 20.03.1995	02.03.1998	23.01.2002
Previous Employment	None	None	None
Equity Shares Held	3,92,570 Equity Shares of ₹ 10/- each	2,68,700 Equity Shares of ₹ 10/- each	2,65,010 Equity Shares of ₹ 10/- each

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (i) in preparation of the accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed and no material departures thereto;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for the year under review;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the accounts for the financial year ended 31st March 2014 on a going concern basis.

AUDITORS

M/s. Surana Maloo & Co., Chartered Accountants, Ahmedabad the Statutory Auditors of the company retire at the ensuing annual general meeting of the company and being eligible for reappointment have offered themselves for reappointment. The board of directors have recommended them for reappointment at the ensuing annual general meeting of the company. The observations of the auditors on the accounts of the company for the year under report have been suitably explained in the notes to accounts and do not require any further clarification.

ACKNOWLEDGMENTS

Your directors are pleased to place on record their deep sense of appreciation for the sincere services rendered by all the employees of the company at various levels and also appreciate their constant endeavours to take the company to newer heights year after year.

The company would also like to extend with gratitude and acknowledge the co-operation of bankers of the company led by Oriental Bank of Commerce and their excellent support to the company.

Your directors also places on record with deep senses of appreciation and gratitude to Government at Centre and other State Government, various statutory agencies and other stakeholders, whose support and co-operation has been backbone for the success of the company.

For and on behalf of the Board of Directors

Date: July 4, 2014
Place: Ahmedabad.

Kanubhai M. Patel
Chairman & Managing Director

To,
The Members,
Montecarlo Limited
Ahmedabad.

Report on the Financial Statements

We have audited the accompanying financial statements of Montecarlo Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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

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 including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"), read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs.

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

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.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the 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, 2003 ("the Order") issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. 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.
 - 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 Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in section 211(3C) of the Act read with General Circular 8/2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs; and
 - e) On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

Place: Ahmedabad
Date : July 4, 2014

For, **Surana Maloo & Co**
Chartered Accountants
Firm Registration No: 112171W

Per, Vidhan Surana
Partner
Membership No.: 041841

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date)

In our opinion and according to the information and explanations given to us, the nature of the company's business/activities during the year are such as that matters specified in clauses (VI), (VIII), (X), (XII),(XIII), (XIV), (XV), (XVIII), (XIX),(XX) and (XXI) of paragraph 4 of the order are not applicable to the company. In respect of the other clauses, we report as under:

I. In respect of its fixed assets:

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets, No material discrepancies were noticed on such physical verification.
- c) In our opinion the Company has not disposed off any substantial part of fixed assets during the year and the going concern status of the company is not affected.

II. In respect of its inventories:

- a) As explained to us, the inventories have been physically verified by the management at regular intervals during the year.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to size of the company and 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 book records.

III. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:

- a) As per the information and explanation given to us, and on the basis of records produced before us, the company has not given loan to any party. In respect of the said loan, the maximum amount outstanding at any time during the year was Rs. Nil (Closing Balance: Nil).
- b) Not Applicable
- c) Not Applicable
- d) Not Applicable
- e) The company has taken unsecured loan from one company covered u/s 301 of the Act. In respect of the said loan, the maximum balance outstanding at any time during the year was ₹ 517.75 Lacs and the year-end balance was Nil.
- f) In our opinion and according to the information and explanations given to the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- g) In respect of loans taken by the company, the interest payments are regular and the principal amount is repayable on demand and therefore the question of overdue amount does not arise.

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 nature of its business with respect to the purchases of inventory and fixed assets, for the sale of goods & services. During the course of our audit, we have not observed any continuing failure to correct major weakness in the internal control system.

V. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956:

- a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5.00 Lacs in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.

VII. In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.

IX. In respect of statutory dues:

- a) According to the records of the company, undisputed statutory dues including Employees Provident Fund, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other statutory dues have been generally deposited with the appropriate authorities in time. According to the information and explanations given to us, no undisputed payable in respect of the aforesaid dues were outstanding as at 31st March, 2014 for a period of more than six months from the date of becoming payable.
- b) According to the information & explanation given to us followings are the disputed statutory dues which have not been deposited on account of matters pending before the appropriate authorities are as under:

Name of Statute	Amount (₹ In Lac)	Period to which relates	Forum where dispute is pending
M.P. VAT & Entry Tax	145.22	F.Y.2010-11	Additional Commissioner of Appeals
Jharkhand VAT	18.05 1200.62	A.Y. 2009-10 A.Y. 2010-11	Joint Commissioner of Appeals

XI. Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, non banking financial company.

XVI. In our opinion and according to information and explanation given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

XVII. According to the information and explanations given to us and on examination of balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.

Place: Ahmedabad

Date : July 4, 2014

For, **Surana Maloo & Co**

Chartered Accountants

Firm Registration No: 112171W

Per, **Vidhan Surana**

Partner

Membership No.: 041841

BALANCE SHEET AS AT 31ST MARCH, 2014

(All amount are ₹ in Lacs)

Particulars		Note No.	As at 31st March, 2014	As at 31st March, 2013
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	a) Share Capital	1	256.50	256.50
	b) Reserves and Surplus	2	17,239.51	13,283.49
2	Non-current liabilities			
	a) Long-Term Borrowings	3	5,797.31	603.74
	b) Deferred Tax Liabilities (Net)	4	343.97	266.67
	c) Other Long Term Liabilities	5	5,413.17	5,726.80
	d) Long-Term Provisions	6	77.85	81.71
3	Current liabilities			
	a) Short-Term Borrowings	7	17,419.71	13,939.95
	b) Trade Payables	8	11,444.36	9,110.30
	c) Other Current Liabilities	9	7,800.83	5,307.95
	d) Short-Term Provisions	10	2,145.37	1,816.09
	TOTAL		67,938.58	50,393.20
II.	ASSETS			
1	Non-current assets			
	a) Fixed assets	11		
	(i) Tangible Assets		13,668.29	7,289.45
	(ii) Intangible Assets		95.11	58.24
	(iii) Capital Work-in-Progress		242.56	737.33
	b) Non-Current Investments	12	2,378.24	630.20
	c) Long-Term Loans and Advances	13	3,441.67	4,331.35
2	Current assets			
	a) Inventories	14	8,186.67	9,166.30
	b) Trade Receivables	15	25,114.03	21,298.24
	c) Cash and Cash Equivalents	16	892.65	650.76
	d) Short-Term Loans and Advances	17	13,897.73	6,217.64
	e) Other Current Assets	18	21.63	13.68
	TOTAL		67,938.58	50,393.20
	Significant Accounting Policies	A to B		
	Notes forming part of Financial Statements	1 to 28		

For and on behalf of Board of Directors of
Montecarlo Limited

Kanubhai M. Patel
Chairman & Managing Director

Brijesh K. Patel | **Mrunal K. Patel**
Jt. Managing Director | Jt. Managing Director

Gunjan Taunk
Company Secretary

As per our report of even date,
For **Surana Maloo & Co**
Chartered Accountants
Firm Registration No.: 112171W

Per, Vidhan Surana
Partner
Membership No: 041841

Place : Ahmedabad
Date : July 4, 2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014 (All amount are ₹ in Lacs)

	Particulars	Note No.	2013 - 14	2012 - 13
I	Revenue:			
	Revenue From Operations	20	78,034.39	63,350.71
	Other Income	21	701.19	310.15
	Total Revenue		78,735.58	63,660.86
II	Expenses:			
	Cost of Materials Consumed	22	5,223.62	4,834.63
	Purchases of Stock-in-Trade		6,966.09	9,370.53
	Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	23	884.74	(5,699.35)
	Construction Expenses	24	46,580.94	41,891.24
	Employee Benefits Expense	25	2,737.83	2,166.84
	Finance Costs	26	2,419.10	1,147.51
	Depreciation and Amortization Expense		1,582.53	1,040.80
	Office & Administrative Expenses	27	6,707.01	4,024.45
	Impairment Losses		3.62	10.36
	Total Expenses		73,105.48	58,787.01
III	Profit Before Tax		5,630.10	4,873.85
IV	Tax expense:			
	a) Current Tax		1,595.32	1,551.72
	b) Deferred Tax		77.30	(26.26)
	c) Wealth Tax		1.46	1.48
V	Profit After Tax for the period		3,956.02	3,346.91
VI	Earnings Per Equity Share:			
	Basic & Diluted		154.23	130.48
	Significant Accounting Policies	A to B		
	Notes forming part of Financial Statements	1 to 28		

For and on behalf of Board of Directors of
Montecarlo Limited

Kanubhai M. Patel
Chairman & Managing Director

Brijesh K. Patel | **Mrunal K. Patel**
Jt. Managing Director | Jt. Managing Director

Gunjan Taunk
Company Secretary

As per our report of even date,
For **Surana Maloo & Co**
Chartered Accountants
Firm Registration No.: 112171W

Per, Vidhan Surana
Partner
Membership No: 041841

Place : Ahmedabad
Date : July 4,2014

CASH FLOW STATEMENT FOR THE YEAR 2013-14

(All amount are ₹ in Lacs)

Particulars		2013 - 14		2012 - 13	
A	Cash Flow from Operating Activities				
	Net Profit Before Tax		5,630.10		4,873.84
	Add back:				
	a) Depreciation	1,582.53		1,040.82	
	b) Loss on Sale of Fixed Asset	4.21		-	
	c) Assets Written Off	3.62		10.36	
	d) Interest Expenses	2,419.10		1,147.51	
	e) Gratuity Provision	(7.16)		(3.82)	
	f) Leave Encashment Provision	3.34		7.97	
	g) Bonus Provision	31.12		7.43	
	Deduct:				
	a) Interest Income	-		(82.98)	
	b) Profit on Sale of Fixed Asset	-	4,036.76	(11.07)	2,116.22
	Operating Profit Before Working Capital Changes		9,666.86		6,990.06
	Adjustment for Working Capital Changes:				
	a) Increase in Inventories	979.63		(4,723.90)	
	b) Increase in Trade and Other Receivables	(10,898.17)		(7,504.16)	
	c) Increase/(Decrease) in Trade Payables	3,184.16	(6,734.38)	294.81	(11,933.25)
	Cash Generated from Operations		2,932.48		(4,943.18)
	Deduct:				
	Direct Taxes paid (Net)	(1,054.97)	(1,054.97)	(1,741.82)	(1,741.82)
	Net Cash from Operating Activities		1,877.51		(6,685.00)
B	Cash Flow from Investing Activities:				
	Outflow:				
	a) Purchase of Fixed Assets	(7,975.63)		(1,225.11)	
	b) Investment in Shares	(1,748.04)			
	Inflow:				
	a) Sale of Fixed Asset	464.33		49.86	
	b) Interest Received	(7.95)		76.62	
		-	(9,267.29)	-	(1,098.63)
	Net Cash used in Investing Activities		(9,267.29)		(1,098.63)

CASH FLOW STATEMENT FOR THE YEAR 2013-14

(All amount are ₹ in Lacs)

Particulars		2013 - 14		2012 - 13	
C	CASH FLOW FROM FINANCING ACTIVITIES:				
	Inflow:				
	a) Proceed from Term Loan	7,393.78		1,238.33	
	b) Increase in Bank Borrowings - Working Capital	3,479.76		8,312.83	
	Outflow:				
	a) Interest Paid	(2,419.10)		(1,147.51)	
	b) Reapymnt of Term Loan	(822.77)	7,631.66	(680.55)	7,723.10
	Net Cash used in Financing Activities		7,631.66		7,723.10
	Net Increase/ (Decrease) in Cash and Cash Equivalents		241.89		(60.54)
	OPENING BALANCE- CASH AND CASH EQUIVALENT		650.76		711.30
	CLOSING BALANCE- CASH AND CASH EQUIVALENT		892.65		650.76

For and on behalf of Board of Directors of
Montecarlo Limited

Kanubhai M. Patel
Chairman & Managing Director

Brijesh K. Patel Jt. Managing Director	Mrunal K. Patel Jt. Managing Director
--	---

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As per our report of even date,
For **Surana Maloo & Co**
Chartered Accountants
Firm Registration No.: 112171W

Per, Vidhan Surana
Partner
Membership No: 041841

Place : Ahmedabad
Date : July 4,2014

SIGNIFICANT ACCOUNTING POLICIES

NOTE A - CORPORATE INFORMATION

Montecarlo Limited (the company) is a public limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in business of Infrastructure Development, Mining, and Infrastructure for Power Distribution & Real Estate Business

NOTE B - BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention, except otherwise specified. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained.

B.1 - Summary of significant accounting policies

a) Use of Estimates

The preparation of financial statements in conformity with Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts, at the end of the 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.

b) Tangible Fixed Assets

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the asset to working condition for intended use. Financing costs relating to borrowing funds attributable to acquisition of fixed assets are also included, for the period till such asset is put to use.

c) Depreciation: On Tangible Fixed Assets

- (i) Depreciation is provided on the basis of "Straight Line Method" on all depreciable fixed assets at the rate prescribed in schedule XIV of the Companies Act, 1956 on pro rata basis.
- (ii) Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro rata up to the date on which such assets are sold, discarded or demolished.

d) Intangible Assets & its Amortization

Intangible assets acquired separately are measured on initial recognition at cost and amortized on a straight line basis over the estimated useful economic life.

e) Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are charged to revenue.

f) Impairment of Tangible and Intangible Assets

Impairment Loss, if any is provided to the extent, the carrying amount of assets exceeds their recoverable amount. Recoverable amount is higher of an assets net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or from its disposal at the end of its useful life.

g) Investments

Current Investments are carried at lower of cost or fair value. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

h) Revenue Recognition

1. Income from construction contracts which are item rate contracts are recognized and accounted for at the tendered rate on the basis of actual measurement of the work executed and billed in respect of each of the contracts.
2. Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer on delivery of the goods.
3. All other income and Expenditure are recognized and accounted for on accrual basis.
4. Insurance claims and R.T.O. Tax are accounted for on cash basis.

i) Retirement Benefits:

1. Company provides for Retirement Benefits in the form of Gratuity. Such Benefits are provided for as at Balance Sheet date, based on the valuation made by independent actuaries. Company has taken Group Gratuity Policy of LIC of India and Premium paid is recognized as expenses when it is incurred. Actuarial gains or loss in respect of Gratuity are charged to Profit & Loss Account.
2. Provident fund is accrued on monthly basis in accordance with the terms of contract with the employees and is deposited with the Statutory Provident Fund. The Company's contribution is charged to profit and loss account.
3. Company also provides for Leave Encashment as at Balance Sheet date, based on the valuation made by independent actuaries.

j) Income Taxes

Tax expense comprises of current and deferred taxes. Current Income Tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Provision for Current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

k) Segment Reporting

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

l) Provisions, Contingent Liabilities & Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Contingent Liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENT
FOR THE YEAR ENDED ON 31ST MARCH, 2014**

(All amount are ₹ in Lacs, unless otherwise stated)

Note 1: Share Capital
a) Authorized, Issued, Subscribed & Paid up Share Capital

Particulars	As at 31st March 2014		As at 31st March 2013	
	Numbers in Lacs	Amount in ₹	Numbers in Lacs	Amount in ₹
Authorised				
Equity Shares of ₹ 10 each	50.00	500.00	50.00	500.00
Issued, Subscribed & fully Paid up				
Equity Shares of ₹ 10 each fully paid-up	25.65	256.50	25.65	256.50
Total	25.65	256.50	25.65	256.50

b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	Equity Shares			
	As at 31 March 2014		As at 31 March 2013	
	Numbers in Lacs	Amount in ₹	Numbers in Lacs	Amount in ₹
Shares outstanding at the beginning and at the end of the year	25.65	256.50	25.65	256.50

No Movement in the numbers of Shares Outstanding at the beginning and at the end of the reporting period.

c) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled for one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) Details of shareholders holding more than 5% Shares

Name of Shareholder	Equity Shares			
	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Montecarlo Engineering Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Projects Pvt Ltd	4,80,000	18.71%	4,80,000	18.71%
Montecarlo Infrastructure Limited	4,25,000	16.57%	4,25,000	16.57%
Kanubhai Mafatlal Patel	3,92,570	15.31%	3,92,570	15.31%
Brijesh Kanubhai Patel	2,68,700	10.47%	2,68,700	10.47%
Mrunal Kanubhai Patel	2,65,010	10.33%	2,65,010	10.33%
Dinaben Kanubhai Patel	2,53,510	9.88%	2,53,510	9.88%

Note: In Case of Joint Shareholders, First Shareholders Name clubbed with his/her Individual shareholding.

Note 2: Reserves and Surplus

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
a) Securities Premium Account		
Opening Balance and Closing Balance	1,318.50	1,318.50
	1,318.50	1,318.50
b) General Reserve		
Opening Balance	7,250.00	5,000.00
Add:- Current Year Transfer	2,500.00	2,250.00
Closing Balance	9,750.00	7,250.00
c) Surplus of Profit & Loss Account		
Opening Balance	4,714.99	3,618.08
Add:- Net Profit For the Current Year	3,956.02	3,346.91
Less:- Transfer to General Reserve	2,500.00	2,250.00
Closing Balance	6,171.01	4,714.99
Total	17,239.51	13,283.49

Note 3: Long Term Borrowings

Particulars	As at 31st March 2014	As at 31 March 2013
Secured Term Loan		
From Banks	3,835.57	603.74
From NBFC	1,961.74	-
Total	5,797.31	603.74

a) Terms of Repayment:-

The loan is repayable in 36 to 54 equal monthly installments. Average interest rate applicable on all the term loans is 10.84% p.a.

b) Security Offered against these loans:-

The loan is secured by hypothecation of respective machinery and vehicles. Above Long-Term Loan is also secured by personal guarantee of promoter Directors.

Note 4 : Deferred Tax Liabilities (Net)

Particulars	As at 31st March 2014	As at 31 March 2013
Opening Balance of Deferred Tax Liability	266.67	292.94
Related to Fixed Assets	76.96	(32.82)
Related to Disallowances under the Income Tax Act,1961	0.34	6.55
Closing Balance of Deferred Tax Liability	343.97	266.67

Note 5: Other Long Term Liabilities

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
a) Deposits from Vendors	5,304.07	1,712.23
b) Advance for work from Customers	109.10	4,014.57
Total	5,413.17	5,726.80

Note 6: Long Term Provisions

Particulars	As at 31st March 2014	As at 31 March 2013
Provision for employee benefits		
Gratuity	54.31	61.47
Leave Encashment	23.54	20.24
Total	77.85	81.71

Note 7: Short Term Borrowings

Particulars	As at 31st March 2014	As at 31 March 2013
Secured		
a) Loans repayable on demand		
Working Capital Loan From Banks*	17,419.71	13,939.95
Total	17,419.71	13,939.95

*Working Capital loans are secured by hypothecation of present & future inventory and Book debts. All credit facilities, Fund based and Non fund based from the Consortium of Banks are secured by way of first mortgage/ charge on pari-passu basis on the various immovable properties belonging to the company, its Promoter Directors and their personal guarantees.

Note 8: Trade Payables

Particulars	As at 31st March 2014	As at 31 March 2013
For Materials	5,260.33	5,095.06
For Expenses	6,184.03	4,015.24
Total	11,444.36	9,110.30

Note 9: Other Current Liabilities

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
Other Payables		
Current Maturities of Long Term Debt	2,202.71	825.24
Deposits from vendors	429.97	2,554.24
Advance for work from Customers	4,959.87	1,655.39
Duties & Taxes	123.25	234.21
Unpaid Expenses	85.03	38.87
Total	7,800.83	5,307.95

Note 10: Short Term Provisions

Particulars	As at 31st March 2014	As at 31 March 2013
a) Provision for Employee Benefits		
Salary & Reimbursements	247.30	177.43
Contribution to Provident & Other Fund	13.73	8.02
Bonus Provisions	31.12	27.77
Professional Tax Payable	1.36	0.85
b) Others (Provisions)		
Income Tax Provision	1,850.40	1,600.54
Wealth Tax Provision	1.46	1.48
Total	2,145.37	1,816.09

Note 11: Fixed Assets

(All amount are ₹ in Lacs, unless otherwise stated)

Fixed Assets	Gross Block					Accumulated Depreciation				Net Block	
	Balance as on 01.04.13	Additions	Disposals	Revaluations/ (Impairments)	Balance as at 31.03.14	Balance as at 01.04.13	Depreciation charge for the year	On disposals	Balance as at 31.03.14	Balance as at 31.03.14	Balance as at 31.03.13
a) Tangible Assets (Not Under Lease)											
Land	496.81	-	100.35	-	396.46	-	-	-	-	396.46	496.81
Building	965.15	-	-	-	965.15	53.85	16.05	-	69.90	895.25	911.31
Machinery	8,433.41	2,812.73	853.34	3.62	10,389.18	3,722.78	946.66	491.26	4,178.18	6,211.00	4,710.63
Vehicles	1,449.56	5,594.00	30.54	-	7,013.02	562.44	563.39	24.43	1,101.40	5,911.62	887.12
Office Equipment	48.79	-	-	-	48.79	15.65	2.56	-	18.21	30.58	33.14
Computer	113.51	-	-	-	113.51	91.93	9.65	-	101.58	11.94	21.59
Furniture & Fixtures	260.98	-	-	-	260.98	47.15	16.52	-	63.67	197.31	213.83
Electric Installation	18.89	-	-	-	18.89	3.87	0.90	-	4.77	14.13	15.03
Total (a)	11,787.10	8,406.73	984.23	3.62	19,205.98	4,497.66	1,555.73	515.69	5,537.70	13,668.29	7,289.45
b) Intangible Assets											
Software: Licenses	134.72	63.67	-	-	198.39	76.48	26.80	-	103.28	95.11	58.24
Total (b)	134.72	63.67	-	-	198.39	76.48	26.80	-	103.28	95.11	58.24
c) Capital Work In Progress											
Capital Work In Progress	737.33	268.11	762.88	-	242.56	-	-	-	-	242.56	737.33
Total (c)	737.33	268.11	762.88	-	242.56	-	-	-	-	242.56	737.33
Grand Total (a+b+c)	12,659.16	8,738.51	1,747.11	3.62	19,646.94	4,574.15	1,582.53	515.69	5,640.98	14,005.96	8,085.02
Previous Year	11,633.01	1,306.58	270.06	10.36	12,659.17	3,683.13	1,040.80	149.80	4,574.14	8,085.03	7,949.87

Note 12 : Non Current Assets: Non Current Investment

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
Business Investments		
a) Investment in Equity instruments	2,322.08	630.20
b) Carrying cost of above Investment in Equity instruments	56.16	-
Total	2,378.24	630.20

Details of Business Investments

Sr. No	Particulars	Subsidiary / Associate / JV/ Controlled Special Purpose Entity / Others	No. of Shares / Units (in lacs)		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹)		Basis of Valuation
			2014	2013			2014	2013	2014	2013	
a)	Investment in Equity Instruments										
	(Equity Shares of ₹10 each of Bijapur-Hungund Tollway Pvt. Ltd)	Associate	232.21	63.02	Unquoted	Fully Paid	23%	23%	2,322.08	630.20	At cost
b)	Carrying cost of above Investment								56.16		
	Total								2,378.24	630.20	

- (I) Company has pledged 32.14 lacs shares of Bijapur Hungund Tollway Pvt. Ltd (Previous Year 32.14 lacs) with the Borrower as collateral security for loan taken by Bijapur Hungund Tollway Pvt. Ltd
- (II) During the year the Company has capitalised ₹ 56.16 lacs in the Investment cost of Bijapur Hungund Tollway Pvt. Ltd computed as per section 14A of the Income Tax Act read with rule 8D of Income Tax Rules being the carrying cost of Investment.
- (III) The Company has filed a Company Petition No. 78 of 2013 against BHTPL, SEL, SIPL and present & past directors of BHTPL (herein referred to as "Appellant" under sections 397,398,399,402 and 403 of the Companies Act 1956) before the Company Law Board (CLB), Mumbai. Presently the matter is sub judice.

Note 13: Long Term Loans and Advances

Particulars	As at 31st March 2014	As at 31 March 2013
a) Security Deposits		
Unsecured, considered good	527.43	508.45
b) Loans and advances to related parties		
Unsecured, considered good	2,520.80	2,520.80
(Private Company in which director is also a director)		
c) Other Loans and Advances		
Advance paid to Vendor	393.44	1,302.10
Total	3,441.67	4,331.35

Note 14: Inventories

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
a) Raw Materials and components	738.26	967.32
b) Work-in-progress	6,800.05	7,684.79
c) Stock-in-trade	36.28	72.97
d) Stores and spares	481.08	376.95
e) Others (Consumable)	131.00	64.27
Total	8,186.67	9,166.30

Inventories are valued as per the following method:

Item	Method of valuation
Materials, Stores , Spares, Diesel Oil and Semi-finished Goods	At Weighted Average Cost
Stock in Trade and Stock in Transit	At Cost or Net Realizable Value whichever lower
Work in Progress	At Tendered Rate

Note 15: Trade Receivables

Particulars	As at 31st March 2014	As at 31 March 2013
Unsecured, considered good		
Outstanding for a period exceeding six months	892.13	128.52
Others	24,221.90	21,169.72
Total	25,114.03	21,298.24

Note16: Cash and Cash Equivalents

Particulars	As at 31st March 2014	As at 31 March 2013
a) Balances with banks in Current Accounts	40.74	52.93
b) Balances with banks in Deposit Accounts*	811.42	568.76
c) Cash on hand	40.49	29.07
Total	892.65	650.76

*Fixed Deposits with Banks include Deposits of ₹ 649.29 Lacs(P.Y. ₹ 448.35) with maturity of more than 12 months.

Note 17: Short-Term Loans and Advances

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	As at 31st March 2014	As at 31 March 2013
Other loans & advances		
Unsecured, considered good		
Advance Paid to Vendors	4,122.85	2,228.49
Security Deposits (Unsecured, considered good)	6,920.01	1,308.57
Advance Recoverable in cash / kind or value to be received	2,854.87	2,680.58
Total	13,897.73	6,217.64

Note 18: Other Current Assets

Particulars	As at 31st March 2014	As at 31 March 2013
Interest Accrued but not due on Bank Fixed Deposits	21.63	13.68
Total	21.63	13.68

Note 19: Contingent Liabilities

Particulars	As at 31st March 2014	As at 31 March 2013
a) Claim against the company not acknowledged as debt		
Income Tax on the claim made of the deduction u/s. 80IA (4) of the Income Tax Act,1961 (Refer Note 19 (c) below)	1,418.11	343.47
VAT/Entry Tax	1,363.89	40.48
(b) Guarantees		
Outstanding amount of Bank Guarantees	49,867.66	27,817.91
Total	52,649.66	28,201.86

Note 19 (c) :- The Finance Act (2), 2009 has amended Section 80 IA(4) of the Income Tax Act,1961 by substituting an explanation to section 80 IA with retrospective effect from 01.04.2000. On the basis of legal opinion and decided cases, the company has continued to claim the deduction under section 80 IA(4) of the Act on eligible projects and consequently the company consider it appropriate not to create a liability for provision of Income Tax. However an amount of income tax of ₹.1418.11 Lacs has been disclosed as contingent liability in Note no.19 (a) to these accounts.

Note 20: Revenue From Operation

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	FY 2013 - 14	FY 2012 - 13
a) Contract Receipts	65,513.26	49,384.21
b) Sale of Electrical Items	12,521.13	13,966.50
Total	78,034.39	63,350.71

Note 21: Other Income

Particulars	FY 2013 - 14	FY 2012 - 13
Interest Income	422.53	82.98
Profit on Sale of Fixed Assets	-	11.07
Other non-operating income	-	-
-Insurance Claim	262.17	192.11
-Misc Income	16.49	23.99
Total	701.19	310.15

Note 22: Cost of Material Consumed

Particulars	FY 2013 - 14	FY 2012 - 13
Indegenous	5,223.62	4,834.63
Imported	-	-
Total	5,223.62	4,834.63

Note 23: Change in Inventories of Finished Goods, Work in Progress and Stock-in-trade

Particulars	FY 2013 - 14	FY 2012 - 13
a) Work in Progress		
Opening Work in Progress	7,684.79	1,659.76
Less: Closing Work in Progress	6,800.05	7,684.79
Total (a)	884.74	(6,025.03)
b) Semi Finished Goods		
Opening Semi Finished Stock	-	325.68
Less: Closing Semi Finished Stock	-	-
Total (b)	-	325.68
Total (a+b)	884.74	(5,699.35)

Note 24: Construction Expenses

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	FY 2013 - 14	FY 2012 - 13
Labour Expense	41,560.42	40,160.33
Machinery Consumables & Maintenance Expense	4,501.47	1,372.89
Stores Expense	519.05	358.02
Total	46,580.94	41,891.24

Note 25: Employee Benefits Expenses

Particulars	FY 2013 - 14	FY 2012 - 13
Salaries and Incentives	2,453.28	1,915.61
Contributions to Provident and other fund	70.89	54.54
Gratuity fund contributions	(1.17)	(0.42)
Staff welfare expenses	214.83	197.11
Total	2,737.83	2,166.84

Note 26: Finance Cost

Particulars	FY 2013-114	FY 2012-13
Interest expense	2,419.10	1,147.51
Total	2,419.10	1,147.51

(All amount are ₹ in Lacs, unless otherwise stated)

Note 27 : Office & Administrative Expenses

Particulars	FY 2013-14	FY 2012-13
Auditors Remuneration	13.48	13.48
Business Promotion Expenses	3.45	21.09
Camp Expense	245.16	87.22
Director Remuneration	724.73	702.00
Donations	139.25	89.82
Electric Expenses	42.79	41.02
Legal & Professional charges	389.49	82.23
Loss on sale of Fixed assets	4.21	-
Miscellaneous Expenses	209.43	212.16
Rent Expenses	140.42	135.72
Security Expenses	137.69	134.66
Service Tax	3,359.90	1,573.01
Stationery, Postage & Telephone Expense	71.03	65.56
Bank Commission and Charges	447.75	403.96
Tax & Insurance Expense	506.63	278.72
Traveling Expenses	159.08	90.42
Vehicle Expenses	112.52	93.38
Total	6,707.01	4,024.45

Note 28: Additional Information:-

a) Reporting under Micro, Small & Medium Enterprise Development Act,2006 :-

The Company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosure relating to amounts unpaid at the yearend together with interest paid/payable under this Act has not been given.

b) Payments to Auditor :-

Particulars	FY 2013-14	FY 2012-13
For Audit Fees	13.48	13.48
Total	13.48	13.48

c) Disclosure for Construction Contracts :-

(All amount are ₹ in Lacs, unless otherwise stated)

In terms of the disclosure required to be made under the Accounting Standard-7 (Revised 2002) issued by the Institute of Chartered Accountant of India for "Construction Contracts" the amounts considered in the financial statements up to the reporting date are as follows:-

Particulars	FY 2013-14	FY 2012-13
1) Amount of Contract Revenue recognized as revenue during the year	63,912.34	49,384.21
2) Disclosure in respect of Contract in progress at the reporting date		
a) Aggregate Amount of Contract Cost incurred and recognized profits less losses up to the reporting date	1,87,213.40	1,50,255.29
b) Advances received	2,409.62	1,655.37
c) Retention Amount	2,228.18	3,448.61

d) Employee Benefit :-

The company has made provision of gratuity as per actuarial valuation and recognized the Expenses in the Profit and Loss Account of ₹ (1.32) Lacs (P.Y. ₹ (3.04) Lacs)

Expenses Recognized during the year:-

Particulars	FY 2013-14	FY 2012-13
Current Service Cost	23.98	25.29
Interest Cost	5.71	6.09
Expected Return on Plan Assets	(0.68)	(0.54)
Actuarial (Gain) / Losses	(30.33)	(31.19)
Net Cost	(1.32)	(3.04)

Balance Sheet Reconciliation of Liability :-

Particulars	FY 2013-14	FY 2012-13
Opening Net Liability	61.47	65.29
Expenses of Current Year	(2.90)	(3.04)
Employer Contribution	(4.26)	(0.78)
Closing Net Liability	54.31	61.47

The Actuarial Assumptions :-

Particulars	FY 2013-14	FY 2012-13
Discount Rate (Per Annum)	9.31%	8.25%
Rate of Return on Plan Assets	8.70%	8.70%
Rate of Escalation in Salary	8.00%	8.00%
Attrition Rate	2.00%	2.00%

e) Segment Reporting Disclosure:-

(All amount are ₹ in Lacs, unless otherwise stated)

The Company operates under one geographical segment in India. The Company is engaged in business segment viz.(i) Road & Irrigation Infrastructure Development (ii) Mining and (iii) Power Infrastructure Development. In addition to that company has started Real Estate Development business by launching Real Estate Project last year. Following is the disclosure of separate segment reporting as required in terms of Accounting Standard AS-17 :-

Particulars	Road & Irrigation Infrastructure Development	Mining	Power Infrastructure Development	Total
Revenue including all Taxes				
External	35,473.17 (33,786.57)	28,439.17 (14,086.94)	14,122.05 (15,477.22)	78,034.39 (63,350.72)
Inter-segment	-	-	-	-
Total Revenue	35,473.17 (33,786.57)	28,439.17 (14,086.94)	14,122.05 (15,477.22)	78,034.39 (63,350.72)
Result				
Segment Result	7,428.34 (4,100.45)	4,173.38 (611.76)	-205.75 (3,879.04)	11,395.97 (8,591.25)
Less:-Inter segment margin	-	-	-	-
	-	-	-	11,395.97 (8,591.25)
Unallocated Corporate Income/(Expenditure)	-	-	-	-3,769.30 (-2,652.89)
Operating Profit (PBIT)	-	-	-	7,626.67 (5,938.36)
Interest Expenditure	-	-	-	-2419.10 (-1147.51)
Interest Income	-	-	-	422.53 (82.98)
Profit Before Extra ordinary Items	-	-	-	5630.10 (4873.83)
Less:- Extraordinary Items	-	-	-	-
Profit Before Tax (PBT)	-	-	-	5630.10 (4873.83)

(All amount are ₹ in Lacs, unless otherwise stated)

Particulars	Road & Irrigation Infrastructure Development	Mining	Power Infrastructure Development	Total
Provision for Current Tax	-	-	-	-1595.32 (-1551.72)
Provision for Wealth Tax	-	-	-	-1.46 (-1.48)
Provision for Deferred Tax	-	-	-	-77.30 (26.27)
Profit After Tax (PAT)	-	-	-	3956.02 (3346.90)
Other Information				
Segment Assets	28033.52 (19662.98)	8603.55 (4052.87)	17954.90 (18140.28)	54591.97 (41,856.13)
Unallocable Corporate Assets	-	-	-	13346.61 (8537.06)
Total Assets	-	-	-	67938.58 (50393.19)
Segment Liabilities	12534.81 (8219.56)	3716.24 (2364.73)	6100.30 (8668.90)	22351.35 (19253.19)
Unallocable Corporate Liabilities	-	-	-	45587.23 (31140.00)
Total Liabilities	-	-	-	67938.58 (50393.19)
Capital Expenditure	173.24 (210.48)	69.32 (526.86)	-	242.56 (737.34)
Depreciation (Including obsolescence and amortization) included in segment expenses	967.85 (1000.37)	594.15 (19.31)	20.53 (21.15)	1582.53 (1040.82)
Non-Cash expenses included in segment expenses	-	-	-	-
Non-Cash expenses included in Unallocable Expenses	-	-	-	3.62 (10.36)

*Amount in Bracket pertains to previous year.

(All amount are ₹ in Lacs, unless otherwise stated)

f) Related Parties Disclosure:-

As per Accounting Standard (AS)18 "Related Party Disclosure" issued by the Institute of Chartered Accountants Of India, the list of Related Parties as defined in the Accounting Standards are given below:

List of Related parties and relationships:

Key Managerial Personnel:

- | | | | |
|---|---------------------------|---|--|
| - | Kanubhai Mafatlal Patel | : | Chairman & Managing Director |
| - | Brijesh Kanubhai Patel | : | Joint Managing Director |
| - | Mrunal Kanubhai Patel | : | Joint Managing Director |
| - | Jigar Shaileshbhai Patel | : | Executive Director (upto 05.10.2013) |
| - | Naresh Pranshankar Suthar | : | Executive Director |
| - | Suhas V. Joshi | : | Wholetime Director (W.e.f 26.06.2013) |

Enterprises over which Key Managerial Personnel are able to exercise significant influence:

- Montecarlo Infrastructure Ltd.
- Montecarlo Projects Pvt. Ltd.
- Montecarlo Engineering Pvt. Ltd.
- Montecarlo Realty Limited
- Montecarlo Energy Pvt. Ltd.
- Montecarlo Construction Pvt. Ltd.
- Montecarlo Charitable Trust
- Jenil Corporation

Companies in which Director's Relatives are Director/Partner/Owner

- Nitin Construction Limited

Associates:

- Bijapur Hungund Tollway Pvt. Ltd.

Relatives of Key Managerial Person

- Kanubhai M. Patel (H.U.F.)
- Dinaben Kanubhai Patel
- Alpaben Brijesh Patel
- Jankiben Mrunal Patel

Transactions with related parties:

(All amount are ₹ in Lacs, unless otherwise stated)

Sr.	Nature of Transactions	Associates	Key Managerial Personnel	Enterprise over which Key Managerial Personnel have significant influence	Relative of Key Managerial Persons	Companies in which Director's Relatives are Director/Partner/Owner	Total
1	Salary	-	724.73 (702.00)	-	16.61 (16.47)	-	741.34 (718.47)
2	Interest Given	-	-	48.07 (20.67)	-	-	48.07 (20.67)
3	Rent	-	26.40 (24.00)	-	6.00 (5.54)	-	32.40 (29.54)
4	Donation	-	-	5.21 (18.99)	-	-	5.21 (18.99)
5	Hiring Charges	-	-	7.51 (31.04)	-	-	7.51 (31.04)
6	Investment	1,691.88 (-)	-	-	-	-	1,691.88 (-)
7	Advances	-	-	-	-	17.00 (-)	17.00 (-)

*Amount in Bracket pertains to previous year.

g) Earning Per Share:-

Earning per share is calculated on the basis of Accounting Standard (AS)-20 "Earning Per Share" issued by the Institute of Chartered Accountants of India.

Weighted average number of shares used as denominator for calculating basic EPS as on balance sheet date. The amount used as numerator for calculating basic EPS is profit after taxation. Earning per Share for the Year is as under:

Particulars	FY 2013-14	FY 2012-13
Profit attributable to Equity Share Holders	3,956.02	3,346.90
Weighted average number of Equity Share for Basic EPS:	25.65	25.65
Basic & Diluted Earnings per share (in ₹)	154.23	130.48
Face Value of Equity Shares (in ₹)	10	10

(All amount are ₹ in Lacs, unless otherwise stated)

- h) Balances of Sundry Creditors, Debtors, Receivables / Payables from / to various parties / authorities, Loans & advances are subject to confirmation from the respective parties, and necessary adjustments if any, will be made on its reconciliation.
- i) In the Opinion of the Board of Directors the aggregate value of current assets, loans and advances on realization in ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.
- j) Previous year's figures have been re-arranged and re-grouped, wherever necessary to make them comparable with those of current year.

**For and on behalf of Board of Directors of
Montecarlo Limited**

Kanubhai M. Patel
Chairman & Managing Director

Brijesh K. Patel Jt. Managing Director	Mrunal K. Patel Jt. Managing Director
--	---

Gunjan Taunk
Company Secretary

As per our report of even date,
For **Surana Maloo & Co**
Chartered Accountants
Firm Registration No.: 112171W

Per, Vidhan Surana
Partner
Membership No: 041841

Place : Ahmedabad
Date : July 4,2014



OUR RECENT HRM DRIVE.....

WE HAVE *Started Blasting* **OUR OWN BUILDINGS OF BELIEFS**
& Crossing **NEW MILESTONES**

- Our Management focus moved from 'Do it self' to **efficiencies of operations** and then to **Expansion**.
- We are moving from informal to more **Formal and Professional Organizational Structure**.
- Our style of Management has taken a shift from individualistic treatment to 'common directive principles' and further moving towards **delegative** style.
- Now Ownership is only one of the parameters of reward but the overall model is more **Performance-oriented** and would shift to **individual Bonus** based on **Contributions and Excellence**.
- This shift is achieved based on some concrete constructive actions.....
 - We have changed **every HR system** right from Organizational Structure, Remuneration Structure, Performance Evaluation Model & process, KRAs, ESS, Recruitment sources & its processes etc.
 - Many HR policies starting from Leave & Attendance, Employee Loan, Employee Transfer, Food & Infrastructure facility at Project Sites, Employee identity etc. have undergone changes.
 - For **Employee development** at various stages & stature, we introduced forums like Induction, Project Performance Review, Departmental Meets etc.
 - Internal controls are **strengthened** while giving a **touch of quality** to motivational activities.



Montecarlo Limited

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