

**13TH ANNUAL ACCOUNTS & REPORT
FOR THE YEAR ENDED
31ST MARCH, 2013**



YALA CONSTRUCTION COMPANY PVT LIMITED



BOARD OF DIRECTORS

**MR. AJAY GOPALAKRISHNAN MENON
MR. M.B. BAJULGE
MR. HIMANSHU VASHIST**



**AUDITORS
GUPTA MAHESH & CO.
CHARTERED ACCOUNTANTS
NEW DELHI**

REGD. OFFICE: 1304-A, CHIRANJIV TOWER, 43, NEHRU PLACE, NEW DELHI- 110019



Gupta Mahesh & Co.

Chartered Accountants

45 Lower Ground Floor, Pocket A-8,
Kalkaji Extension, New Delhi - 110 019
Ph : 011-41605390, 9811015010
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INDEPENDENT AUDITOR'S REPORT

**To the Members of
YALA CONSTRUCTION CO. PRIVATE LIMITED**

Report on Financial Statement:

We have audited the accompanying financial statements of **YALA CONSTRUCTION CO. PRIVATE LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March 2013, and 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 Standards referred to in sub-section (3C) of the section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and the 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.

Auditor's Responsibility:

Our Responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and a plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An Audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, 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 and 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 preparation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit report.



Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the 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 31st, 2013;
- (b) in the case of the Profit and Loss Account. 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 sub-section (4A) of section 227 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and 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 clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 *except in the case of Mr Himanshu Vashist for which we are unable to give our opinion, as the company has not received any written representation from him, regarding the above;*

Place: *New Delhi*
Date: *14.06.2013*

For GUPTA MAHESH & CO.
Chartered Accountants
Firm's Registration No. 005427C



Mahesh Gupta
Prop.
Membership No.074202

**ANNEXURE TO AUDITORS' REPORT
(REFERRED IN OUR REPORT OF EVEN DATE)**

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) According to the information and explanations given to us, all the fixed assets have been physically verified by the Management during the year and no material discrepancies noticed. In our opinion the frequency of such verification is reasonable having regards to the size of the company and the nature of its assets.
 - c) During the year, the Company has not disposed off substantial part of fixed assets and therefore, the question of effect on going concern assumption does not arise.
2.
 - a) As explained to us, the inventories have been physically verified by the management during the year by the management and in our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to size of the company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of inventory/work in progress as compared to book records.
3.
 - a) The company has not taken any loans, secured or unsecured, from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - b) The company has granted loan to one "1" parties covered in the register required to be maintained under section 301 of the Act. The maximum amount outstanding during the year was Rs 11,40,676 (Previous year 11,40,676) and the year end balance was Rs. 11,40,676 (Previous year 11,40,676).
 - c) The rate of interest and other terms and conditions of loans given by the Company, secured or unsecured are prima facie not prejudicial to the interest of the Company.
 - d) As per terms and conditions governing the loans, receipt of principal amount is in accordance with the terms and condition of the loan. No interest has been received during the year, since the loans are interest free.
4. In our opinion and according to information and explanations given to us, there are generally adequate internal control procedures commensurate with the size of the



company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services.

5.
 - a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to Section 301 of the Act have been entered into the Register maintained under section 301 of the Act.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered into the register in pursuance of Section 301 of the Act and exceeding the value of Rupees Five Lacs in respect of any party during the year. have been made at prices which are reasonable having regard to the market prices prevailing at the relevant time.
6. In our opinion and according to the information and explanations given to us, during the year, the Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975. According to the information and explanations given to us, no order has been passed by the Company law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal during the year, with respect to above referred sections.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. As explained by the management, the Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Act in respect of activities of the Company.
9.
 - a) According to the information and explanations given to us by the management, the Company during the year is regular in depositing with the appropriate authorities the undisputed statutory dues including Income Tax, Sales Tax and any other statutory dues.
 - b) According to the information and explanation given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sale Tax, Customs Duty and excise duty were outstanding as on 31st March, 2013 for a period of more than six month from date of becoming payable.
10. The company does not have accumulated losses as at the end of the year. The Company has not incurred any cash losses in the current and in the immediately preceding financial year.
11. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or banks.
12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the company.



14. The company is not dealing a dealer or trader in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanation given to us, the terms and conditions of the guarantees given by the company, for loans taken by others from banks or financial institutions during the year, are not prejudicial to the interest of the company.
16. According to the information and explanation given to us and on the overall examination of the Balance Sheet, the Company has applied term loans for the purpose they were obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The company has not created security or charge in respect of debentures issued and outstanding at the year-end.
20. The company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across nor have been informed of any instance of fraud by/on the company.

Place – New Delhi
Date – 14.06.2013

**For Gupta Mahesh & Co.
Chartered Accountants**




Mahesh Gupta
Prop.
Membership No.074202
Registration No.005427C

Yala Construction Company Private Limited
1304-A, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Balance Sheet as at 31st March , 2013

Particulars	Notes	As at 31st March,2013 Rupees	As at 31st March,2012 Rupees
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	63,187,200	22,365,250
Reserve and Surplus	3	22,238,581	18,504,078
		85,425,781	40,869,328
Non Current Liabilities			
Long term Borrowings	4	363,307	1,300,422
Deferred Tax Liability	5	290,950	337,783
Long Term Provisions	6	826,310	556,599
		1,480,567	2,194,804
Current Liabilities			
Trade Payables	7	6,248,640	35,000,682
Other Current Liabilities	8	5,667,101	5,739,138
Short Term Provisions	6	2,011,130	12,209,780
		13,926,871	52,949,600
TOTAL		100,833,219	96,013,732
II.ASSETS			
Non Current Assets			
Fixed Assets(Net)			
Tangible Assets	9	13,148,482	15,393,655
Long Term Loans & Advances	10	29,892,697	22,246,615
		43,041,179	37,640,270
Current Assets			
Inventories	11	4,439,007	1,376,909
Trade Receivables	12	2,105,146	3,805,201
Cash and Cash Equivalents	13	43,196,596	37,868,213
Short Term Loans & Advances	10	8,051,291	15,323,139
		57,792,040	58,373,462
TOTAL		100,833,219	96,013,732

Significant Accounting policies 1
The notes referred to from 1 to 35 form an integral part of the financial statements

As per our report of even date
For Gupta Mahesh & Co.
Chartered Accountants


(Mahesh Gupta)
Proprietor
Membership No. 074202
Firm Registration No. 005427C
Place : New Delhi
Date : 14.06.2013

For and on behalf of the Board of Directors

Director

Director

Yala Construction Company Private Limited
1304-A, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Statement of Profit and Loss Account for the year ended 31st March , 2013

Particulars	Notes	As at 31st March 2013 Rupees	As at 31st March 2012 Rupees
Income			
Revenue From Operation	14	89,382,619	96,516,248
Other Income	15	12,785,949	14,802,513
TOTAL INCOME		102,168,568	111,318,761
Expenditure			
Cost of material Consumed	16	61,022,319	61,963,388
Employee Benefit Expenses	17	16,421,924	13,548,553
Finance Cost	18	620,471	722,640
Depreciation & Amortization	9	2,666,009	3,198,160
Other Expenses	19	15,487,326	21,470,876
TOTAL EXPENSE		96,218,049	100,903,617
Profit/(Loss) before Tax		5,950,519	10,415,144
Tax Expenses			
Current Tax		2,000,000	4,200,000
Deffered Tax		(46,833)	123,488
Provision for tax earlier years		262,849	-
Profit/(Loss) for the year		3,734,503	6,091,656
Basic and Diluted earnings per Equity Share (Refer note 20) (Nominal value Rs. 10 per share)		0.68	2.72

Significant Accounting Policies

1

The notes referred to from 1 to 35 form an integral part of the financial statements

As per our report of even date

For Gupta Mahesh & Co.

For and on behalf of the Board of Directors

Chartered Accountants

(Mahesh Gupta)

Proprietor

Membership No. 074202

Firm Registration No. 005427C

Place : New Delhi

Date : 14.06.2013

Director

Director



Yala Construction Co. Private Limited

Cash Flow Statement for the year ended 31st March 2013

	For the year ended 31 March 2013		For the year ended 31 March 2012	
	Rupees	Rupees	Rupees	Rupees
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after tax		3,734,503		6,091,656
Adjustment for :				
Depreciation	2,666,009		3,198,161	
Interest received	(3,669,858)		(1,937,525)	
Interest paid	620,471		722,640	
Foreign Exchange Loss/(Gain)	1,909,060		1,783,947	
Loss/(Profit) on sale of assets (net)	29,446	1,555,128	464,578	4,231,801
Operating profit before changes in Working Capital		5,289,631		10,323,457
Adjustments for changes in Working Capital and provisions:				
Inventories	(3,062,098)		4,335,312	
Trade receivables	1,700,054		1,067,480	
Loans and advances	(374,229)		2,044,698	
Current Liabilities	(28,824,079)		(5,816,106)	
Deferred tax Liability	(46,833)		123,488	
Provisions	(9,928,939)	(40,536,125)	4,419,160	6,174,032
Cash generated from operations		(35,246,494)		16,497,489
Foreign Exchange Fluctuation		(1,909,060)		(1,783,947)
Net Cash from Operating activities		(37,155,554)		14,713,542
B CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES				
Fixed Assets				
Purchase	(475,285)		(3,270,957)	
Sale of fixed assets	25,000		684,421	
Loss/(Profit) on Sales of Assets	-		(464,578)	
Interest received	3,669,858		1,937,525	
Net Cash (used in) investing activities		3,219,573		(1,113,589)
C CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES				
Increase/(Decrease) in Unsecured Loan	-		-	
Interest paid	(620,471)		(722,640)	
Increase/(Decrease) in Secured Loan	(937,115)		(282,578)	
Share Capital	40,821,950		-	
Net Cash from financing activities		39,264,364		(1,005,218)
D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		5,328,383		12,594,735
Cash and Cash Equivalents (Opening balance)		37,868,213		25,273,478
Cash and Cash Equivalents (Closing balance)		43,196,596		37,868,213



Notes for Cash Flow Statement:

1 Detail of Opening and Closing Cash & Cash Equivalent

	Closing	Opening
Cash in Hand	50	103,943
<i>Balance with Scheduled Bank</i>		
In Current Account	641,214	916,038
Cheques in Hand	-	10,574,452
On Deposit Account	16,090,551	4,057,323
In Fixed Deposit Account	26,464,781	22,216,457
	<u>43,196,596</u>	<u>37,868,213</u>

- 2 The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard (revised) -3 (AS-3) notified by Companies Accounting Standard Rules,2006
- 3 Figures in brackets indicate cash outgo.
- 4 Figures have been rounded off to the nearest rupees.

For and on behalf of the Board of Directors

Director

Director

Date :

Place :

Auditor's Certificate

We, have verified the above Cash Flow Statement of Yala Construction Co Private Limited for the year ended March 31, 2013. The statement has been prepared in accordance with the requirement of AS 3 (revised) notified by Companies Accounting Standard Rules,2006 and is in agreement with the Profit and Loss account and the Balance Sheet of the Company, covered by the our report of even date to the members of the Company.

As per our report attached

For Gupta Mahesh & Co.
Chartered Accountants

(Mahesh Gupta)

Proprietor

Membership No. 074202

Firm registration No. 005427C

Date : 14.06.2013

Place : New Delhi

Yala Construction Company Private Limited

Notes forming part of the Balance Sheet


	As at 31st March, 2013	As at 31st March, 2012
	Rupees	Rs.
Note 2		
Share Capital		
Authorised Capital		
12,000,000 Equity shares of Rs.10 each of Rs.10 each)	120,000,000	30,000,000
Issued, Subscribed and Paid up	63,187,200	22,365,250
63,18,720 Equity Shares of Rs.10 each fully paid	63,187,200	22,365,250

(a) Share holders holding more than 5% shares

Name of Shareholder	As at 31st March, 2013		As at 31st March, 2012	
	No. of Share Holding	Percentage of Holding	No. of Share Holding	Percentage of Holding
ELSAMEX INTERNACIONAL SPAIN	2338433	37.00%	765279	35%
ELSAMEX,SA SPAIN	3729329	59.00%	1220288	55%
KANTA VASHIST	-	-	229658	10%

(b) Movement of Equity Shares

Particulars	Equity Shares			
	As at 31st March, 2013		As at 31st March, 2012	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	2236525	22,365,250	2236525	22365250
Shares Issued during the year	4082195	40,821,950	0	0
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	6318720	63,187,200	2236525	22365250

	Initials
	YCCPL

Yala Construction Company Private Limited

Notes forming part of the Balance Sheet

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Note 3 Reserve and Surplus		
Share Premium Account	716,320	716,320
	(A) <u>716,320</u>	<u>716,320</u>
Profit and Loss Account		
Opening Balance	17,787,758	11,696,102
Add/Less: Profit/(Loss) as per Profit and Loss Account	3,734,503	6,091,656
	(B) <u>21,522,261</u>	<u>17,787,758</u>
TOTAL (A+B)	<u><u>22,238,581</u></u>	<u><u>18,504,078</u></u>



Yala Construction Company Private Limited

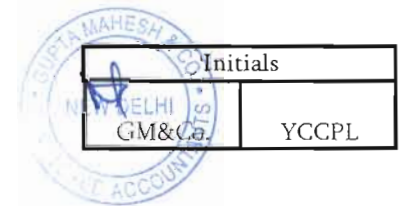
Notes forming part of the Balance Sheet

	Non- Current		Current maturities	
	As at 31st March,2013	As at 31st March,2012	As at 31st March,2013	As at 31st March,2012
Note 4				
Long Term Borrowings				
a. Term Loans				
- From Bank (Secured)	363,307	1,300,422	937,115	1,645,753
- From other Parties				
Amount disclosed under the head "Other current Liabilities" note no. 8			(937,115)	(1,645,753)
TOTAL	363,307	1,300,422	-	-

Note 5

Calculation of DTL / DTA

	As at 31st March,2013	As at 31st March,2012
WDV as per Companies Act 1956 as on 31.3.2013	13,148,482	15,393,656
WDV as per Income tax Act 1961 as on 31.3.2013	12,206,897	14,300,506
Depreciation Differential under both Acts	(941,585)	(1,093,150)
Deferred Tax Asset/(Liability) on account of depreciation	(290,950)	(337,783)
Deferred Tax Liability as on 31.3.2012	337,783	-
Deffered Tax Asset / (Liability) during the year	46,833	



Initials
GM&Co. YCCPL

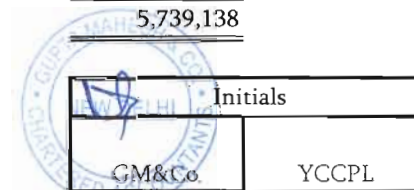
Yala Construction Company Private Limited

Notes forming part of the Balance Sheet

Note 6	Long Term		Short Term	
	As at 31st March,2013	As at 31st March,2012	As at 31st March,2013	As at 31st March,2012
Provisions				
a. Provision for employee benefits				
Provision for gratuity	826,310	556,599	11,130	9,780
b. Others Provisions				
Income Tax A.Y 2012-13	-	-	-	12,200,000
Income Tax A.Y 2013-14	-	-	2,000,000	
TOTAL	826,310	556,599	2,011,130	12,209,780

Note 7	As at 31st March,2013	As at 31st March,2012
Trade Payables		
Trade Payables		
Payables outstanding for a period less than six months		
- Unsecured Payables	6,248,640	35,000,682
Payables outstanding for a period More than six months		
- Unsecured Payables		
TOTAL	6,248,640	35,000,682

Note 8		
Other Current Liability		
A) Current Maturity of long term Debts	937115	1645753
B) others		
Security Deposits and Advances	322742	367742
Expenses payable	1479584	1295891
Duties and Taxes	816851	1456843
Advnace from Customers	1137900	-
Other Payable	972909	972909
TOTAL	5,667,101	5,739,138



Yala Construction Company Private Limited

Note 9

Notes annexed to and forming the part of Accounts

Fixed Assets

(Amount in Rs.)

Particulars	Rate of Depn: %	Gross Block				Depreciation						Net Block	
		Opening as at 1st April 2012	Additions	Deduction	Closing as at 31st March, 2013	Accumulated upto 1st April 2012	On opening balances	On Additions	For the year	Deduction	Accumulated upto 31st March, 2013	Closing as at 31st March, 2013	As at 31st March 2012
Building	5.00%	26,270	-	-	26,270	9,123	17,147	-	17,147	-	26,270	0	17,147
Plant & Machi	13.91%	30,357,465	272,259	345,500	30,284,224	18,178,247	1,694,124	21,863	1,713,814	291,050	19,601,011	10,683,213	12,179,218
Vehicles	25.89%	4,704,618	-	-	4,704,618	3,097,658	416,045	-	416,042	-	3,513,700	1,190,918	1,606,960
Commercial Ve	30.00%	2,189,597	-	-	2,189,597	1,042,173	344,227	-	344,227	-	1,386,400	803,197	1,147,424
Furniture & Fi	18.10%	18,995	19,400	-	38,395	2,354	3,012	1,150	4,162	-	6,516	31,879	16,641
Office Equipme	13.91%	555,363	99,871	-	655,234	298,405	35,743	42,837	78,580	-	376,985	278,249	256,958
Computers	40%	428,435	83,755	-	512,190	259,127	67,723	24,314	92,037	-	351,164	161,026	169,308
TOTAL		38,280,743	475,285	345,500	38,410,528	22,887,087	2,578,021	90,164	2,666,009	291,050	25,262,046	13,148,482	15,393,656
Previous Year		37,987,136	3,270,957	2,977,350	38,280,743	21,981,856	2,353,417	844,746	3,198,160	2,292,932	22,887,087	15,393,655	16,005,280.00



Initials	
CM&Co.	YCCPL


Yala Construction Company Private Limited

Notes forming part of the Balance Sheet

Note 10

Loans & Advances:

	Long Term		Short Term	
	As at 31st March,2013	31st March 2012	As at 31st March,2013	31st March 2012
a. Security Deposit	15,638,146	14,081,450	-	-
b. Loans & Advances to related Parties	14,254,551	8,165,165	-	-
c. Advance Income Tax	-	-	2,911,108	5,612,896
d. Advance to staff	-	-	421,596	149,315
e. Prepaid Expenses	-	-	259,755	248,113
f. Other Advances	-	-	4,458,832	9,312,815
TOTAL	29,892,697	22,246,615	8,051,291	15,323,139

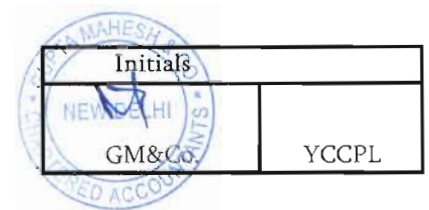


Initials	
GM&Co.	YCCPL

Yala Construction Company Private Limited


Notes forming part of the Balance Sheet

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Note 11		
Inventories		
(As taken, valued and certified by the management)		
Project Work in Progress	2,400,000	-
Raw material	2,039,007	1,376,909
TOTAL	4,439,007	1,376,909
Note 12		
Trade Receivables		
Debts outstanding for a period exceeding six months		
- Unsecured, Considered good	-	-
Debts outstanding for a period Less Than six months	2,105,146	3,805,201
Debts outstanding for a period More Than six months		
TOTAL	2,105,146	3,805,201
Note 13		
Cash and Cash Equivalents		
Balances with Banks		
On Current Account	641,214	916,038
Cheques In Hand	-	10,574,452
On Fixed Deposit Account	16,090,551	4,057,323
On Deposit Account held as, Security, BG, EMD with various Authorities for performance of contract)	26,464,781	22,216,457
Cash in hand	50	103,943
TOTAL	43,196,596	37,868,213



Yala Construction Company Private Limited
Notes forming part of the Profit & Loss Account


	As at 31st March 2013 Rupees	As at 31st March 2012 Rupees
Note 14		
Revenue		
Project Revenue	89,382,619	96,516,248
TOTAL	<u><u>89,382,619</u></u>	<u><u>96,516,248</u></u>
Note 15		
Other Income		
Interest	3,669,858	1,937,525
Slurry Machine Rent	2,400,000	-
Sundry Balances Written off	6,716,091	12,864,988
TOTAL	<u><u>12,785,949</u></u>	<u><u>14,802,513</u></u>

	Initials
GM&Co.	YCCPL

Yala Construction Company Private Limited

Notes forming part of the Profit & Loss Account


		As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Note 16			
Operating Expenses			
Consumption of Raw Materials			
Opening Stock		1,376,908	2,255,079
Add: Purchases			
- Emulsion		35,065,842	35,833,987
- Additive		4,612,342	5,026,986
- Aggregate		3,803,350	2,459,574
- Others		2,109,094	1,718,091
Less: Closing Stock			
- Bitumen		1,191,960	1,289,324
- Additive		597,572	60,753
- Aggregate		229,635	26,551
- Others		19,840	280
Raw Material Consumed	(A)	<u>44,928,529</u>	<u>45,916,809</u>
(Increase)/Decrease in Work-in-progress			
Closing Work in progress		<u>2,400,000</u>	<u>-</u>
		<u>2,400,000</u>	<u>-</u>
Less:			
Opening Work-in-progress		<u>-</u>	<u>3,457,142</u>
		<u>-</u>	<u>3,457,142</u>
	(B)	<u>(2,400,000)</u>	<u>3,457,142</u>
Site Expenses			
Site Operations		14,147,697	9,997,181
Freight and Cartage		4,346,093	2,592,256
	(C)	<u>18,493,790</u>	<u>12,589,437</u>
Total	(A+B+C)	<u><u>61,022,319</u></u>	<u><u>61,963,388</u></u>

	Initials
	YCCPL

Yala Construction Company Private Limited

Notes forming part of the Profit & Loss Account

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Note 17		
Employee Benefit Expenses		
Salaries & Bonus	14,870,666	11,726,908
Employers Contribution to PF and ESI	899,756	732,872
Gratuity Expenses	271,061	219,160
Staff Welfare	380,441	869,613
TOTAL	16,421,924	13,548,553
Note 18		
Finance Cost		
Bank Charges	290,409	231,561
Bank Interest	330,062	491,079
TOTAL	620,471	722,640
Note 19		
Other Expenses		
Advertisement and Business promotion	48,419	124,159
Annual maintenance	44,235	26,716
Auditor Remuneration	84,270	84,270
Telephone & Internet Charges	291,715	291,011
Conveyance ,Tour and Travelling	709,674	1,453,667
Director Sitting Fee	43,708	45,000
Duties and Taxes	1,826,838	3,554,807
Electricity and Water	199,716	148,441
Exchange Variation	15,325	1,783,947
Insurance	278,348	215,911
Legal and Professional	3,147,705	4,920,706
Loss on sale of assets	29,446	464,578
Membership & Subscription	73,207	38,399
Office expenses	168,376	154,323
Postage and Courier	91,351	64,769
Printing and Stationery	126,216	143,267
Rent office	1,909,060	1,613,768
Repair, running and maintainence	337,564	101,961
Royalty a/c	5,021,517	5,322,871
Tender & Bid Expenses	26,514	29,657
Vehicle Runing Expenses	1,014,122	888,648
Total	15,487,326	21,470,876

	Initials
YCCPL	YCCPL



Yala Construction Company Private Limited

Notes forming part of the Profit & Loss Account

	As at 31st March, 2013 Rupees	As at 31st March, 2012 Rupees
Note 20		
Earnings per share		
Profit after Tax attributable to Equity Shareholders (Rupees)	3,734,503	6,091,656
Weighted average number of equity shares used in calculating basic and diluted EPS	5,513,465	2,236,525
Nominal Value per share (Rupees)	10	10
Basic and diluted loss per share (Rupees)	0.68	2.72



Yala Construction Co. Private Limited
Notes forming part of the financial statements

Note: 1

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. Background

Yala Construction Co. Private Limited (the Company) was incorporated as a private limited company on 4th February 2000. The company is primarily engaged in the business of Micro surfacing on roads, highways & airports. Macro seal – Cold micro asphalt Micro surfacing has been extensively used in many countries viz.. USA, Canada, Italy, Malta, Thailand, Korea Indonesia etc to mention few. Many million square meters of roads have been resurfaced using this product with very good results over a period.

1.1 SIGNIFICANT ACCOUNTING POLICIES

a) **Basis of Accounting**

The Financial Statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India including the applicable Accounting Standards issued pursuant to the Companies (Accounting Standards) Rules, 2006. All income and expenditure having a material bearing on the financial statements recognized on an accrual basis.

The financial statements are prepared in accordance with the going-concern principle and on a historical cost basis. The presentation and grouping of individual items in the balance sheet, the income statement and the cash flow statement are based on the principle of materiality.

b) **Use of estimates**

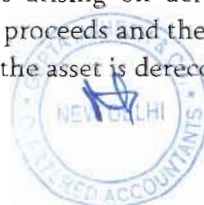
The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates and any revision is recognized in the current and future periods.

c) **Fixed Assets**

Fixed Assets is stated at cost less accumulated depreciation and accumulated impairment in value. Such cost includes cost of acquisition and cost incurred to bring assets in workable condition when that cost is incurred if the recognition criteria are met.

The carrying values of Fixed Assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

An item of Fixed is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.



d) Depreciation

- (i) Depreciation on fixed assets has been provided for on the Written Down Value Method at the rates provided in Schedule XIV of the Companies Act, 1956 on prorata basis.
- (ii) All categories of assets costing less than Rs 5,000 each have been written off in the year of capitalization.

e) Inventory Valuation

Inventory include the material / consumable stores, project in progress (WIP) and the completed projects Inventory is valued at lower of cost or market value using the First in First out method.

The basis of determining cost of inventory, project work-in-progress and completed works is as follows:

Material /Consumable stores	:	At cost including all direct expenses incurred to bring the material to site.
Work-in-progress	:	At cost including material cost, services and other overheads related to projects under construction.
Completed works	:	At cost including material cost, services and other overheads related to completed works.

f) Provisions

Provisions are recognised when the company has a present obligation as a result of a 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. Where the company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

g) Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue comprises:

i. Project Revenue

Revenue from projects is recognized following “the percentage of completion method”, in accordance with AS-7 (Accounting for Construction contracts). Revenues under percentage of completion method is recognized, on basis of percentage, that of actual cost incurred on the projects under execution bears to the latest estimated total cost.

Stage of completion of the project is determined on basis of percentage that actual cost incurred, bears to total estimated cost of the project undertaken.

The costs incurred on projects under execution on which revenue is not recognized, as they are yet to be certified by the concerned authorities, are shown as inventory of project work-in-progress in the Balance Sheet.



ii. Interest Income

Revenue is recognised as interest accrues (using the effective interest method that is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset).

h) Foreign Currency Transactions

Transactions in foreign currencies are recorded at the currency rate ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currency are retranslated at the exchange rate ruling at the Balance Sheet date.

i) Employee Benefits

Salaries, bonuses, social security contributions, paid annual leave and other benefits are accrued in the year in which the associated services are rendered by employees of the company.

The cost of accumulated compensated leave is determined on the basis of accumulated compensated leave due to an employee as on the date of financial statement multiplied by salary as on that date.

The Gratuity plan for the employees of the company is a defined benefit plan. The cost of providing benefits under gratuity is determined using the projected unit credit actuarial valuation method. Actuarial gains and losses are recognised in full in the period in which they occur.

j) Taxes

Income Tax comprises of Current Tax and net changes in Deferred Tax Assets or Liability during the year. Current Tax is determined at the amount of tax payable in respect of taxable income for the year as per the Income Tax Act, 1961

Deferred Tax Assets and Liabilities are recognised for the future tax consequences of timing differences arising from differences in accounting policies as per the accounts drawn up under the Companies Act and the Income Tax Act. Deferred Tax Assets and Liabilities other than on carry forward losses and unabsorbed depreciation under tax laws are recognised when it is reasonably certain that there will be future taxable income. Deferred Tax Asset on carry forward losses and unabsorbed depreciation, if any, are recognised when it is virtually certain that there will be future taxable profit. Deferred tax assets and liabilities are measured using substantively enacted tax rates. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Profit and Loss Account in the period of substantive enactment of the change

The carrying amount of deferred income tax assets is reviewed at each balance sheet and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

k) Earnings per Share

Basic earnings per share is calculated by dividing net profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.



1) Contingent Liabilities

Contingent Liability is disclosed in the case of

- a) a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b) a possible obligation, unless the probability of outflow of resources is remote.

21. Contingent liabilities –

Bank Guarantees of Rs 1,80,53,940 (Out of this bank guarantee of Rs 91,11,214/- has been provided by ILFS Transport Networks Ltd, Mumbai) (Previous year: Rs. 1,57,59,667) (Out of this bank guarantee of Rs 91,11,214/- has been provided by ILFS Transport Networks Ltd, Mumbai) issued towards performance of construction projects.

22. Major Judgments: In case of maintenance /resurfacing of roads projects, generally company gives defect liability wherein the company undertakes to bear the expenditure on specified maintenance. The contractee may recover the said expenses out of the retention money withheld by them. Based on past trends, the management estimates that no material expenses to be incurred on the maintenance during the unexpired defect liability period and the said expenses to be recognised as and when incurred.

23. The Company has provided for the liability on account of Employee benefits on actuarial basis, as required by the Accounting Standard on Employee Benefits (Accounting Standard 15) issued by the Companies (Accounting Standard) Rules 2006 as amended by Companies (Accounting Standard) Rules 2008.

Disclosure required as per Accounting Standard (AS) 15 (Revised) "Employee Benefits" is as under:

Asset/Liability	Current Year (Rs.)	Previous Year (Rs.)
Present Value of Obligation	8,37,440	5,66,379
Fair Value of Plan Assets	Nil	Nil
Net Assets/ (Liability) recognized in the Balance Sheet as per provision.	(8,37,440)	(5,66,379)

The principal assumptions considered in determining gratuity obligations for the Company's plans are as under

Particulars	Current Year (Rs.)	Previous Year (Rs.)
	(In %)	(In %)
Discount rate	8%	8%
Expected rate of return on assets	-	-
Future salary increase	5%	5%
Employee turnover:		
Upto 30 years	3	3
Upto 44 years	2	2
Above 44 years	1	1



24. Foreign currency Inflow: Nil

Expenditure in foreign currency: (on payment basis)

Particulars	Current Year	Previous Year
	(Rs.)	(Rs.)
Revenue expenses	1,02,92,836	Nil
Imports	1,78,61,131	Nil

25. Disclosure required as per Accounting Standard – 18 on “Related Party Disclosures” as notified by CASR,2006:

1. Parties Having Control over the Company:

Elsamex Internacional S.L. (Spain) – Major Share Holder
 Elsamex S.A. (Spain) – Major Share Holder
 IL&FS Transport Networks Limited – Ultimate Holding Company
 Infrastructure Leasing & Financial Services Limited – Ultimate Holding Company

2) Parties under Common Management

Road Infrastructure Development Company of Rajasthan Limited
 Elsamex India Private limited - (Schedule attached)

26. Deferred Tax Asset/(Liabilities)

The company has net Deferred Tax Liabilities of Rs. 290,950 (Previous year Rs. 337,783) the component as are under:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Deferred Tax Liability, Only depreciation (DTL)		
Opening Deferred Tax Liability	3,37,783	2,14,296
Reinstated Deferred Tax Liability	2,90,950	337,783
Deferred Tax Liability/Deferred Tax(Asset) during the year	(46,833)	1,23,488
Closing Deferred Tax (asset)/liability	2,90,950	3,37,783



27. Auditors' remuneration:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fee(including service tax)	84,270	82,725
Others	2,247	46,878
Total	86,517	1,29,603

28. As per the information available with the company, there are no amounts outstanding as payable to any small-scale industrial units as on March 31, 2013.

29. As per management estimates, the realizable value of monetary assets is be at least equal to their book value.

30. The Company is engaged primarily in maintaining and resurfacing of roads in India. Accordingly, quantitative detail and the information required under paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956 are given to the extent applicable.

31.

S. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
1.	Amount of Project Work in Progress as valued and certified by the management	24,00,000	34,57,182

32. Disclosures pursuant to Accounting Standard -7 Construction Contracts as notified by CASR, 2006:

S. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
1	Contract Revenue recognized for the year	8,93,82,619	9,65,16,248
2	Aggregate amount of cost incurred till Balance Sheet date	9,62,18,049	10,09,80,483
3.	Aggregate amount of recognized Net profits or (loss)	59,50,519	1,04,15,144
4.	Amount of advances received	11,37,900	Nil
5.	Amount of retentions	9,44,221	77,22,844



33. Material consumed during the year are as below:-

S. No.	Particulars	Purchases		Consumption	
		Quantity	Value(Rs.)	Quantity	Value(Rs.)
1	Bitumen	761.18 MT	3,39,77,474	762.34 MT	3,40,74,839
2	Additive	66.60 MT	46,12,342	59.05 MT	40,75,523
3	Aggregate	2,47,050.18 CFT	3,767,116	2,45,731.18 CFT	35,64,032
4	Cement	1997 Bags	5,98,452	1934 Bags	5,78,892

34. As per the information available there is no outstanding balance payable to small and micro industries as on the date of Balance Sheet.

35. Figures have been rounded off to the nearest rupee.

As per our report of even date

For Gupta Mahesh & Co.
Chartered Accountants

(Mahesh Gupta)



For and or behalf of the Board

Proprietor
Membership No.074202
Firm registration No. 005427C
Place : New Delhi
Date : 14.06.2013

Director Director

Yala Construction Co Private Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

For the year ending on 31st March 2013

I Registration Details

Registration No.	U4520DL2000PTC103620	State Code	55
Balance-sheet Date	31/Mar/13		

II. Capital raised during the year (Amount in Rs Thousand.)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

III. Position of Mobilisation and Deployment of Funds (Amount in Rs.Thousands)

Total Liabilities	100 833	Total Assets	100 833
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Sources of Funds

Paid Up Capital	63 187	Reserves & Surplus	22 239
Share Application Money	Nil	Secured Loans	363
Unsecured Loans	Nil	Deferred Tax Liabilities (Net)	291

Application of Funds

Fixed Assets	13 148	Investments	Nil
Net Current Assets	73 758	Deffered Tax Assets (Net)	Nil
Miscellaneous Expenditure	Nil	Accumulated Losses	Nil

IV. Performance of Company (Amount in Rs.Thousand)

Turnover	102 169	Total Expenditure	96 218
Profit/Loss before Tax	5 951	Profit/Loss after Tax	3 735
Earning per share in Rs. (on par value Rs. 10/- each)	0.59	Dividend Rate	Nil

V. Generic Names of Three Principal Products/Services of Company

(as per monetary terms)

Item Code No. (ITC Code) Product Description

NA

NA