

ECOASFALT CONSTRUCTION COMPANY
PRIVATE
LIMITED

ANNUAL REPORT

2009 - 10

Directors' Report

The Shareholders Ecoasfalt Construction Co. Private Limited

Your Directors have pleasure in presenting the Seventh Annual Report together with the Audited Statement of Accounts of your Company for the period ended March 31, 2010

Financial Results

The Financial period of the Company are prepared of 9 month period is commencing from July 1, 2009 upto March 31, 2010

The Financial Results of the Company for the period ended March 31, 2010 are as follows:

Particulars	(In Rs.)	
	For the period ended March 31, 2010	For the period ended 30.06.2009
Total Income	-	-
Total Expenses	384,612	1,145,977
Profit/(Loss) before taxation and prior period expenses	(384,612)	(1,145,977)
Prior period expenses	-	-
Profit/ (Loss) before tax	(384612)	(1,145,977)
Less : Provision for tax	-	2,500
Profit/ (Loss) after tax	(384612)	(1,148,477)
Add : Brought forward Losses	(6,234,842)	(50,86,365)
Balance carried forwarded Losses	(6,619,454)	(6,234,842)

Operations

No commercial activities were undertaken by the company during the period. The Company is in the Construction and Road Maintenance Sector which is covered under subsidiary objects of the company

Dividend

Your Directors do not recommend any dividend for the year under review

Directors

The Board of Directors consists of two Directors, Mr M B Bajulge and Mr Ajay Menon

During the period under review, Mr M B Bajulge was appointed as an Additional Director on December 8, 2009. He was then appointed as Director at the Annual General Meeting of the Company held on April 30, 2010

Mrs Nandini Vashist has resigned as a Director on 08.09.2009. Mr Naresh Parbat Sasanwar resigned as Director from the Board on 29.03.2010

The Board wishes to place on record its appreciation for the valuable contribution made by Mrs Nandini Vashist and Mr Naresh Sasanwar during their association with the Company

Auditor

M/S Jand & Associates, Chartered Accountants, New Delhi, statutory auditors, retire at the ensuing annual general meeting and have expressed their willingness to continue as Statutory Auditors, if re-appointed

Deposits

The Company has neither invited nor accepted any fixed deposits from the public during the year within the meaning of section 58A of Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975

Particulars of Employees

During the year, the Company had no employee in respect of whom statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is required to be given

Secretarial Compliance Report

The Company has maintained proper secretarial records as required by Companies Act, 1956. The Secretarial Compliance Certificate pursuant to section 383A of the Companies Act, 1956 is annexed

Industrial Relations

During the year under review, labour relations remained cordial and smooth

Conservation of Energy & Technology absorption

Your Company's operations involve low energy consumption. Wherever possible, energy conservation measures have already been implemented and there are no major areas where further energy conservation measure can be taken

Research & Development

The Company has not undertaken any research & development activity during the year

Foreign Exchange Inflow & Outflow

During the year, foreign exchange Inflows were Rs.Nil (Previous Year: Rs.Nil) and outflows were Rs. Nil (Previous Year Nil)

Directors' Responsibility Statement

Section 217 (2AA) of the Companies Act, 1956 (the Act) requires the Board of Directors to provide a statement to the members of the Company in connection with the maintenance of books, records and preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the company. Pursuant to the foregoing, and on the basis of representations received from the Management and after due enquiry, it is confirmed that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures
- 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 loss of the Company for that period
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities
- iv) The directors have prepared the Annual Accounts on a 'going concern' basis

Acknowledgements

The Directors would like to record their thanks to the Shareholders, Bankers, Financial Institutions, Central and State Governments including Regulatory Authorities for the support extended by them during the year under review and look forward to receiving their continued support and encouragement

For and on behalf of the Board

Director

Director

Mumbai,
June 11, 2010

JAND & ASSOCIATES

Chartered Accountants

AUDITORS' REPORT

The Members,
Ecoasfalt Construction Company Private Limited,
New Delhi.

1. We have audited the attached Balance Sheet as at March 31, 2010 of Ecoasfalt Construction Company Private Limited, and also the annexed Profit & Loss Account of the Company for the 9 months period ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. The provision of the Companies (Auditors Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, as per information and explanation given to us, are not applicable to the Company in view of the provisions contained in clause 1 (2) (iv) of the said order.
4. Further to our comments in Paragraph 3 above, we report that:-
 - a) We have obtained all the information and explanation 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 it appears from our examination of such books;
 - c) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the books of account;
 - d) In our opinion, the Profit and Loss Account and the Balance Sheet referred to in this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;



JAND & ASSOCIATES

Chartered Accountants

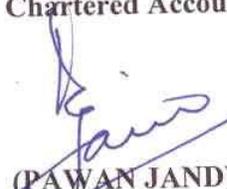
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, we report that the directors are not disqualified as on March 31, 2010 from being appointed as director in terms of section 274 (1) (g) of the Companies Act, 1956. *However Ms. Nandini Triguna who resigned on September 8, 2009 as director had not submitted her declaration under section 274 (1) (g) of the Companies Act, 1956.*
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information as required by the Companies Act, 1956 in the manner so required and read together with the Note No.12 with respect to transfer of major shareholding and Note No. 13 with respect to going concern assumption, give a true and fair view:
- (i) in so far as it relates to Balance Sheet, of the state of affairs of the Company as at March 31, 2010 and;
- (ii) in so far it relates to Profit and Loss Account, of the loss of the company for the 9 months period ended on that date.

DATE : June 11, 2010

PLACE: New Delhi



for Jand & Associates
Chartered Accountants


(PAWAN JAND)
Prop.
M. No. 80501
FRN 008280N

**ECOASFALT CONSTRUCTION COMPANY PVT.LTD.
BALANCE-SHEET AS AT MARCH 31,2010**

SCHEDULES		(Amount in Rs)	
		For the period 01.07.2009 To 31.03.10	For the period 01.04.08 To 30.06.09
I. SOURCES OF FUNDS			
Share holders Funds			
Share capital	A	1,879,600	1,879,600
Loan Funds			
Unsecured Loan	B	3,964,441	3,913,826
	Total	<u><u>5,844,041</u></u>	<u><u>5,793,426</u></u>
II. APPLICATION OF FUNDS			
Fixed Assets:			
	C		
Gross Block		-	540,759
Less: Depreciation		-	322,649
Net Block		<u>-</u>	<u>218,110</u>
Current Assets ,Loan and Advances			
	D		
Cash and Bank Balances		20,815	12,818
Loans and Advances		438,978	591,815
		<u>459,793</u>	<u>604,633</u>
Less:			
Current Liabilities and Provisions			
	E		
Current Liabilities		1,223,729	1,252,682
Provisions		11,477	11,477
		<u>1,235,206</u>	<u>1,264,159</u>
Net Current Assets		(775,413)	(659,526)
Profit & Loss A/c		6,619,454	6,234,842
	Total	<u><u>5,844,041</u></u>	<u><u>5,793,426</u></u>
Accounting Policies and Notes to Accounts			
	I		

For and Behalf of Board of Directors of
Ecoasfalt Construction Company Pvt.Ltd.

In terms of our report of even
date attached
For Jand & Associates

Director

Director

Pawan Jand
Proprietor

Date : 11/6/2010
Place : New Delhi

ECOASFALT CONSTRUCTION COMPANY PVT.LTD
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31,2010

	SCHEDULES	(Amount in Rs)	
		For the period 01.07.2009 To 31.03.10	For the period 01.04.08 To 30.06.09
I. INCOME			
Job Work		-	-
	Total	<u>-</u>	<u>-</u>
II. EXPENDITURE			
Personnel Expenses	G	0	557,925
Administrative and other Expenses	H	384,612	496,510
Depreciation	C	0	91,542
	Total	<u>384,612</u>	<u>1,145,977</u>
Profit / (Loss) for the year before tax		(384,612)	(1,145,977)
Provision for Fringe Benefit Tax		-	(2,500)
Profit after tax		(384,612)	(1,148,477)
Brought forward Profit/ (Loss)		(6,234,842)	(5,086,365)
Profit /(Loss) carried forward to Balance -Sheet		(6,619,454)	(6,234,842)

Accounting Policies and Notes to Accounts

I

For and Behalf of Board of Directors of
Ecoasfalt Construction Company Pvt.Ltd.

In terms of our report of even
date attached
For Jand & Associates

Director Director

Pawan Jand
Proprietor

Date : 11/6/2010
Place : New Delhi

ECOASFALT CONSTRUCTION COMPANY PVT.LTD

Schedules 'A' to 'I' forming part of Financial Statements as at March 31 , 2010

SCHEDULE PARTICULARS	(Amount in Rs)	
	For the period 01.07.2009 To 31.03.10	For the period 01.04.08 To 30.06.09
A SHARE CAPITAL		
AUTHORISED		
2,50,000 Equity Shares of Rs. 10/-each	<u>2,500,000</u>	<u>2,500,000</u>
ISSUED ,SUBSCRIBED & PAID UP		
1,87,960 Equity Shares of Rs.10/-each fully paid up. (Out of above 1,31,572 Equity Shares,being 70% of share Capital is held by Ecoasfalt, S.A. Spain as on 31st March, 2010 where as these shares were in the name of Inversiones Tyndrun,S.A.Spain as on 30th June 2009) For details refer Note No.12 of the note on accounts	1,879,600	1,879,600
	<u>1,879,600</u>	<u>1,879,600</u>
B UNSECURED LOAN		
Inter Corporate Deposit		
Yala Construction Co.Pvt.Ltd. (Loan from the companies under the same mangement)	3,964,441	3,913,826
Total	<u>3,964,441</u>	<u>3,913,826</u>
D CURRENT ASSETS, LOANS AND ADVANCES		
CASH AND BANK BALANCE		
Cash Balance on Hand	11,955	-
Balance with Schedule Bank on Current A/c	8,860	12,818
Total	<u>20,815</u>	<u>12,818</u>
LOANS AND ADVANCES (UNSECURED, CONSIDERED GOOD)		
Advance recoverable in cash or kind for value to be received	-	35,814
Security Deposit	-	1,000
Advance FBT	26,578	17,601
Inter Corporate Deposit	412,400	537,400
Total	<u>438,978</u>	<u>591,815</u>
E CURRENT LIABILITIES & PROVISIONS		
Current Liabilities:		
Sundry Creditors	221,413	213,642
Deposit & Advances (Elsamex, S.A.)	1,000,000	1,000,000
Expenses Payable	-	39,040
Duties & Taxes Payable	2316	-
Total	<u>1,223,729</u>	<u>1,252,682</u>
Provisions:		
Provision for FBT	11,477	11,477
	<u>11,477</u>	<u>11,477</u>

ECOASFALT CONSTRUCTION COMPANY PVT.LTD

Schedules 'A' to 'I' forming part of Financial Statements as at March 31 , 2010

SCHEDULE PARTICULARS	As at (Amount in Rs)	
	For the period	For the period
	01.07.2009 To 31.03.10	01.04.08 To 30.06.09
F MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		
Preliminary Expenses	-	34,908
Less: Written off during the year	-	34,908
Total	<u>-</u>	<u>-</u>
G PERSONNEL EXPENSES		
Salary and Other Amenities	-	557,925
Total	<u>-</u>	<u>557,925</u>
H ADMINISTRATIVE AND OTHER EXPENSES		
Tender & Bid Expenses	-	1,500
Telephone Expenses	-	4,209
Auditor's Remuneration		
- For Audit	16,545	16,699
- For other services	14,229	11,136
Legal & Professional Fee	69,342	74,868
Internal Audit Fee	38,605	55,665
Conveyance Expenses	-	10,729
Bank Charges	290	6,665
Filing Fees	4,834	14,390
Preliminary expenses w/off	-	34,908
Travelling Expenses	-	10,531
Staff Welfare	-	6,175
Office Repair & Maint Exp.	-	2,520
Printing & Stationary	516	955
Misc. Expenses	-	891
Interest Paid	149	150
Assets Written off	218,110	-
Sundry Balance written off	21,992	244,509
Total	<u>384,612</u>	<u>496,500</u>

ECOASFALT CONSTRUCTION CO. PVT. LTD.

FIXED ASSETS (As Per Schedule XIV of the Companies Act, 1956)

(Amt. in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION		DEDUCTION/		DEPRECIATION		NET BLOCK	
	AS AT	ADDITIONS	SALE/ADJ.	TOTAL	UPTO	FOR THE PERIOD	ADJUSTMENT	UPTO	AS AT	AS AT	AS AT	
	01/07/2009				30/6/2009	31/03/2010	ON SALE ITEM	31/03/2010	31/03/2010	31/03/2010	30/6/2009	
Furniture & Fixture	63,136		63,136.00	0	35,806	-	35,806	-	-	-	27,330	
Computer	216,847		216,847.00	0	165,379	-	165,379	-	-	-	51,468	
Air- Conditioners	21,900		21,900.00	0	14,081	-	14,081	-	-	-	7,819	
Lab Equipment	153,901		153,901.00	0	40,634	-	40,634	-	-	-	113,267	
Mobile	22,000		22,000.00	0	6,554	-	6,554	-	-	-	15,446	
Temporary Shed	55,175	-	55,175.00	0	55,175	-	55,175	-	-	-	-	
Refrigerator	7,800		7,800.00	0	5,020	-	5,020	-	-	-	2,780	
TOTAL	540,759	-	540,759	-	322,649	-	322,649	-	-	-	218,110	
Previous Year	540759	0	540759	540759	231107	91542	0	322649	218110	-	309652	

Ecoasfalt Construction Company Pvt. Ltd.

For the Year ended March 31, 2010

Schedule- I

Notes on Accounts

Background

Ecoasfalt Construction Company Pvt. Ltd.(Company) was incorporated as a private limited company as on 2nd April , 2003.The company is primarily involved in the business of Contracts of Roads Making, Bridges, Structures, Earthwork , civil consultation etc, supervision of infrastructure projects including roads and highways.

1. Significant accounting policies

a) Basis of preparation of financial statements

The accompanying financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Generally Accepted Accounting Policies. These statements materially comply with the applicable accounting standards (A.S.) notified by Companies Accounting Standards Rules, 2006(CASR 2006) and have been prepared in accordance with the relevant presentational requirements of the Companies Act, 1956.

b) Use of estimates

The preparation of financial statements in conformity with, Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on date of the financial statements and the reported amounts of income and expenditure during the year. Actual results could differ from these estimates.

c) Fixed Assets

Fixed assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition or construction is inclusive of freight, duties, taxes (except for those for which credit/refund can be claimed) and other incidental expenses related to acquisition, installation and construction of the respective asset.

d) Depreciation

Tangible Assets

Depreciation is provided on Written Down Value Method in accordance with the provisions of section 205 (2) (b) of the Companies Act, 1956.

The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. For assets acquired/ disposed during the year, depreciation is provided from/up to the date the assets are acquired/disposed. Assets individually costing Rs. 5,000 or less are depreciated at the rate of 100%.

e) Inventory Valuation

“First in First out” method is used for inventory valuation of material and consumables. The inventories are valued at the lower of cost or net realizable value.

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 the 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 and Contingent Liabilities

Provisions

The Company recognizes a provision when there is a present obligation as a result of past event that may probably require an outflow of resources in future. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

g) Method of Accounting

Accrual method of accounting is followed with regard to income and expenditure.

h) Revenue recognition of Construction Projects

Revenue from construction projects (Laying /resurfacing of roads) from Government and other agencies, 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 the basis of percentage that of actual cost incurred on the projects under execution bears to the latest estimated total cost, subject to, such actual cost being more than 25% of total estimated project cost and its certification by the concerned authorities.

Stage of completion of the project is determined on basis of the percentage that actual cost incurred bears to total estimated cost of the project, as certified by the concerned authorities.

Revenue from the construction contract is recognized in the Profit & Loss account on mercantile basis.

Costs incurred on projects are charged to the Profit & Loss Account as project expenses.

All administrative and other expenses, which cannot be allocated to any specific project, are charged to Profit & Loss Account.

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.

i) Foreign Currency Transactions

Initial Recognition

Foreign Currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between reporting currency and the foreign currency at the date of transaction.

Conversion

Current liabilities and Current assets denominated in foreign currency are translated at spot rate prevalent on the Balance Sheet date. The resulting differences are recorded in the Profit and Loss Account.

Exchange Difference

Exchange differences arise on the settlement of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements. These are recognized as income or as expenses in the Profit and Loss Account of the year in which they arise.

j) Retirement and other employee benefits

Retirement benefits in the form of Provident Fund are a defined contribution

Scheme, the contributions are charged to the Profit & Loss Account of the year, as and when the contributions are made.

Liability for Gratuity will be accounted in the year in which the payment of Gratuity Act, 1972 will become applicable to the Company.

k) Taxation

The provision for Income tax is recognized based on the assessable profits determined under the provisions of Income Tax Act, 1961.

Provision for Fringe Benefit Tax ("FBT") is recognized in accordance with the provisions of the Income Tax Act, 1961 and the guidance note on FBT issued by Institute of Chartered Accountants of India.

Deferred tax asset/liability is recognized based on the tax rates and the tax laws enacted or substantially enacted at the Balance Sheet date.

Deferred tax asset arising from timing differences is recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized.

At each balance sheet date, the company re-assesses unrecognized deferred tax asset. It recognizes deferred tax asset to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax asset can be realized.

The Deferred Tax Liability on account of timing differences between the accounting profits and taxable income for the year is recognized.

l) Earnings per share

Basic EPS

The basic earning per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS

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

m) Impairment of assets

The carrying of the assets is reviewed at each balance sheet that if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

n) Leases

i) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases.

Operating lease payments are recognized as an expense in the Profit and Loss account over the lease term.

ii) **Finance Lease**

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are classified as finance lease.

The lower of the fair value of the assets and present value of the minimum lease rentals is capitalized as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to profit and loss account.

2. **Segment Reporting**

The Company operates in construction & infrastructure sector. The distribution methods adopted, class of customers and overall business environment is same for all products & services dealt with by the company and consequently the risk & returns assumed are same across the operations of the company. Thus, the company operates primarily in only one segment. As regards geographical operation as secondary segment, The Company operates only in India and has no other geographical segment.

In view of the above, primary and secondary reporting disclosures for business/geographical segment as envisaged in Accounting Standards (AS) 17 “Segment Reporting” are not applicable to the Company.

3. **Foreign currency Inflow and Outflow:** Nil (Previous Year: Nil)

There is no transaction in foreign currency during the year.

4). Disclosure required as per Accounting Standard – 18 on “Related Party Disclosures” as notified by CASR:

a) Key Managerial Persons

- i) Mr Naresh Prabhat Sasanwar
- ii) Miss Nandini Vashist

b Enterprises where influence/control/relation exist.

VCS Enterprises Ltd.

. YALA Construction Co. Pvt. Ltd.

Elsamax S.A. Delhi

IL & FS Transportation Network Ltd.

S.N.	Particulars	key Managerial Persons Dr/(Cr)	Relatives to key Managerial persons Dr/(Cr)	Enterprises where influence control exist Dr/(Cr)
1'	Opening Balance	----	----	(45,51,188)
2'	Loan Taken	----	----	(1,75,615)
3.	Interest	----	----	----
4'	Loan Repaid	----	----	----
5'	Interest On Loan Paid	----	----	----
6'	Expenses Reimbursed by the related party	----	----	----
7.	Service availed from the related party	----	----	----
8.	Expenses incurred by the related company on behalf of assessee company	----	----	----
9.	Payment against expenses	----	----	28090
10.	Expenses incurred by the assessee company on behalf of the related party	----	----	----
11..	Loan given to any related Company	----	----	----
12.	(Amount paid)/received on account of outstanding Balance	----	----	----
13.	Exchange Fluctuation(AS-11)	----	----	----
14.	Closing Balance			(46,98,713)

5. Earnings Per Share (EPS)

Description	Current Year (Rs.)	Previous Year (Rs.)
Nominal Value of Equity Shares (Rs. Per Share)	10	10
Total number of Equity Share outstanding at the beginning of the year	187,960	187,960
Add: Issue of equity shares during the year	-	-
Total number of Equity Share outstanding at the end of the year	187,960	187,960
Weighted average number of Equity Shares outstanding during the year	187,960	187,960
Net profit/(Loss) after tax (Rs.)	(3,99,713)	(1,148,477)
EPS-Basic & Diluted (Rs.)	(2.13)	(6.11)

6. Auditors' remuneration:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fee	15,000	16,854
Tax Audit	-	-
Others	-	-
Total	15,000	16,854

7. The Company has initiated the process of identify enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31st March 2010 has been made in the financials statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

8. Employee Benefits

The ESI Act, 1948 & Provident fund not apply to the Company.

9. In the opinion of the management, value of the sundry debtors, loans & advances, on realization in the ordinary course of business, shall be at least equal to the amount at which they are stated.
10. The balance of debtors, creditors, loans and advances are subject to confirmation and therefore the resultant effect of difference, if any, of the same on the financial statements is unascertainable. The adjustment on reconciliation, if necessary, will be made on receipt thereof.
11. Determination of revenues under 'Percentage of Completion method necessarily involves making estimates by management for percentage of completion, cost of completion, revenues expected from projects, projected profits and foreseeable losses. These estimates are of a technical nature have been relied upon by the auditors.
12. During the reported period, the Company was informed that Ecoasfalt SA, had sold its entire 70% holding in the share capital of the Company to Inversiones Tyndrum SA, Spain and have also granted to it all such powers, authorities and discretions as are vested in Ecoasfalt SA with respect to the shares held by it in ECCPL including but without limitations thereof, all the powers relating to the voting rights and the authority to appoint and/or remove a majority of the Directors of ECCPL, without the consent or approval of Ecoasfalt SA. The transfer was registered at the Board Meeting of the Company held on December 17, 2008.

Subsequently, when Ecoasfalt SA, sought a written consent for the transfer of shares from the other share holders, Ms. Nandini Triguna one of the share holders, vide letter dated December 12, 2009, informed the Company and other shareholders that no prior consent was taken from her before the transfer of shares. Till the matter is resolved between the shareholders, Ecoasfalt SA, will continue to hold 70% of the shares in the Company and the transfer of shares from Ecoasfalt SA, Spain to Inversiones Tyndrum has been reversed at the Board Meeting of the Company held on March 19, 2010

As per the legal opinion obtained by the company "there is a recognized concept of "joint or common control there is a concept of ownership as well as control Section 4 of the Companies Act recognizes both ownership (through shareholding) and Control (through management or Board) hence there can be a situation that Ecoasfalt India can be a subsidiary of two different companies by virtue of two different criteria, 1) Majority in Management which is with Inversiones Tyndrum and 2) Majority of shares which is with Ecoasfalt SA".

Based on the legal opinion of the company is considered as a subsidiary of

SA. Since they have the complete authority to appoint and/or remove majority of the directors in the company thereby controlling the composition of the Board of Directors and management of the company. The nominee of the Inversion Trindum has been appointed to the board of the director of the company and is looking after the management of the company.

13. The Company has been continuously incurring losses and the accumulated losses of the Company as at March 31, 2010 have resulted in complete erosion of Company's net worth. However these accounts have been prepared on the fundamental assumption of Going Concern after taking into consideration a letter of comfort received from Inversiones Tyndrum, Spain to provide continued financial support from time to time to enable the company to continue its operations and to meet its financial obligations. In this connection, Inversiones Tyndrum is also evaluating options for restructuring the Company to achieve and ensure long-term sustainability.
14. Previous year's figures have been regrouped /rearranged wherever considered necessary to confirm with the current year's presentation.
15. During the shifting of office all the fixed assets were damaged and not in reusable condition, due to this reason all the fixed assets on their book value have been written off.
16. Figures have been rounded off to the nearest rupee.
17. Schedules A1 to I form an integral part of the accounts and have been duly authenticated.

For and or behalf of the Board

Director

Director

Place: New Delhi

Date: 11th June, 2010

Ecoasfalt Construction Co Private Limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE For the year ending on 31st March 2010

I. Registration Details

Registration No.	U45203DL2003PTC119713	State Code	55
Balance-sheet Date	31/Mar/10		

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	5844	Total Assets	5844
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Sources of Funds

Paid Up Capital	1880	Reserves & Surplus	(6619)
Share Application Money	-	Secured Loans	-
Unsecured Loans	-	Deferred Tax Liabilities (Net)	-

Application of Funds

	-	Investments	Nil
Net Current Assets	(775)	Deffered Tax Assets (Net)	Nil
Miscellaneous Expenditure	Nil	Accumulated Losses	

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

Turnover	-	Total Expenditure	385
Profit/Loss before Tax	(385)	Profit/Loss after Tax	(385)
Earning per share in Rs. (on par value Rs. 10/- each)	(2.04)	Dividend Rate	Nil

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

(as per monetary terms)

Item Code No. (ITC Code)	Product Description
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NA	NA
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