

**12th ANNUAL ACCOUNTS & REPORT  
FOR THE YEAR ENDED  
31st MARCH, 2012**



**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- 110 019**

## Directors' Report

The Shareholders  
**Yala Construction Co. Private Limited**

Your Directors are pleased to present the Twelfth Annual Report together with the Audited Statement of Accounts for the year ended March 31, 2012.

### Financial Results

The Financial Results of the Company are as under:

Particulars	(in ₹)	
	Year ended March 31, 2012	Year ended March 31, 2011
Total Income	111,328,341	122,316,902
Total Expenses	100,913,197	104,133,641
Profit/(Loss) before taxation and prior period expenses	10,415,144	18,183,261
Prior period expenses	-	-
Profit/ (Loss) before tax	10,415,144	18,183,261
Less : Provision for tax	4,323,488	7,500,273
Profit/ (Loss) after tax	6,091,656	10,682,988
Add : Profit Brought forward	11,696,102	1,013,114
Balance carried forward	17,787,758	11,696,102

### Operations

During the year under review, the Company was awarded contracts from PWD, New Delhi for Microsurfacing on Flyover and Roads of worth ₹ 0.60 Crores, Ircon-Soma Tollway, Dhule (NH-3, Maharashtra) for Microsurfacing of Worth ₹ 3.91 Crores and RIDCOR, Balhotra, Kota (Rajasthan) for Microsurfacing of Worth ₹ 3.77 Crores.

### Dividend

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

Your Company does not have any unpaid dividend, required to be transferred to Investor Education and Protection Fund under Section 205C of the Companies Act, 1956

## **Directors**

During the year under review, Mr. Harish Mathur stepped down as Director of the Company effective March 23, 2012. Presently, the Board of Directors of the Company comprises of three Directors.

## **Auditor**

M/s. Gupta Mahesh & Co, Chartered Accountants, retires at the ensuing Annual General Meeting and has 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 employees in respect of whom statement pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, is required to be given.

## **Secretarial Compliance Report**

The Company has maintained proper secretarial records as required by Companies Act, 1956. A Secretarial Compliance Certificate issued by M/s. Ashok Panigrahi & Co., Company Secretaries, pursuant to section 383A of the Companies Act, 1956 is attached as annexure to this report.

## **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 Nil (Previous year Nil) and outflows were ₹ 699,731 (Previous Year ₹ 2,221,369)

### **Directors' Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956 ("the Act") the Directors based on the representations received from the Operating Management, confirm 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) they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis

### **Acknowledgements**

The Directors place on record their appreciation for the continued support and co-operation rendered by the Banks, Government Authorities, Suppliers and the consumers and the shareholders of the Company. The Directors also convey their thanks to the employees at all levels for the growth of the Company.

By the Order of the Board

**Sd/-**  
Director

**Sd/-**  
Director

Date : June 12, 2012  
Place : Mumbai



# Gupta Mahesh & Co.

Chartered Accountants

45 Lower Ground Floor, Pocket A-8,  
Kalkaji Extension, New Delhi - 110 019  
Ph. : 011-41605390, 9811015010  
E-mail : mahesh.gupta@camahesh.com

## AUDITOR'S REPORT

To the Members of  
**Yala Construction Co. Private Limited**

1. We have audited the attached Balance Sheet of Yala Construction Co. Private Limited as at March 31, 2012 and also the Profit & Loss Account for the year ended on that date annexed thereto. 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 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(s). 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. As required by the Companies (Auditors Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of the Companies Act 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
4. Further to our comments in the annexure referred to above, we report that:
  - (i) We have obtained all the information & explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our Opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;





# Gupta Mahesh & Co.

Chartered Accountants

45 Lower Ground Floor, Pocket A-8,  
Kalkaji Extension, New Delhi - 110 019  
Ph. : 011-41605390, 9811015010  
E-mail : mahesh.gupta@camahesh.com

- (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report have been prepared in compliance with the applicable accounting standards referred to in Section 211(3C) of the Companies Act, 1956;
- (v) On the basis of written representations from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 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;*
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give the information required by the Companies Act, 1956 in the manner so required and give a true & fair view:
- in the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2012;
  - in the case of the Profit and Loss Account, of the profit for the year ended on that date.
  - In the case of Cash Flow Statement, of the cash flows for the year ended on that date.



**For GUPTA MAHESH & CO.**  
Chartered Accountants

**Mahesh Gupta**

Prop.

Membership No.074202

Registration No.005427C

Place - *New Delhi*  
Date - *12th June, 2012*

**ANNEXURE TO AUDITORS' REPORT  
(REFERRED IN PARAGRAPH 3 OF 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 31<sup>st</sup> March, 2012 for a period of more then 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 - *12th June 2012*



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

*[Signature]*  
**Mahesh Gupta**  
**Prop.**  
**Membership No.074202**  
**Registration No.005427C**

# Yala Construction Co. Private Limited

Balance Sheet as at 31st March, 2012

Particulars	Notes	As at 31.03.2012 Rs.	As at 31.03.2011 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Source of Funds</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	22,365,250	22,365,250
Reserve and Surplus	3	18,504,078	12,412,422
		<b>40,869,328</b>	<b>34,777,672</b>
<b>Non Current Liabilities</b>			
Long term Borrowings	4	1,300,422	1,583,000
Deferred Tax Liability	5	337,783	214,296
Long Term Provisions	6	556,599	340,035
		<b>2,194,804</b>	<b>2,137,331</b>
<b>Current Liabilities</b>			
Trade Payables	7	36,477,102	39,609,710
Other Current Liabilities	8	4,766,229	7,449,727
Short Term Provisions	6	12,209,780	8,007,184
		<b>53,453,111</b>	<b>55,066,621</b>
<b>TOTAL</b>		<b>96,517,243</b>	<b>91,981,624</b>
<b>II. ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets( Net)</b>			
Tangible Assets	9	15,393,655	16,005,280
Long Term Loans & Advances	10	22,246,615	25,345,752
		<b>37,640,270</b>	<b>41,351,032</b>
<b>Current Assets</b>			
Inventories	11	1,376,909	5,712,221
Trade Receivables	12	3,805,201	4,872,681
Cash and Cash Equivalents	13	37,868,213	25,273,478
Short Term Loans & Advances	10	15,826,650	14,772,212
		<b>58,876,973</b>	<b>50,630,592</b>
<b>TOTAL</b>		<b>96,517,243</b>	<b>91,981,624</b>

Significant Accounting policies

1

Notes referred to from 1 to 35 form an integral part of the Financial statement

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 : 12th JUNE, 2012



*(Signature)*  
Director

*(Signature)*  
Director

## Yala Construction Co. Private Limited

### Statement of Profit and Loss Account for the year ended 31st March, 2012

Particulars	Notes	As at 31st March 2012	As at 31st March 2011
		Rs.	Rs.
<b>Income</b>			
Revenue From Operation	14	96,516,248	118,451,561
Other Income	15	14,812,093	3,865,341
<b>TOTAL INCOME</b>		<b>111,328,341</b>	<b>122,316,902</b>
<b>Expenditure</b>			
Cost of material Consumed	16	70,841,065	73,025,224
Employee Benefit Expenses	17	13,548,553	13,950,142
Finance Cost	18	722,640	398,674
Depreciation & Amortization	9	3,198,161	2,639,901
Other Expenses	19	12,602,778	14,119,700
<b>TOTAL EXPENSE</b>		<b>100,913,197</b>	<b>104,133,641</b>
<b>Profit/(Loss) before Tax</b>		<b>10,415,144</b>	<b>18,183,261</b>
<b>Tax Expenses</b>			
Current Tax		4,200,000	8,000,000
Deffered Tax		123,488	(499,727)
<b>Profit/(Loss) for the year</b>		<b>6,091,656</b>	<b>10,682,988</b>

Basic and Diluted earnings per Equity Share (Refer note 20 ) 2.72 5.83  
 (Nominal value Rs. 10 per share)

Significant Accounting policies 1  
 Notes referred to from 1 to 35 form an integral part of the Financial statement

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 : 12th June, 2012

For and on behalf of the Board

  
 Director

  
 Director

**Yala Construction Co. Private Limited**

**Cash Flow Statement for the year ended 31st March 2012**

		For the year ended 31 March 2012		For the year ended 31 March 2011
	Rupees	Rupees	Rupees	Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit after tax		6,091,656		10,682,988
<b>Adjustment for :</b>				
Depreciation	3,198,161		2,639,901	
Interest received	(1,937,525)		(1,478,857)	
Interest paid	722,640		398,674	
Foreign Exchange Loss/(Gain)	1,783,947		867,722	
Loss/(Profit) on sale of assets (net)	464,578	<u>4,231,801</u>	-	<u>2,427,440</u>
Operating profit before changes in Working Capital		10,323,457		13,110,428
Adjustments for changes in Working Capital and provisions:				
Inventories	4,335,312		(2,659,211)	
Trade receivables	1,067,480		1,293,857	
Loans and advances	2,044,698		(18,095,801)	
Current Liabilities	(5,816,106)		(10,644,559)	
Deferred tax Liability	123,488		(499,727)	
Provisions	4,419,160	<u>6,174,031</u>	7,710,994	<u>(22,894,447)</u>
Cash generated from operations		16,497,489		(9,784,019)
Foreign Exchange Fluctuation		(1,783,947)		(867,722)
<b>Net Cash from Operating activities</b>		<u>14,713,542</u>		<u>(10,651,741)</u>
<b>B CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES</b>				
Fixed Assets :				
Purchase	(3,270,957)		(2,185,174)	
Sale of fixed assets	684,421		-	
Loss/(Profit) on Sales of Assets	(464,578)		-	
Interest received	1,937,525		1,478,857	
<b>Net Cash (used in) investing activities</b>		<u>(1,113,589)</u>		<u>(706,317)</u>
<b>C CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES</b>				
Increase/(Decrease) in Unsecured Loan	-		-	
Interest paid	(722,640)		(398,674)	
Increase/(Decrease) in Secured Loan	(282,578)		983,742	
Share application money	-		-	
<b>Net Cash from financing activities</b>		<u>(1,005,218)</u>		<u>585,068</u>
<b>D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>				
Cash and Cash Equivalents (Opening balance)		25,273,478		36,046,468
Cash and Cash Equivalents (Closing balance)		<u>37,868,213</u>		<u>25,273,478</u>



Notes for Cash Flow Statement:

1 Detail of Opening and Closing Cash & Cash Equivalent

	Closing	Opening
Cash in Hand	103,943	70,313
<i>Balance with Scheduled Bank</i>		
In Current Account	4,973,361	5,529,889
Cheques in Hand	10,574,452	943,320
On Deposit Account ,	5,368,321	2,146,742
In Fixed Deposit Account	16,848,136	16,583,214
	<u>37,868,213</u>	<u>25,273,478</u>

- 2 The above Cash Flow Statement has been prepared under the indirect method setout 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, 2012. 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 : 12th JUNE, 2012

Place : New Delhi

Yala Construction Co. Private Limited

Notes forming part of the Balance Sheet

As at March 31, 2012      As at March 31, 2011


	Rs.	Rs.
<b>Note 2</b>		
<b>Share Capital</b>		
Authorised Capital		
3,000,000 Equity shares of Rs.10 each of Rs.10 each)	30,000,000	30,000,000
Issued, Subscribed and Paid up	22,365,250	22,365,250
22,36,525 Equity Shares of Rs.10 each fully paid	22,365,250	22,365,250

**(a) Share holders holding more than 5% shares**

Name of Shareholder	As at March 31,2012		As at March 31,2011	
	No. of Share Holding	Percentage of Holding	No. of Share Holding	Percentage of Holding
ELSAMEX INTERNACIONAL SPAIN	765279	34%	765279	34%
ELSAMEX,SA SPAIN	1220288	55%	1220288	55%
KANTA VASHIST	229658	10%	229658	10%

**(b) Movement of Equity Shares**

Particulars	Equity Shares			
	As at 31 March 2012		As at 31 March 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	2236225	22,365,250	836526	8365260
Shares Issued during the year	-	-	1399999	13,999,990.00
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	2236225	22,365,250	2236525	22,365,250.00

Initials	
 GM&Co.	YCCPL

**Yala Construction Co. Private Limited**

**Notes forming part of the Balance Sheet**

	As at 31st March, 2012	As at 31st March, 2011
	Rs.	Rs.
<b>Note 3</b>		
<b>Reserve and Surplus</b>		
<b>Share Premium Account</b>		
Elsamex, S.A, Spain	501,424	501,424
Kanta Vashist	214,896	214,896
	<u>(A) 716,320</u>	<u>716,320</u>
<b>Profit and Loss Account</b>		
Opening Balance	11,696,102	1,013,114
Add/Less: Profit/(Loss) as per Profit and Loss Account	<u>6,091,656</u>	<u>10,682,988</u>
	<u>(B) 17,787,758</u>	<u>11,696,102</u>
<b>TOTAL (A+B)</b>	<u><u>18,504,078</u></u>	<u><u>12,412,422</u></u>



**Yala Construction Co. Private Limited**

**Notes forming part of the Balance Sheet**

	Non- Current		Current maturities	
	31st March 2012	31st March 2011	31st March 2012	31st March 2011
<b>Note 4</b>				
<b>Long Term Borrowings</b>				
a. Term Loans				
- From Bank (Secured)	1,300,422	1,583,000	1,645,753	830,847
- From other Parties				
Amount disclosed under the head "Other current Liabilities" note no. 8			(1,645,753)	(830,847)
	<u>1,300,422</u>	<u>1,583,000</u>	<u>-</u>	<u>-</u>

**Note 5**

**Calculation of DTL / DTA**

31st March 2012

WDV as per Companies Act 1956 as on 31.3.2012	15,393,656
WDV as per Income tax Act 1961 as on 31.3.2012	14,300,506
Depreciation Differential under both Acts	(1,093,150)
<b>Deferred Tax Asset/(Liability) on account of depreciation</b>	<u>(337,783)</u>
Deferred Tax Liability as on 31.3.2011	214,296
<b>Deffered Tax Liability during the year</b>	(123,488)





## Notes forming part of the Balance Sheet

Note 6 Provisions	Long Term		Short Term	
	31st March 2012	31st March 2011		31st March 2012
<b>a. Provision for employee benefits</b>				
Provision for gratuity	556,599	340,035	9,780	7,184
<b>b. Others Provisions</b>				
Income Tax			12,200,000	8,000,000
<b>TOTAL</b>	<b>556,599</b>	<b>340,035</b>	<b>12,209,780</b>	<b>8,007,184</b>

## Note 7

## Trade Payables

## Trade Payables

Payables outstanding for a period less than six months

- Unsecured Payables

35,504,193

5,857,282

Payables outstanding for a period More than six months

- Unsecured Payables

Others

972908.75

33752428.17

36,477,10239,609,710

## Note 8

## Other Current Liability

## A) Current Maturity of long term Debts

1645753

830847

## B) others

Security Deposits and Advances

367,742

1,348,782

Expenses payable

1,295,891

2,601,518

Duties and Taxes

1,456,843

2,668,580

4,766,2297,449,727

Initials

GM&amp;Co.

YCCPL

**Yala Construction Co. Private Limited**

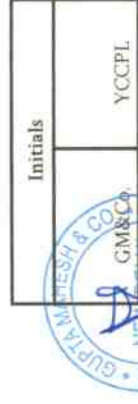
Notes annexed to and forming the part of Accounts

Note 9

Fixed Assets

(Amount in Rs.)

Particulars	Gross Block				Depreciation				Net Block			
	Opening as at 1st April 2011	Additions	Deduction	Closing as at 31st March, 2012	Accumulated upto 1st April 2011	On opening balances	On Additions	For the year	Deduction	Accumulated upto 31st March, 2012	Closing as at 31st March, 2012	As at 31st March 2011
Building	26,270	-	-	26,270	8,220	903	-	903	-	9,123	17,147	18,050
Plant & Machinery	32,421,512	135,206	2,199,253	30,357,465	17,786,982	2,037,695	8,855	2,046,550	1,655,285	18,178,247	12,179,218	14,634,530
Vehicles	4,233,148	1,249,567	778,097	4,704,618	3,194,134	239,817	301,354	541,171	637,647	3,097,658	1,606,960	1,039,014
Commercial Vehicles	589,916	1,599,681	-	2,189,597	563,567	7,905	470,701	478,606	-	1,042,173	1,147,424	26,349
Furniture & Fixture	-	18,995	-	18,995	-	-	2,354	2,354	-	2,354	16,641	-
Office Equipments	424,768	130,595	-	555,363	241,412	25,505	31,488	56,993	-	298,405	256,958	183,356
Computers	291,522	136,913	-	428,435	187,541	41,592	29,994	71,586	-	259,127	169,308	103,981
<b>TOTAL</b>	<b>37,987,136</b>	<b>3,270,957</b>	<b>2,977,350</b>	<b>38,280,743</b>	<b>21,981,856</b>	<b>2,353,417</b>	<b>844,746</b>	<b>3,198,163</b>	<b>2,292,932</b>	<b>22,887,087</b>	<b>15,393,656</b>	<b>16,005,280</b>
<b>Previous Year</b>	<b>35,801,962</b>	<b>2,185,174</b>	<b>-</b>	<b>37,987,136</b>	<b>19,341,955</b>	<b>2,485,883</b>	<b>154,018</b>	<b>2,639,901</b>	<b>-</b>	<b>21,981,856</b>	<b>16,005,280</b>	<b>16,460,007.00</b>




**Yala Construction Co. Private Limited**

**Notes forming part of the Balance Sheet**

**Note 10**

**Loans & Advances:**

	Long Term		Short Term	
	31st March 2012	31st March 2011	31st March 2012	31st March 2011
a. Security Deposit	14,081,450	18,832,829	-	-
b. Loans & Advances to related Parties	8,165,165	6,512,923	-	-
c. Other Loans & Advances				
- Advance Income Tax	-	-	13,261,564	8,800,088
- Advance to staff	-	-	149,315	218,300
- Advance to Others	-	-	2,167,658	5,562,159
- Prepaid Expenses	-	-	248,113	191,665
<b>TOTAL</b>	<b>22,246,615</b>	<b>25,345,752</b>	<b>15,826,650</b>	<b>14,772,212</b>

Initials	
 GM&Co.	YCCPL

## Yala Construction Co. Private Limited


### Notes forming part of the Balance Sheet

	As at 31st March, 2012	As at 31st March, 2011
	Rs.	Rs.
<b>Note 11</b>		
<b>Inventories</b>		
(As taken, valued and certified by the management)		
Project Work in Progress	-	3,457,142
Raw material	1,376,909	2,255,079
	<b>1,376,909</b>	<b>5,712,221</b>
<b>Note 12</b>		
<b>Trade Receivables</b>		
Debts outstanding for a period exceeding six months		
- Unsecured, Considered good	-	-
Debts outstanding for a period Less Than six months	3,805,201	4,872,681
Debts outstanding for a period More Than six months	-	-
	<b>3,805,201</b>	<b>4,872,681</b>
<b>Note 13</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances with Banks</b>		
On Current Account	4,973,361	5,529,889
Cheques In Hand	10,574,452	943,320
On Fixed Deposit Account	16,848,136	16,583,214
On Deposit Account held as, Security, BG, EMD with various Authorities for performance of contract)	5,368,321	2,146,742
Cash in hand	103,943	70,313
	<b>37,868,213</b>	<b>25,273,478</b>

Initials	
	YCCPL

**Yala Construction Co. Private Limited**  
**Notes forming part of the Profit & Loss Account**

	Current Year Rupees	Previous Year Rupees
<b>Note 14</b>		
<b>Revenue</b>		
Project Revenue	96,516,248	118,451,561
	<b>96,516,248</b>	<b>118,451,561</b>
 <b>Note 15</b>		
<b>Other Income</b>		
Interest	1,937,525	1,478,857
Misc Income	12,866,322	2,386,484
Profit on sale of Assets	8,246	-
	<b>14,812,093</b>	<b>3,865,341</b>

	Initials
	YCCPL

**Yala Construction Co. Private Limited**  
Notes forming part of the Profit & Loss Account


	Current Year Rupees	Previous Year Rupees
<b>Note 16</b>		
<b>Operating Expenses</b>		
<b>Consumption of Raw Materials</b>		
Opening Stock	2,255,079	3,053,010
Add: Purchases		
- Emulsion	35,833,987	36,623,659
-Additive	5,026,986	4,479,902
-Aggregate	2,459,574	1,512,732
-Others	1,718,091	1,358,363
Less: Closing Stock		
- Bitumen	1,289,324	1,948,632
-Additive	60,753	246,240
-Agreegate	26,551	60,207
-Others	280	-
Raw Material Consumed (A)	45,916,808	44,772,587
<b>(Increase)/Decrease in Work-in-progress</b>		
Closing Work in progress	-	3,457,142
	-	3,457,142
Less:		
Opening Work-in-progress	3,457,142	-
	3,457,142	-
	(B)	(3,457,142)
<b>Site Expenses</b>		
Sub Contract Cost	-	2,726,917
Duties and Taxes	3,554,807	8,767,102
Site Operations	15,320,052	16,127,060
Freight and Cartage	2,592,256	4,088,700
	(C)	31,709,779
(A+B+C)	70,841,065	73,025,224

	Initials
GM&Co NEW DELHI	YCCPL



**Yala Construction Co. Private Limited**  
Notes forming part of the Profit & Loss Account


	Current Year Rupees	Previous Year Rupees
<b>Note 17</b>		
<b>Employee Benefit Expenses</b>		
Salaries	11,726,908	12,831,793
Employers Contribution to PF and ESI	732,872	650,485
Gratuity Expenses	219,160	177,869
Staff Welfare	869,613	289,995
	<b>13,548,553</b>	<b>13,950,142</b>
<b>Note 18</b>		
<b>Finance Cost</b>		
Bank Charges	231,561	146,645
Bank Interest	491,079	252,029
	<b>722,640</b>	<b>398,674</b>
<b>Note 19</b>		
<b>Other Expenses</b>		
Conveyance ,Tour and Travelling	1,453,667	952,182
Rent office	1,613,768	1,600,086
Vehicle Runing Expenses	888,648	576,334
Membership & Subscription	38,399	70,889
Legal and Professional	4,883,646	3,144,946
Office expenses	154,323	196,018
Auditor Remuneration	121,330	82,725
Director Sitting Fee	45,000	30,000
Communication	291,011	254,478
Repair, running and maintainence	101,961	137,795
Electricity and Water	148,441	111,152
Advertisement and Business promotion	124,159	221,228
Insurance	215,911	95,470
Printing and Stationery	143,267	119,033
Annual maintenance	26,716	33,736
Exchange Variation	1,783,947	867,722
Tender & Bid Expenses	29,657	41,118
Postage and Courier	64,769	51,150
	<b>(A) 12,128,620</b>	<b>8,586,062</b>
<b>Written off</b>		
Sundry Balances	474,158	696,341
Group Entity	-	4,837,297
	<b>(B) 474,158</b>	<b>5,533,638</b>
	<b>(A+B) 12,602,778</b>	<b>14,119,700</b>

Initials	
	YCCPL

**Yala Construction Co. Private Limited**

**Notes forming part of the Profit & Loss Account**

	<b>Current Year Rupees</b>	<b>Previous Year Rupees</b>
<b>Note 20</b>		
<b>Earnings per share</b>		
Profit after Tax attributable to Equity Shareholders (Rupees)	<b>6,091,656</b>	10,682,988
Weighted average number of equity shares used in calculating basic and diluted EPS	<b>2,236,525</b>	1,833,786
Nominal Value per share (Rupees)	<b>10</b>	10
<b>Basic and diluted loss per share (Rupees)</b>	<b>2.72</b>	<b>5.83</b>

<b>Initials</b>	
 GM & Co.	YCCPL



**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 4<sup>th</sup> 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.

**Changes in accounting policy**

During the year ended 31<sup>st</sup> March 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**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 recognised 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.

l) **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 15,759,667(Previous year: Rs. Rs 9,311,214) issued towards performance of construction projects.

Estimated amount of contracts remaining to be executed on capital account and not provided for:  
Rs. NIL (Previous Year: Nil)



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	566,379	347,219
Fair Value of Plan Assets	Nil	Nil
Net Assets/ (Liability) recognized in the Balance Sheet as per provision.	(566,379)	(347,219)

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%	8.00
Expected rate of return on assets	0.00	0.00
Future salary increase	5%	5.0
Employee turnover:		
Upto 30 years	3	3.00
Upto 44 years	2	2.00
Above 44 years	1	1.00

24. Foreign currency Inflow: Nil

Expenditure in foreign currency: (on payment basis)

Particulars	Current Year	Previous Year
	(Rs.)	(Rs.)
Revenue expenses	Nil	Nil
Imports	Nil	2,221,369



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

26. Deferred Tax Asset/(Liabilities)

The company has net Deferred Tax Liabilities of Rs. 337,783(Previous year Rs. 214,296) the component as are under:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Deferred Tax Liability, Only depreciation (DTL)		
Opening Deferred Tax Liability	214,296	714,023
Reinstated Deferred Tax Liability	337,783	214,296
Deferred Tax Liability/Deferred Tax( Asset) during the year	123,488	(4,99,727)
Closing Deferred Tax (asset)/liability	337,783	214,296

27. Auditors' remuneration:

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Audit Fee( including service tax)	82,725	82,750
Others	46,878	39,524
<b>Total</b>	<b>1,29,603</b>	<b>1,22,274</b>



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, 2012.
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	Nil	34,57,14 1

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	965,16,248	118,364,163
2	Aggregate amount of cost incurred till Balance Sheet date	100,980,483	104,133,641
3.	Aggregate amount of recognized Net profits or (loss)	10415144	18,183,261
4.	Amount of advances received.	Nil	Nil
5.	Amount of retentions	77,22,844	59,93,510

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

S. No.	Particulars	Purchases		Consumption	
		Quantity	Value(Rs.)	Quantity	Value(Rs.)
	Raw Material:				
1	Bitumen	793.6 MT	35,833,986	824.4MT	36493294
2	Additive	84.215MT	5,026,986	88.13MT	5,212473
3	Aggregate	158909.5CFT	2,459574	160908.5CFT	2,489,230
4	Cement	1873 Bags	570801	1872 Bags	570521

