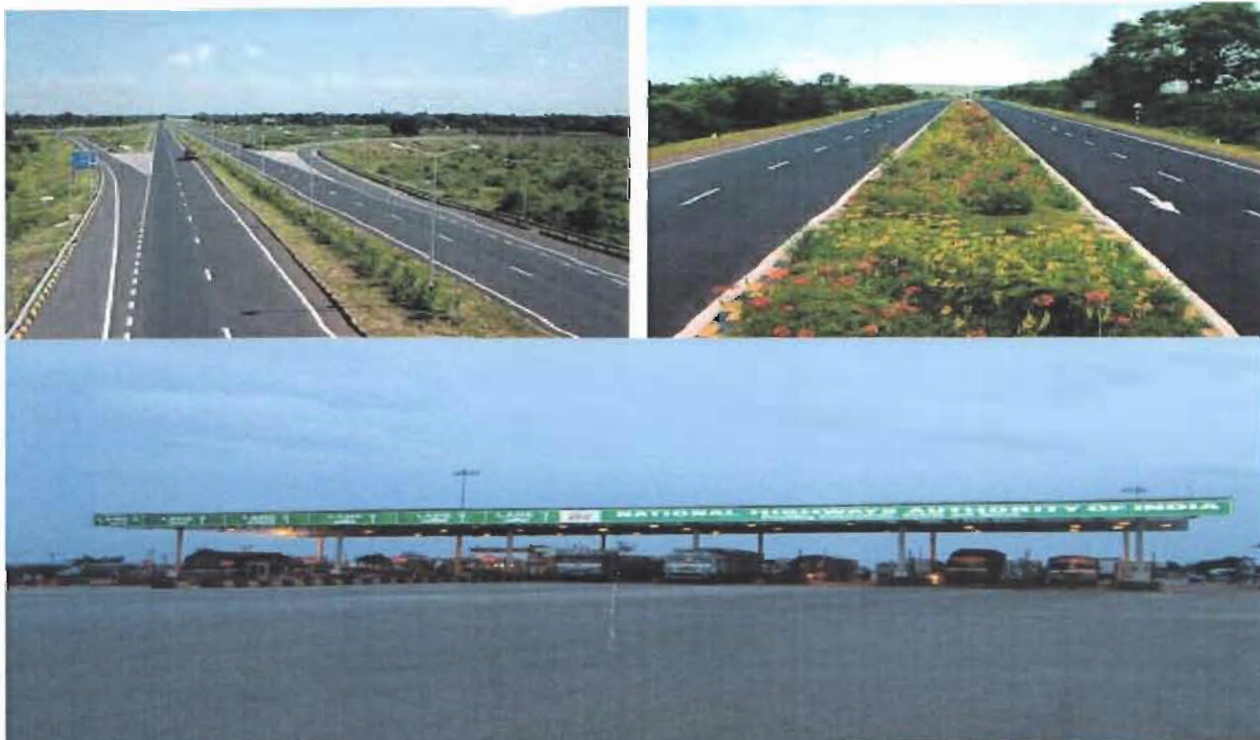


14TH ANNUAL ACCOUNTS & REPORT
FOR THE YEAR ENDED
31ST MARCH, 2013



ELSAMEX INDIA PRIVATE LIMITED



BOARD OF DIRECTORS

MR. GEORGE CHERIAN
MR. AJAY GOPALAKRISHNAN MENON
MR. M.B. BAJULGE
MR. HIMANSHU VASHIST



AUDITORS

GUPTA MAHESH & CO.
CHARTERED ACCOUNTANTS
NEW DELHI

REGD. OFFICE: 1304, 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
E-mail: mahesh.gupta@camahesh.com

INDEPENDENT AUDITOR'S REPORT

**To the Members of
ELSAMEX INDIA PRIVATE LIMITED**

Report on Financial Statement:

We have audited the accompanying financial statements of **ELSAMEX INDIA 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;*

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

Place: *New Delhi*
Date: *14.06.2013*


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 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 3,592,398 (Previous year Rs. 3,592,398) and the year end balance was 3,592,398 (Previous year Rs. 3,592,398)
 - c) The company has taken interest free unsecured loan from NIL party and interest bearing unsecured loan from one "1" party covered in the register required to be maintained under section 301 of the Act. The maximum amount outstanding was Rs. 64,80,487 (Previous year Rs. 18,767,150) and the year end balance was Rs. NIL (Previous year Rs. 64,18,350) any loans, secured or unsecured, from Companies, firms or other parties covered in the register maintained under section 301 of the Act.
 - d) The rate of interest and other terms and conditions of loans given/taken by the Company, secured or unsecured are prima facie not prejudicial to the interest of the Company.



- e) 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

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi 110019, India

Balance Sheet

As at 31st March 2013

Particulars	Notes	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	21,180,000	21,180,000
Reserve and Surplus	3	32,219,542	4,673,997
		53,399,542	25,853,997
Non Current Liabilities			
Long Term Borrowings	4	170,206	544,957
Other Long Term Liability	5	8,382,448	9,335,841
Long Term Provisions	6	315,029	313,904
		8,867,683	10,194,702
Current Liabilities			
Trade Payables	7	43,565,433	28,109,254
Other Current Liabilities	8	5,232,024	8,271,913
Short Term Provisions	6	11,382,891	10,436,448
		60,180,348	46,817,615
TOTAL		122,447,573	82,866,314
II. ASSETS			
Non Current assets			
Fixed Assets (Net Block)			
Tangible Assets	9	5,106,476	4,568,642
Long Term Loans and Advances	10	25,835,695	19,830,863
		30,942,171	24,399,505
Current Assets			
Inventories	11	9,736,496	7,395,856
Trade Receivables	12	60,895,669	37,894,156
Cash and Cash Equivalent	13	893,943	2,735,463
Short Term Loan & Advances	10	19,979,294	10,441,334
		91,505,402	58,466,809
TOTAL		122,447,573	82,866,314

Significant Accounting Policies

1

The notes referred to above 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

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Profit & Loss Account

For the year ended 31st March 2013

Particulars	Notes	Year ended on 31st March 2013	Year ended on 31st March 2012
Income			
Revenue From Operation	14	285,053,413	153,328,268
Other Income	15	10,250	11,031,418
Total Revenue		<u>285,063,663</u>	<u>164,359,686</u>
Expenditure			
Cost of Material Consumed	16	221,620,708	116,384,726
Employee Benefit Expenses	17	17,511,452	11,941,461
Finance Cost	18	640,881	1,655,297
Depreciation and Amortisation	9	1,515,188	1,191,246
Other Expenses	19	9,324,760	6,481,097
Total Expenses		<u>250,612,989</u>	<u>137,653,827</u>
Profit/(Loss) before taxation		<u>34,450,674</u>	<u>26,705,859</u>
Tax Expenses			
Current Tax		11,250,000	7,300,000
Provision Income Tax (Prior Period)		(4,344,871)	(575,997)
Total Tax Expenses		<u>6,905,129</u>	<u>6,724,003</u>
Profit/(Loss) For the year		<u>27,545,545</u>	<u>19,981,855</u>
Earnings per Share (Basic and Diluted)	20	13.01	9.43
(Nominal value Rs 10 per share)			

Significant Accounting Policies

1

The notes referred to above 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

For and on behalf of the Board of Directors

Director

Director

Place : New Delhi

Date : 14.06.2013

Elsamex India Private Limited

Cash Flow Statement for the year ended 31st March 2013

	Rupees	For the year ended 31 March 2013 Rupees	Rupees	For the year ended 31 March 2012 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit after tax		27,545,545		19,981,856
Adjustment for :				
Depreciation	1,515,188		1,191,246	
Interest received	(10,250)		(117,081)	
Interest paid	640,881		1,655,297	
Foreign Exchange Loss/(Gain)	24,986		168,187	
		2,170,805		2,897,649
Operating profit before changes in Working Capital		29,716,350		22,879,505
Adjustments for changes in Working Capital and provisions:				
Inventories	(2,340,640)		(7,395,856)	
Trade receivables	(23,001,514)		(20,957,186)	
Loans and advances	(15,542,791)		(8,634,665)	
Current Liabilities	11,462,897		(1,448,757)	
Provisions	947,568	(28,474,479)	6,850,516	(31,585,948)
Cash generated from operations		1,241,871		(8,706,443)
Foreign Exchange Fluctuation	(24,986)	(24,986)		(168,187)
Net Cash from Operating activities		1,216,885		(8,874,630)
B CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES				
Fixed Assets				
Purchase	(2,053,023)		(2,285,844)	
Interest received	10,250		117,081	
Net Cash (used in) Investing activities		(2,042,773)		(2,168,763)
C CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES				
Increase/(Decrease) in Unsecured Loan	-		-	
Share Application money	-		-	
Interest paid	(640,881)		(1,655,297)	
Increase/(Decrease) in Secured Loan	(374,751)		544,957	
Net Cash from financing activities		(1,015,632)		(1,110,340)
D NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS				
Cash and Cash Equivalents (Opening balance)		2,735,463		14,889,195
Cash and Cash Equivalents (Closing balance)		893,943		2,735,462



Notes for Cash Flow Statement:

1 Detail of Opening and Closing Cash & Cash Equivalent

	Closing	Opening
Cash in Hand	177,880	342,339
Balance with Scheduled Bank		
In Current Account	625,073	2,302,134
In Fixed Deposit Account	90,990	90,990
	<u>893,943</u>	<u>2,735,463</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 Elsamex India 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 of even date

Gupta Mahesh & Co,
Chartered Accountants


Mahesh Gupta

Proprietor

Membership No. 074202

Firm registration No. 005427C

Place : *New Delhi*

Date : *14.06.2013*



Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Balance Sheet

	As at 31st March 2013	As at 31st March 2012
	Rupees	Rupees
Note 2		
Share Capital		
Authorised Capital		
45,00,000 equity shares of Rs 10 each	45,000,000	45,000,000
Issued, subscribed and paid up Capital		
2,118,000 (previous year 2,118,000) equity shares of Rs 10 each fully paid	21,180,000	21,180,000
	<u>21,180,000</u>	<u>21,180,000</u>

(a) Share holders holding more than 5% shares

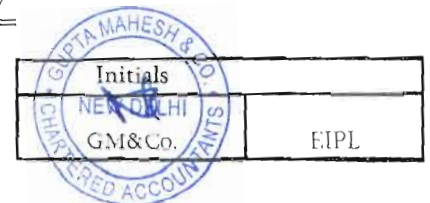
Name of Shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Share Holding	Percentage of Holding	No. of Share Holding	Percentage of Holding
ELSAMEX, SA SPAIN	2100000	99.15%	2100000	99.15%

(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	2118000	21,180,000.00	2118000	21,180,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	2118000	21,180,000.00	2118000	21180000

Note 3

	As at 31st March 2013	As at 31st March 2012
Reserve and Surplus		
Opening Balance	4,673,997	(15,307,859)
Add: Profit/(Loss) as per Profit and Loss Account	27,545,545	19,981,856
	<u>32,219,542</u>	<u>4,673,997</u>



Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Balance Sheet

	Non- Current		Current maturities	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Note 4				
Long Term Borrowings				
a. Term Loans				
- From Bank (Secured)	170,206	544,957	495,444	495,444
Amount disclosed under the head "Other current Liabilities" note no 8	-	-	(495,444)	(495,444)
TOTAL	170,206	544,957	-	-

	31st March 2013		31st March 2012	
	Note 5			
Other Long Term Liabilities				
(a) Securities Deposit Received	8,382,448	9,335,841		
TOTAL	8,382,448	9,335,841		

	Long Term		Short Term	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
Note 6				
Provisions				
a. Provision for employee benefits				
Provision for gratuity	315,029	313,904	1,932	5,489
b. Others Provisions				
Provision for Tax (AY 2013-14)	-	-	11,250,000	-
Provision for Tax (AY 2012-13)	-	-	-	7,300,000
Provision for Tax (AY 2011-12)	-	-	-	3,000,000
Tax Demand	-	-	130,959	130,959
TOTAL	315,029	313,904	11,382,891	10,436,448




Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Balance Sheet

	As at 31st March 2013	As at 31st March 2012
Note 7		
Trade Payables		
Payables outstanding for a period less than six months		
- Unsecured Payables	43,565,433	28,109,254
TOTAL	43,565,433	28,109,254
Note 8		
Other Current Liabilities		
Current Maturity of Long Term Debts	495,444	495,444
Expenses payable	3,055,226	786,540
Duties and Taxes Payable	806,354	571,579
Mobilization Advance- BKEL	875,000	-
IL&FS Transportation Network Limited (14 % Unsecured Loan)	-	6,418,350
TOTAL	5,232,024	8,271,913

Initials	
	EIPL

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Balance Sheet

Note 9

Fixed Assets

(Amount in Rs.)

Particular	Rate of Depreciation	Gross Block				Depreciation					Net Block		
		Opening as at 1st April 2012	Additions	Deductions	Closing as at 31st March 2013	Accumulated upto 1st April 2012	Dep on Opening Balance	Dep. On Addition	for the year	Deductions	Accumulated upto 31st March 2013	As at 31st March, 2013	As at 31st March 2012
Plant and Machinery	13.91%	396,540	271,450	-	667,990	109,527	39,920	22,684	62,604	-	172,131	495,859	287,015
Office equipment	13.91%	488,574	428,278	-	916,852	196,438	72,521	94,439	166,960	-	363,399	553,453	292,136
Furniture and Fixtures	18.10%	161,671	359,468	-	521,139	113,424	8,734	20,604	29,337	-	142,761	378,378	48,247
Vehicles	25.89%	7,516,682	213,714	-	7,730,396	3,736,189	978,774	25,873	1,004,646	-	4,740,835	2,989,561	3,780,493
Computers	40%	507,075	339,145	-	846,220	346,322	64,299	40,352	104,651	-	450,973	395,247	160,753
Site Office (Container)			440,968	-	440,968	-	-	146,990	146,990	-	146,990	293,978	-
Total		9,070,542	2,053,023	-	11,123,565	4,501,900	1,164,248	350,942	1,515,188	-	6,017,089	5,106,476	4,568,642
Previous Year		6,784,698	2,285,844	-	9,070,542	3,310,654		1,191,245	1,191,246	-	4,501,900	4,568,642	3,474,044

	Initials
	EIPL

Elsamex India Private Limited


1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Balance Sheet

Note 10

Loans & Advances:

	Long term		Short Term	
	31st March 2013	31st March 2012	31st March 2013	31st March 2012
a. Security Deposit	22,243,297	16,238,465	-	-
b. Loans & Advances to related Parties	3,592,398	3,592,398	-	-
c. Other Loans & Advances				
- Duties & Taxes	-	-	18,327,984	9,171,527
- Advance to staff	-	-	480,530	76,989
- Prepaid Expenses	-	-	907,663	997,427
- Other Advances	-	-	263,117	195,391
TOTAL	25,835,695	19,830,863	19,979,294	10,441,334


	Initials
	EIPL

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the of the balance sheet

	As at 31st March 2013	As at 31st March 2012
Note 11		
Inventories		
(As taken valued and Certified by the management)		
Closing Stock	904,730	7,395,856
Work in Progress	8,831,766	-
TOTAL	9,736,496	7,395,856
Note 12		
Trade Receivables		
(Unsecured, considered good)		
Debts outstanding for a period Less Than six months	30,771,159	33,075,624
Debts outstanding for a period More Than six months	30,124,510	4,818,532
TOTAL	60,895,669	37,894,156
Note 13		
Cash and Cash Equivalent		
<i>Balances with Banks</i>		
on Current Account	625,073	2,302,134
on Deposit Account (Sales Tax Registration Security)	90,990	90,990
Cash in Hand	177,880	342339
TOTAL	893,943	2,735,463

	Initials
	EIPL

Elisamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India


Notes forming part of the Profit & Loss Account

	As at 31st March 2013	As at 31st March 2012
Note 16		
Cost of Material Consumed		
Sub-contract Cost	57,571,767	35,453,190
Operation & Maintenance	2,544,995	2,112,119
Material Consumed	56,970,270	37,287,650
Consultancy and Professional	2,631,610	1,698,766
Site Operating	38,771,315	13,740,064
Hiring ,Running and Maintenance of Vehicle	30,209,387	14,895,050
Tour & Travelling	3,821,178	1,369,892
Purchase- other material	16,311,153	2,930,237
Freight and Cartage	3,473,680	937,140
Rent	546,308	259,000
Electricity and Water	8,769,045	5,701,618
TOTAL	221,620,708	116,384,726

Note 17

Employee Benefit Expenses

Salaries and Allowances	15,119,019	10,588,854
Employers Contribution to PF and ESI	786,988	706,265
Staff Welfare	1,607,877	474,585
Gratuity	(2,432)	171,757
TOTAL	17,511,452	11,941,461

	Initials
GM&Co	EIPL

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India


Notes forming part of the Profit & Loss Account

	As at 31st March 2013	As at 31st March 2012
Note 18		
Finance Cost		
Interest on Loans	264,327	681,784
Bank and Financial Charges	376,554	973,513
TOTAL	640,881	1,655,297

Note 19

Other Expenses

Rent	253,836	197,776
Legal and Professional	631,319	458,060
Conveyance ,Tour and travelling	280,837	119,892
Duties & Taxes	3,821,248	2,875,614
Insurance	1,683,538	841,086
Telephone & Courier Charges	793,401	505,174
Director's Sitting Fee	65,562	65,000
Office Running , Repair and Maintenance	954,047	613,020
Printing , stationery and Advertisement	497,921	224,774
Audit Fees	127,126	121,330
Brokerage & Commission	86,058	88,294
Exchange Variation	24,986	168,187
Tender & Bid Expenses	50,000	144,691
Sundry Balances Written off	54,881	58,199
TOTAL	9,324,760	6,481,097

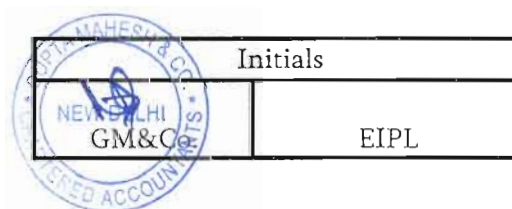
	Initials
	EIPL

Elsamex India Private Limited

1304, 43 Chiranjiv Tower, Nehru Palace, New Delhi-110019, India

Notes forming part of the Profit & Loss Account

	As at 31st March 2013	As at 31st March 2012
Note 20		
Earnings per share		
Profit after Tax attributable to Equity Shareholders (Rupees)	27,545,545	19,981,856
Weighted average number of equity shares used in calculating basic and diluted EPS	2,118,000	2,118,000
Nominal Value per share (Rupees)	10	10
Basic and diluted profit per share (Rupees)	13.01	9.43



Elsamex India Private Limited
Notes forming part of the Financial statement

Note 1: SIGNIFICANT ACCOUNTING POLICIES

Background

Elsamex India Private Limited (the Company) was incorporated as a private limited company on 5th January 1999. The company is primarily engaged in the business of repair and maintenance of infrastructure projects including roads, highways and consultation supervision of infrastructure projects and to participate, represent consortiums in infrastructure projects.

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 recognised 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 acquired by the Company are reported at acquisition cost less accumulated depreciation and impairment losses if any. Acquisition cost includes the purchase price (excluding refundable taxes) and expenses such as delivery and handling costs, installation, legal services etc. directly attributable to bringing the asset to the site and in working condition for its intended use.

An item of fixed asset is derecognised upon disposal or when no future economic benefits are expected from its use. 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 prorate 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

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate prevailing between the reporting currency and the foreign currency on the date of transaction. Current liabilities and current assets denominated in foreign currency are translated at the exchange rate prevalent on the Balance Sheet date. The resulting differences are recorded in the Profit and Loss Account.

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

The basic earnings per share is calculated by dividing the net profits after tax for the year attributable to the equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

21. Contingent liabilities:

Bank Guarantee issued on behalf of the Company Rs, 1,00,000/- (Previous year Rs 15,00,000)

22. 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 Cash Flow Statement is reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows arising from operating, investing and financing activities of the Company are segregated.

24. 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.

25. 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	316,961	319,393
Fair Value of Plan Assets	Nil	Nil
Net Assets/ (Liability) recognized in the Balance Sheet as per provision.	(316,961)	(319,393)



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

Particulars	Current Year	Previous Year
	(in %)	(in %)
Discount rate	8.00	8.00
Expected rate of return on assets	0.00	0.00
Future Salary Increase	5.0	5.0
Employee turnover:		
Upto 30 years	3.00	3.00
Upto 44 years	2.00	2.00
Above 44 years	1.00	1.00

Expenditure in foreign currency: (on payment basis)

Particulars	Current Year	Previous Year
	(Rs.)	(Rs.)
Revenue expenses	Nil	87,97,711
Imports	1,68,722	Nil

26. Disclosure required as per Accounting Standard – 18 on “Related Party Disclosures” as notified by CASR,2006:
- Parties Having Control over the Company:
Elsamex S.A. (Spain) – Major Share Holder
IL&FS Transport Networks Limited – Ultimate Holding Company
Infrastructure Leasing & Financial Services Limited – Ultimate Holding Company
 - Parties under Common Management
Yala Construction Company limited
 - Details of related party Transaction (schedule attached)

27. Auditors' remuneration:

Particulars	Current Year	Previous Year
	(Rs.)	(Rs.)
Audit	84,270	82,725
Others	Nil	60,667
Total	84,270	1,43,392

28. Small and Micro Enterprises:

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating enterprises covered under the Act. As per the information available with this company, there are no amounts outstanding as payable to any small-scale industrial units as on March 31, 2013.



29. 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.

S. No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
1.	Amount of Project Work in Progress as valued and certified by the management	8,831,766	7,395,856

30. 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	285,053,413	153,328,268
2	Aggregate amount of cost incurred till Balance Sheet date	250,558,108	137,595,629
3.	Aggregate amount of recognized Net profits or (loss)	34,450,674	26,705,858
4.	Amount of advances received.	Nil	Nil
5.	Amount of retentions	1,80,70,220	1,12,85,776

31. Previous year's figures have been regrouped /rearranged wherever considered necessary to conform with the current year's presentation. Figures have been rounded off to the nearest rupee.

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 or behalf of the Board

Director

Director

Elsamex India Private limited

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE
For the year ending on 31st March 2013

I. Registration Details

Registration No.	U74140DL199PTC 097789	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	122 447	Total Assets	122 447
Sources of Funds			
Paid Up Capital	21 180	Reserves & Surplus	32 220
Share Application Money	-	Secured Loans	170
Unsecured Loans	-	Deferred Tax Liabilities (Net)	-
Application of Funds			
Net Fixed Assets	5 106	Investments	Nil
Net Current Assets	57 161	Deffered Tax Assets (Net)	Nil
Miscellaneous Expenditure	Nil	Accumulated Losses	Nil

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

Turnover	285 064	Total Expenditure	250 613
Profit/Loss before Tax	34 451	Profit/Loss after Tax	27 546
Earning per share in Rs. (on par value Rs. 10/- each)	13.01	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