



Gupta Mahesh & Co.

Chartered Accountants

45 Lower Ground Floor, Pocket A-8,
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Component Auditor Clearance: Audit of The Component's Financial Information – Findings Clearance Memorandum

From: Gupta Mahesh & Co.
Date: 02 February 2016
Subject: Audit of Yala Construction Company Pvt Ltd's Financial Information for the period of year ended December 31, 2015
To: Ms. Laura Tahoces, Chartered Accountant,
Madrid, Spain

We have carried out a review of the Interim Financial Information of Yala Construction Company Pvt Ltd. which comprise of the Condensed Balance Sheet as at December, 31, 2015, the Condensed Statement of Profit and Loss and the Condensed Cash Flow Statement for the year then ended, select explanatory notes and Annexures 1 to 16 prepared and presented in accordance with the Referral Instructions issued by Elsamex Group, using Generally Accepted Auditing Standards and Accounting Policies adopted by Elsamex.

The Reporting Package is the responsibility of Yala Construction Company Pvt Ltd's management. As stated therein, the Reporting Package has been prepared on the basis of accounting principles generally accepted and in accordance with the group's accounting policies for inclusion in the condensed consolidated financial statements of Elsamex Group and are intended solely for that purpose.

In accordance with such instructions and as a result of the procedures which we have performed, accompanying this communication are the following:



- Audit summary memorandum, which includes, among other matters, significant matters that we have communicated or expect to communicate to management and those charged with governance of Yala Construction Company Pvt Ltd, and any other matters that we believe may be relevant to the review of Elsamex Group.
- Summary of uncorrected misstatements and disclosure misstatements.
- A confirmation that procedures have been performed related to subsequent events up to the date of this communication along with any findings from those procedures.



This communication is provided to you solely for the information and use of Ms. Laura Tahoces, Madrid, Spain to assist you in your review of the condensed consolidated financial statements of Elsamex Group for the period of year ended December, 31, 2015. It should not be distributed to anyone in the Group, any of its components, or any other third party.

For Gupta Mahesh & Co.
Chartered Accountants
Registration No. 005427C

Place: - New Delhi
Date: - 02.02.2016



Mahesh Gupta
Membership No: 074202



Gupta Mahesh & Co.

Chartered Accountants

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Kalkaji Extension, New Delhi - 110 019
Ph.: 011-41605390, 9811015010
E-mail: mahesh.gupta@camahesh.com

A – ACKNOWLEDGMENT OF REFERRAL INSTRUCTIONS

To: Ms. Laura Tahoces

This letter is provided in connection with your review of the Consolidated Financial Statements (the "financial statements") of **Elsamex Group** (the "Yala Construction Pvt Ltd") and its subsidiaries (collectively referred to as the "Elsamex Group") as of December 31, 2015 and for the period ended to enable you to conduct an audit of the Consolidated Financial Statements and Results of the Group for the period ended December, 2015, prepared in accordance with the requirements of the Group Referral Instructions.

We acknowledge receipt of your instructions dated 12 January 2015 requesting us to perform the specified work on the financial information of Yala Construction Company Pvt Ltd as of December 31, 2015 and for the period then ended.

We confirm that

1. We will cooperate with you and provide you with access to relevant information and/or documentation.
2. We will use the format of the reporting that you have included in your referral instructions when reporting to you.

We also acknowledge that:

1. The financial information of Yala Construction Company Pvt. Ltd as of December 31, 2015 and for the period then ended, will be included in the consolidated financial statements of Elsamex Group as of December 31, 2015 and for the period then ended.
2. You may consider it necessary to be involved in the work you have requested us to perform on the financial information of Yala Construction Company Pvt Ltd as of December 31, 2015 and for the period then ended.
3. You intend to review and, if considered appropriate, use our work performed on the financial information of Yala Construction Company Pvt Ltd as of December 31, 2015 and for the period then ended, for purpose of the audit of the Consolidated financial statements of Elsamex Group as of December 31, 2015 and for the period then ended.

In connection with the work that we will perform on the financial information as of December 31, 2015 and for the period ended of Yala Construction Company Pvt Ltd, a subsidiary of Elsamex SA, we confirm the following:



1. Our quality control system complies with Standard on Quality Control 1, remedial action is taken promptly in relation to issues identified in the monitoring program, and there are no issues from recent monitoring reports that are likely to have a significant effect on the work that we will perform.
2. We have the appropriate professional qualifications and competence sufficient to fulfill our responsibilities in the review of the Group financial statements.
3. We have an understanding of and will comply with the requirements of the Code of Ethics for Professional Accountants issued by the International Federation of Accountants, including the independence requirements, national ethical requirements applicable to the audit of the Group's financial statements, and the quality control policies and procedures as defined in your Group referral.
4. We have an understanding of Indian generally accepted auditing standards and the additional procedures outlined by you in your referral instructions that you have informed us will ensure compliance with Indian generally accepted auditing standards sufficient to fulfill our responsibilities in the review of the Group financial statements and will conduct our work on the financial information of Yala Construction Company Pvt Ltd as of December 31, 2015 and for the period then ended in accordance with such standards.
5. We possess the skills necessary to perform the work on the financial information of the particular component.
6. We will retain our working papers for 6 years following the date of issuance of the Group financial statements.

Your primary contact on the component engagement team is Mr. Praveen Khandelwal.

During the performance of the engagement, the component engagement team can be contacted at:

Phone: 09999866842

E-mail: mahesh.gupta@camahesh.com

For Gupta Mahesh & Co.
Chartered Accountants
Registration No. 0054277



Mahesh Gupta
Membership No: 074202

Place: - New Delhi
Date: 02.02.2016



Gupta Mahesh & Co.

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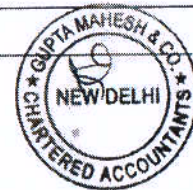
Yala Construction Company Pvt Ltd

Audit for the Period ended December 31, 2015.

B – Contact Information for Component Auditor Engagement Team

The following table includes information for key members of each component auditor engagement team:

Component	Name	Position	Phone	E-mail
Yala Construction Co. Pvt. Ltd.	Mr. Praveen Khandelwal	CA	09999866842	Ca.praveenkhandelwal@gmail.com
	Mr. Jaiveer Singh	Article Assistant	011-41605390	Mahesh.gupta@camahesh.com
	Mr. Harcharan Singh Virk	Article Assistant	011-41605390	Mahesh.gupta@camahesh.com





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C – EARLY WARNING REPORT

To: Ms. Laura Tahoces
Chartered Accountants,
Madrid

Group Name:	ELSAMEX Group	Period end:	December 31, 2015
Component Name:	Yala Construction Company Pvt Ltd		

In accordance with your referral instructions in respect of the audit of Yala Construction Company Pvt Ltd, we draw your attention to the following matters:

Matters to consider including in the early warning report:

- Unusual events or transactions: - Nil
- Significant events or transactions: - All the transaction are normal in nature
- Additional significant risks or significant risks that impact other group entities: Nil
- All detected or suspected instances of fraud: - No fraud
- Areas of accounting estimates: - Nil
- Indicators of possible management bias: - Nil
- Inappropriate accounting policies: - Nil
- Significant changes in accounting policies: - Nil



Yala Construction Company Pvt Ltd
 Audit for the Period Ended December 31, 2015

Appendix 3

Summary of Component Uncorrected Misstatements

Description of Misstatement	Nature of Misstatement	Cause of Misstatement	Indicate if Misstatement is Known or Likely	Account Balance	Worksheet Reference	Assets		Liabilities		Equity		Income		TOTAL
						Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	
Current Period Misstatements														
No Material Mis statement found during the audit of yala construction company pvt ltd														
Total														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Prior Period Misstatements														
Total														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Total Misstatements														
Current Period - Known														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Current period - Likely														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Prior Period - Impacting Current Period - Known														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Prior Period - Impacting Current Period - Likely														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Total - Known														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Total - Likely														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
Total														
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0														



**Yala Construction Company Pvt Ltd
Audit for the Period Ended December 31, 2015**

Appendix D

Summary of Component Corrected Misstatements			Assets		Liabilities		Equity		Income		TOTAL	
Description of Misstatement	Nature of Misstatement	Cause of Misstatement	Account Balance	Workpaper Reference	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
Current Period												
		No Material Mis statement found during the audit of yala construction company pvt ltd			0	0	0	0	0	0	0	0
Total Misstatements Adjusted												
					0	0	0	0	0	0	0	0



Yala Construction Company Pvt Ltd
Audit for the Period Ended December 31, 2015

Summary of Component Disclosure Deficiencies

Disclosure Number	Disclosure Title	Description of Disclosure Deficiency	Authoritative Literature Reference	Amount of Disclosure Deficiency (if applicable)	Nature of Misstatement	Cause of Misstatement	Management Response to Disclosure Deficiency
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Since No Material mis statement found no disclosure is required.

Total of Disclosure Deficiencies

0



Yala Construction Company Pvt Ltd Audit for the Period Ended December 31, 2015

This form is used to accumulate and evaluate the impact of disclosure deficiencies identified during the review engagement. This form will assist the engagement team in assessing whether identified disclosure deficiencies are material, individually or in the aggregate, on a quantitative or qualitative basis.

Note: All items are to be entered in the following currency:

Note: Exchange rate used:

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Unit	Disclosure Number	Disclosure Title	Description of Disclosure Deficiency	Authoritative Literature Reference/Reference to reporting requirement	Amount of Disclosure Deficiency (if applicable)	Management's Reason for Disclosure Deficiency (e.g., "not deemed material for disclosure.")	Management's Reason for Disclosure Deficiency (e.g., "not deemed material for disclosure.")
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No Material Misstatement found during the Audit of Yala Construction Company Pvt Ltd

Yala Construction Company Pvt Ltd Audit for the Period Ended December 31, 2015

EVALUATION OF DISCLOSURE DEFICIENCIES

This form is used to accumulate and evaluate the impact of disclosure deficiencies identified during the review engagement. This form will assist the engagement team in assessing whether identified disclosure deficiencies are material, individually or in the aggregate, on a quantitative or qualitative basis.

DISCUSSION WITH MANAGEMENT:

Enter the date of our discussion with the appropriate level of management regarding the disclosure deficiencies we identified during our audit, as well as their response.

NA

QUANTITATIVE AND QUALITATIVE QUESTIONS:

Document below any quantitative and/or qualitative considerations regarding material disclosure deficiencies (individual or in the aggregate).

NA

FRAUD OR ILLEGAL ACTS:

If any of the disclosure deficiencies appear to represent fraud or possible illegal acts, describe below, including your response(s).

NA





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F – ISSUES FOR INCLUSION IN THE GROUP MANAGEMENT REPRESENTATION LETTER

Group / Parent Name:	Elsamex Group	Period end:	December 31, 2015
Component Name:	Yala Construction Company Pvt Ltd		

We request that the following items be included in the Group management representation letter

Title	Detailed Description
	No specific item required to be included in the group management representation letter pertaining to Yala Construction Company Pvt Ltd.





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Yala Construction Company Pvt Ltd

Audit for the period ended December 31, 2015

**G-SUBSEQUENT EVENTS REPORT
FOR INCLUSION IN THE GROUP REVIEW**

To: Ms. Laura Tahoces
Chartered Accountants,
Madrid

We have carried out procedures in accordance with your referral instruction & confirm that.

Material Adjusting Events Subsequent to Period-End

There is no events subsequent to the period end which require adjustment in the financial statement.

Material nonadjusting Events Subsequent to Period-End

None





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COMPONENT AUDITOR REVIEW OF COMPONENT'S FINANCIAL INFORMATION SUMMARY MEMORANDUM FOR INCLUSION IN THE GROUP REVIEW

Group Name:	<u>ELSAMEX Group</u>	Period end:	<u>December 31, 2015</u>
Component Name:	<u>Yala Construction Company Pvt Ltd</u>		

SIGNIFICANT CHANGES IN THE ENTITY AND ITS ENVIRONMENT

None

SUMMARY OF AUDIT APPROACH

Summarize the audit approach. Items may include but are not limited to the following:

- In our opinion and according to the information and explanations providing to us, there is an adequate internal control system commensurate with the size of the company and nature of its business for the purchase of inventory, fixed assets and for sale of goods and services. During the course of audit, no major weakness was found in the internal control system.
- Use of experts: - We have use the work of expert for estimating the liability relating to the retirement benefit payable to staff.
- Use of work of internal: - Component is having adequate internal audit system and we have evaluated the same.

SUMMARY OF SIGNIFICANT RISKS IDENTIFIED

Significant Risks to the Group

These risks should include those noted during planning (i.e., during the risk assessment process) and any further risks noted during testing (i.e., during the further procedures).

Significant Risk	Account Balance(s) Class(es) of Transaction or Disclosure(s) Affected	Procedures Performed	Risk Addressed (Yes/No)
None			



ISSUES RELATING TO FRAUD AND COMPLIANCE WITH LAWS AND REGULATIONS

None

SUMMARY OF GOING CONCERN REVIEW INCLUDING CONCLUSION

Based on the information and explanation provided by the management Yala Construction Company is a going concern

SUBSEQUENT EVENTS

None

SIGNIFICANT MATTERS FOR COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE AND/OR MANAGEMENT OF THE GROUP

None

SCOPE ASSESSMENT

Indicate your conclusion by deleting any of the following blocks of text that are not applicable, as appropriate.

The scope of our **audit procedures** performed on the component's financial information and the evidence obtained was appropriate and sufficient to support our clearance, based on the materiality level established by you.

OVERALL EVALUATION OF MISSTATEMENTS

For a detailed description of the misstatements (including their nature and cause), refer to Appendix D the "Numeric Misstatements," which was forwarded to you.

Our overall conclusion reached in our evaluation of misstatements, including disclosure deficiencies:

Indicate your conclusion by deleting any of the following blocks of text that are not applicable, as appropriate.

There is no misstatement.
We believe that the reporting package is not materially misstated.





Gupta Mahesh & Co.

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Entity subject to audit: : Yala Construction Company Pvt Ltd

Name of Auditors : Mahesh Chand Gupta

Address : 45 Lower ground floor,
Pocket A- 8, Kalkaji Extension,
New Delhi – 110019

Country : India

Official Organization of Auditors : Gupta Mahesh & Co.

Address : 45 Lower ground floor,
Pocket A- 8, Kalkaji Extension,
New Delhi – 110019

Membership number : 074202

Audit starting date : 12.01.2016

Date of the Audit Report : 02.02.2016

Number of persons on this job : Mr. Praveen Khandelwal
Mr. Jaiveer Singh
Mr. Harcharan Singh Virk

Number of total hours : 128 Hrs

Working papers for this audit
Number of pages:

Assets	: 12
Liabilities	: 19
Income	: 12
Expenses	: 17
Other	: 09

Working papers prepared for:

- Internal control



Yes

Yes

- Fixed Assets	Yes
- Financial investments	Yes
- Group companies	Yes
- Stocks	Yes
- Debtors	Yes
- Cash and Banks	Yes
- Paid up Capital	Yes

- Reserves	Yes
- Subsidies	Yes
- Provisions	Yes
- Bank liabilities	Yes
- Other liabilities	Yes
- Operating Income	Yes
- Financial income	Yes
- Labour expenses	Yes
- Other operating expenses	Yes
- Financial expenses	Yes
- Are you fully independent From the auditor, personal, financially,	Yes

Name of audit firm: **Gupta Mahesh & Co.**

Date: **02.02.2016**



 Signature of auditor

Yala Construction Company Pvt. Ltd.
 CIN: U45201DL2000PTC103620
 WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
 Balance Sheet As at December 31, 2015

	Particulars	Notes	As at December 31, 2015 Rupees	As at December 31, 2014 Rupees
I	EQUITY AND LIABILITIES			
1	Shareholder's funds			
	Share Capital	2	63,187,200	63,187,200
	Reserves and surplus	3	49,214,612	55,547,176
			112,401,812	118,734,376
2	Non Current Liabilities			
	Long term Borrowings	4	13,395,377	35,346,168
	Deferred tax liability		2,084,527	980,499
	Long Term Provisions	5	721,611	1,787,510
			16,201,515	38,114,177
3	Current Liabilities			
	Trade Payables	5	1,857,043	3,511,751
	Other Current Liabilities	5	14,424,269	11,066,879
	Short Term Provisions	5	4,416,967	6,675,753
			20,698,279	21,254,383
	TOTAL		149,301,606	178,102,936
II	ASSETS			
1	Non Current Assets			
	Fixed assets	6	46,059,164	50,844,389
	Long Term Loans & Advances	7	36,595,709	37,083,891
			82,654,873	87,928,280
2	Current Assets			
	Inventories	8	4,584,803	777,526
	Trade Receivables	8	1,163,801	47,621,370
	Cash and bank balances	8	22,817,827	26,531,162
	Short Term Loans & Advances	7	15,677,668	11,531,995
	Other Current Assets	9	22,402,634	3,712,604
			66,646,733	90,174,656
	TOTAL		149,301,606	178,102,936

The above figures are compiled from the books of accounts produced before us.

For Gupta Mahesh & Co.
Chartered Accountants

(Mahesh Gupta)
Proprietor
Membership No. 074202
Firm registration No. 005427C
Place: New Delhi
Date: 02.02.2016

For and on behalf of the Board

Managing Director

Director

Yala Construction Company Pvt. Ltd.
CIN: U45201DL2000PTC103620
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
Statement of Profit and Loss for the period ended December 31, 2015

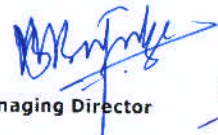

Particulars		Note	For the period ended December 31, 2015	For the period ended December 31, 2014
I	Revenue from operations	10	37,833,866	180,618,503
II	Other income	11	2,947,028	10,195,579
III	Total revenue (I + II)		40,780,894	190,814,082
IV	Expenses			
	Cost of raw material consumed	12	18,853,056	84,726,504
	Employee benefits expense	13	5,299,836	14,238,638
	Finance Costs	14	3,468,797	4,549,142
	Depreciation and amortization expense	6	5,338,491	5,311,470
	Other expenses	15	15,309,083	61,442,873
	Total expenses (V)		48,269,263	170,268,628
VI	Profit / (Loss) before taxation (III-V)		(7,488,369)	20,545,454
VII	Tax expense:	16		
	(1) Current tax		-	6,665,973
	(2) Tax relating to earlier period		(2,259,833)	(674,322)
	(3) Deferred tax		1,104,028	710,473
	(4) MAT credit entitlement			
	Total tax expenses (VIII)		(1,155,805)	6,702,124
IX	Profit / (Loss) for the period (VI-VIII)		(6,332,564)	13,843,330
	Earnings per equity share (Face value per share Rupees 10/-):			
	(1) Basic		(0.10)	0.22
	(2) Diluted		(0.10)	0.22

The above figures are compiled from the books of accounts produced before us.

For Gupta Mahesh & Co.
Chartered Accountants


(Mahesh Gupta)
Proprietor
Membership No. 074200
Firm registration No. 005427C
Place: New Delhi
Date: 02.02.2016

For and on behalf of the Board


Managing Director

Director

Yala Construction Company Private Limited
CIN: U45201DL2000PTC103620
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
Cash Flow Statement for the period 01.01.2015 to 31.12.2015

Particulars	For the period ended 31st December 2015		For the period ended 31st December 2014	
	Rupees	Rupees	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax		(7,488,369)		20,545,454
Adjustment for:				
Depreciation	5,338,491		5,311,470	
Interest received	(2,288,211)		(5,498,033)	
Interest paid	3,429,427		3,932,499	
		<u>5,479,707</u>		<u>3,745,936</u>
Operating profit before changes in Working Capital		(1,008,662)		24,291,390
Adjustments for changes in Working Capital and provisions:				
Inventories	(3,607,277)		2,292,143	
Trade receivables	46,457,569		7,054,642	
Loans and advances	(22,347,522)		3,050,896	
Current Liabilities	(556,104)		(32,612,487)	
		<u>19,746,866</u>		<u>(20,414,807)</u>
Cash generated from operations		18,738,005		3,876,583
Direct Taxes paid (Net)		2,259,833		(5,991,652)
Net Cash from Operating activities		<u>20,997,837</u>		<u>(2,115,069)</u>
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES				
Fixed Assets				
Purchases	(603,713)		(51,918,593)	
Sale of Fixed Assets	50,447		7,231,079	
Interest received	2,288,211		5,498,033	
Net Cash (used in) investing activities		<u>1,734,945</u>		<u>(39,189,481)</u>
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES				
Interest paid	(3,429,427)		(3,932,499)	
Increase/(Decrease) in Secured Loan	(23,016,690)		18,959,627	
Net Cash from financing activities		<u>(26,446,117)</u>		<u>15,027,128</u>
D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		<u>(3,713,335)</u>		<u>(26,277,421)</u>
Cash and Cash Equivalents (Opening balance)		26,531,162		52,808,583
Cash and Cash Equivalents (Closing balance)		<u>22,817,827</u>		<u>26,531,162</u>
Components of Cash and Cash Equivalents				
Cash in Hand		Closing 7,905		Closing 4,602
Balance with Scheduled Bank				
in Current Account		2,450,471		7,036,837
in Fixed Deposit Account		20,359,451		19,489,723
		<u>22,817,827</u>		<u>26,531,162</u>

As per our report of even date

Gupta Mahesh & Co.

Chartered Accountants

MAHESH & CO. CHARTERED ACCOUNTANTS

NEW DELHI

Mahesh Gupta

Proprietor

Membership No. 123456

Firm registration No. 123456

Place: New Delhi

Date: 02.02.2016

For and on behalf of the Board of Directors

(Signature)
 Managing Director

(Signature)
 Director

Yala Construction Co. Private Limited
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
Notes forming part of the Balance Sheet

As at 31st December, 2015 As at 31st December, 2014

	Rs.	Rs.
Note 2		
Share Capital		
Authorised Capital		
12,000,000 Equity shares of Rs.10 each	120,000,000	120,000,000
Issued, Subscribed and Paid up		
63,18,720 Equity Shares of Rs.10 each fully paid	63,187,200	63,187,200
	<u>63,187,200</u>	<u>63,187,200</u>

(a) Share holders holding more than 5% shares

Name of Shareholder	As at 31st December, 2015		As at 31st December, 2014	
	No. of Share Holding	Percentage of Holding	No. of Share Holding	Percentage of Holding
ELSAMEX INTERNACIONAL SPAIN	2338433	37.00%	2338433	37.00%
ELSAMEX,SA SPAIN	3729329	59.00%	3729329	59.00%

(b) Movement of Equity Shares

Particulars	Equity Shares			
	As at 31st December, 2015		As at 31st December, 2014	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	6318720	63187200	6318720	63187200
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	6318720	63187200	6318720	63,187,200



[Handwritten Signature]

Yala Construction Company Pvt. Ltd.
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
NOTES TO BALANCE SHEET AS AT DECEMBER 31,2015

NOTE 3 : RESERVES AND SURPLUS

Particular	As at		As at	
	December 31,2015	December 31,2015	December 31, 2014	December 31, 2014
	Rupees	Rupees	Rupees	Rupees
Securities premium account				
Balance as per last Balance Sheet	716,320		716,320	
Addition during the period		716,320		716,320
General reserve				
Opening balance	810,532		810,532	
Add. Transfer during the period		810,532		810,532
Opening P&L account		54,020,324		13,843,330
Add. Balance in Profit and loss account		(6,332,564)		40,176,994
Total reserves and surplus		<u><u>49,214,612</u></u>		<u><u>55,547,176</u></u>

NOTE 4 : Long Term Borrowings

Particular	As at		As at	
	December 31,2015	December 31,2015	December 31, 2014	December 31, 2014
	Rupees	Rupees	Rupees	Rupees
SECURED				
From banks (Long Term Borrowing)		24,962,867		35,346,168
Amount disclosed under the head of other current liabilities:		(11,567,490)		-
Total secured loans		<u><u>13,395,377</u></u>		<u><u>35,346,168</u></u>
UNSECURED				
From Bank				
Other than short term loans				
Total unsecured loans		<u><u>-</u></u>		<u><u>-</u></u>
Total loan funds		<u><u>13,395,377</u></u>		<u><u>35,346,168</u></u>



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Yala Construction Company Pvt. Ltd.
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
NOTES TO BALANCE SHEET AS AT DECEMBER 31, 2015

NOTE 5 : CURRENT LIABILITIES AND PROVISIONS

Particular	Long Term		Short Term	
	As at	As at	As at	As at
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	Rupees	Rupees	Rupees	Rupees
CURRENT LIABILITIES				
Trade Payables	-	-	1,857,043	3,511,751
Other liabilities	-	-	2,856,779	11,066,879
Current Maturity of long term Debts	-	-	11,567,490	-
Total current liabilities	-	-	16,281,312	14,578,630
PROVISIONS				
Provision for Tax	-	-	4,406,140	6,665,973
Provision for employee benefits	372,365	1,278,105	-	-
Provision for gratuity	349,246	278,850	10,827	9,780
Provision for leave encashment	-	230,555	-	-
Total provisions	721,611	1,787,510	4,416,967	6,675,753
Total current liabilities & provisions	721,611	1,787,510	20,698,279	21,254,383



Yala Construction Company Pvt. Ltd.
 WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
 NOTES TO BALANCE SHEET AS AT DECEMBER 31, 2015

NOTE 6 : FIXED ASSETS

Particulars	Gross Block		Depreciation		Net Block		Rupees			
	Opening as at 01.01.15	Opening adjustments	Deletions	Closing as at 31.12.2015	Upto 31.12.14	Opening adjustments	Deletions	Upto 31.12.2015	Net Block As at 31.12.2015	Net Block As at 31.12.2014
Tangible Assets										
Land	0	0	0	0	0	0	0	0	0	0
Building & Structures	285917	0	0	285917	285917	0	0	285917	0	0
Roads and bridges	0	0	0	0	0	0	0	0	0	0
Vehicles	7967569	0	0	8086919	7469572	0	0	7705713	381206	497997
Data Processing Equipments	575057	0	0	575057	549730	0	0	571876	3181	25327
Office Premises	0	0	0	0	0	0	0	0	0	0
Office Equipments	912559	0	5850	918699	661547	0	0	771704	146995	251012
Leasehold Improvements	0	0	0	0	0	0	0	0	0	0
Furniture & Fixtures	54608	0	9650	44958	16745	0	0	20417	24541	37863
Electrical Installations	0	0	0	0	0	0	0	0	0	0
Plant & Machinery	77550477	0	34847	77984603	27518287	0	0	32481362	45503241	50032190
Advertisement Structure	0	0	0	0	0	0	0	0	0	0
Asset less than 5000	26071	0	0	29371	26071	0	0	28371	0	0
Sub total	87372258	0	50447	87925524	36527869	0	0	41866360	46059164	50844389
Total fixed assets	87372258	0	50447	87925524	36527869	0	0	41866360	46059164	50844389



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Yala Construction Co. Private Limited

WZ 11D/1, Gali No. 23, Sant-Garb, Tilak Nagar, Delhi-110018

NOTES TO BALANCE SHEET AS AT DECEMBER 31, 2015

NOTE 7 : Loan And Advances

Particular	Long Term		Short Term	
	As at	As at	As at	As at
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
a. Security Deposit	34,689,318	33,388,925	-	-
b. Loans & Advances to related Parties	1,906,391	3,694,966	737,935	2,987,935
c. Advance Income Tax	-	-	7,057,413	5,158,897
d. Advance to staff	-	-	161,093	519,970
e. Prepaid Expenses	-	-	138,057	186,432
f. Advance to Supplier	-	-	7,583,170	2,678,761
TOTAL	36,595,709	37,083,891	15,677,668	11,531,995

NOTE 8 : CURRENT ASSETS AND LOANS & ADVANCES

Particular	As at	As at
	December 31, 2015	December 31, 2014
	Rupees	Rupees
CURRENT ASSETS		
INVENTORIES (at lower of cost and market value)		
Raw Material	4,584,803	777,526
Total	4,584,803	777,526
Trade Receivables		
Debts outstanding for a period exceeding six months		
- Unsecured, Considered good	1,163,801	-
Debts outstanding for a period Less Than six months	-	47,621,370
	1,163,801	47,621,370
Less: Provision for doubtful debts	-	-
Total	1,163,801	47,621,370
CASH AND BANK BALANCES		
Cash in hand	7,905	4,602
Balance with scheduled banks:-		
In current accounts	2,450,471	7,036,837
In fixed deposits	20,359,451	19,489,723
Total	22,817,827	26,531,162

NOTE 9 : Other Current Assets

Particular	As at	As at
	December 31, 2015	December 31, 2014
a. Interest Accrued	5,931,708	1,712,226
b. Income Tax refund	2,134,575	1,380,477
c. WCT/VAT	-	619,901
d. Unbilled revenue	14,118,576	-
e. Service Tax Input	217,775	-
Total	22,402,634	3,712,604



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Yala Construction Company Pvt. Ltd.

WZ 110/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018

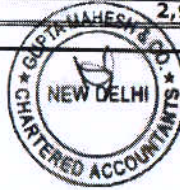
NOTES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED DECEMBER 31, 2015

NOTE 10 : REVENUE FROM OPERATIONS

Particular	For the period ended December 31, 2015 Rupees	For the period ended December 31, 2014 Rupees
Project Revenue (Micro Surfacing)	37,833,866	180,618,503
Total	37,833,866	180,618,503

NOTE 11 : OTHER INCOME

Particular	For the period ended December 31, 2015 Rupees	For the period ended December 31, 2014 Rupees
Interest on loans granted	2,288,211	5,498,033
Receipt Against Slurry M/c Hiring	-	2,600,000
Profit On sale of Assets	-	1,688,154
Miscellaneous income	658,817	409,392
Total	2,947,028	10,195,579



Yala Construction Company Pvt. Ltd.

WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018

NOTES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED DECEMBER 31, 2015

NOTE 12 : COST OF RAW MATERIAL CONSUMED

Particular	For the period ended December 31, 2015 Rupees	For the period ended December 31, 2014 Rupees
Consumption of raw materials	1 88 53 056	84,726,504
Total	18,853,056	84,726,504

NOTE 13 : EMPLOYEE BENEFIT EXPENSES

Particular	For the period ended December 31, 2015 Rupees	For the period ended December 31, 2014 Rupees
Salaries and allowances	1,984,372	10,632,794
Contribution of provident and other funds	360,155	577,474
Staff welfare expenses	115,341	277,388
Labour Cost	28 39 968	2,750,982
Total	5,299,836	14,238,638



Yala Construction Company Pvt. Ltd.
WZ 11D/1, Gali No. 23, Sant-Garh, Tilak Nagar, Delhi-110018
NOTES TO PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED DECEMBER 31, 2015

NOTE 14 : INTEREST & FINANCE CHARGES

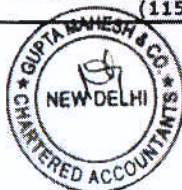
Particular	For the period ended	For the period ended
	December 31, 2015	December 31, 2014
	Rupees	Rupees
Interest & Bank Charges	3,468,797	4,549,142
TOTAL	3,468,797	4,549,142

NOTE 15 : OTHER EXPENSES

Particular	For the period ended	For the period ended
	December 31, 2015	December 31, 2014
	Rupees	Rupees
Annual Maintenance Contract	30,368	29,219
Audit Fee	296,929	278,091
Boarding & lodging Exps.	5,399	112,710
Brokerage & Commission	471,912	2,208,784
Car Repair & Maintenance	50,750	159,305
Car running Exp	-	56,459
Computer Repair & Maintenance	13,126	5,815
Conveyance Allowances	85,003	167,948
Conveyance Exps.	47,727	248,322
Directors Sitting Fee	96,162	101,124
Diwali Exps.	20,000	93,665
Electricity & Water Charges	45,762	165,005
Filing Fee	4,404	24,712
Remuneration Committee Meeting Fees	-	15,000
Gratuity Exp	71,443	739,496
Leave Encashment Expenses	(222,893)	691,713
Guest House Expenses	149,686	486,236
GVat (Exp)	-	20,000
Insurance Exp	597,281	713,819
Internet Expenses	59,215	58,707
Legal & Professional Charges	406,271	395,590
Loss on sale of Aset	-	31,634
Misc. Balance W/OFF	-	8,809
Motorcycle Running & Maintenance	2,102	9,890
Reimbursement of Expenses	1,229,897	303,810
Office exps	-	36,244
Office Running & Maintenance	-	11,904
Operation and maintenance expenses	11,332,418	50,409,903
Postage & Courier	3,510	66,409
Power Backup Charges	-	8,927
Printing & Stationery	42,780	101,710
Rent site office (puttupati)	135,570	1,650,717
Repair & Maintenance	170,046	167,221
Sales Promotion	66,248	1,517,524
Short & Excess	3,884	168
Subscription & Membership	7,865	10,065
Taxi Hiring Charges	6,165	158,883
Tender exp	73,963	74,293
Empty Drum Cost Deducted by PWD	4,800	9,000
Vehicle Running Expenses	1,290	94,042
Total	15,309,083	61,442,873

NOTE 16 : PROVISION FOR TAXATION

Particular	For the period ended	For the period ended
	December 31, 2015	December 31, 2014
	Rupees	Rupees
Current tax	-	6,665,973
Tax related to earlier years	(2,259,833)	(674,322)
Deferred tax charge (net)	1,104,028	710,473
TOTAL	(1155805)	6702124



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