



**Ahluwalia Contracts  
(India) Limited**

## 33<sup>rd</sup> Annual Report 2011 - 12



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# Ahluwalia Contracts (India) Ltd.

## Corporate Information

### Board of Directors\*

**Sh.Bikramjit Ahluwalia,**  
Chairman & Managing Director

**Sh.Shobhit Uppal,**  
Dy.Managing Director

**Sh.Vikaas Ahluwalia,**  
Whole Time Director

**Sh.Vinay Pal,**  
Whole Time Director

**Sh.Arun K.Gupta,**  
Independent Director

**Sh.S.K.Chawla,**  
Independent Director

**Sh.Balbir Singh,**  
Independent Director

**Dr.Sushil Chandra,**  
Independent Director

**\*As on date**

**Compliance Officer**  
Sh. Vipin Kumar Tiwari,  
GM (Corporate) &  
Company Secretary

**Auditors**  
M/s Arun K. Gupta & Associates  
Chartered Accountants  
D-58, 1<sup>st</sup> Floor, East of Kailash  
New Delhi-110065

### **BANKERS**

Allahabad Bank  
Axis Bank Ltd  
Bank of Maharashtra  
Bank of India  
Canara Bank  
Citi Bank NA  
ICICI Bank Ltd  
IDBI Bank Ltd  
IndusInd Bank Ltd  
ING Vysya Bank Ltd  
Kotak Mahindra Bank Ltd  
Punjab & Sind Bank  
Standard Chartered Bank  
State Bank of Patiala  
Yes Bank Ltd

### **REGISTERED OFFICE**

AHLUWALIA HOUSE  
4, COMMUNITY CENTRE  
SAKET, NEW DELHI-110017  
PH. 011-26852036  
FAX 011-40504553

### **CORPORATE OFFICE**

PLOT NO. 1,  
OKHLA INDUSTRIAL ESTATE, PHASE—III  
NEW DELHI-110020  
PH. : 011-49410500 & 517  
FAX : 011-49410553

### **WEB SITE**

[www.acilnet.com](http://www.acilnet.com)



Ahluwalia Contracts (India) Limited

**AHLUWALIA CONTRACTS (INDIA) LTD.**

**Regd. Office: Ahluwalia House, 4, Community Centre, Saket, New Delhi – 110017**

**NOTICE**

Notice is hereby given that the 33rd. Annual General Meeting of the Members of Ahluwalia Contracts (India) Limited will be held as under:

Day : Friday  
Date : September 28, 2012  
Time : 4.00 P.M.  
Venue : **Ahlcon Public School, Mayur Vihar, Phase-I, Delhi-110091**

to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance sheet as at March 31, 2012 and Statement of Profit & Loss for the year ended March 31, 2012, together with the reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.S.K.Chawla who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Dr.Sushil Chandra who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr.Vikaas Ahluwalia who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Statutory Auditors of the Company and fix their remuneration.

To consider the re-appointment of Statutory Auditors and if, thought fit, to pass the following resolution as an **Ordinary Resolution**, with or without modification(s):

“**RESOLVED THAT** pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956 M/s Arun K. Gupta & Associates, Chartered Accountants Firm Registration No.000605N the retiring auditors be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be decided by the Board/ Audit Committee of the Board plus reimbursement of out of pocket expenses as may be incurred in the performance of their duties.”

**SPECIAL BUSINESS**

**6. RE-APPOINTMENT OF SH. BIKRAMJIT AHLUWALIA, MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 (THREE) YEARS WITH EFFECT FROM 01.04.2012 TO 31.03.2015:**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution** with or without modification(s):

“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII, Part-I under clause (C) and Part II, Section II under clause (B) in the said schedule & in pursuance of Articles Nos. 169 to 172 of the Articles of Association of the Company including the rules made thereunder and any amendments thereto or any statutory modifications or re-enactment thereof for the time being in force and all other sanctions, approvals and permissions as may be required and subject to such conditions and modifications as may be imposed or prescribed by any of the authorities while granting such approvals, sanctions and subject to the approval of Central Government in this behalf, consent of the Members be and is hereby accorded to the re-appointment of Sh. Bikramjit Ahluwalia, Managing Director of the Company for a period of 3 (Three) Years with effect from 01.04.2012 to 31.03.2015 with the following remuneration as set out below:

1. Basic Salary @ Rs. 4,00,000/- (Rs. Four Lakh only) per month.



2. Gratuity not exceeding one half month's Basic Salary for each completed year of service.
3. Contribution to provident fund and pension fund subject to specified ceiling in applicable Acts.

**“RESOLVED FURTHER THAT** in case of loss or inadequacy of profit the aggregate of monthly remuneration payable to the said Managing Director, inclusive of the value of all perquisites (other than those specifically exempted under section II of part II of the Schedule XIII) shall not exceed the ceiling limits specified under Schedule XIII to the Companies Act. 1956.

**RESOLVED FURTHER THAT** the Company shall reimburse the Managing Director all expenses incurred on entertainment, travelling and/or any other expenses incurred solely for the purpose of business on the Company and that the same shall not be considered a part of remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Remuneration Committee) be and is hereby authorized to revise, amend, alter and/or vary the terms and conditions in relation to the above remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required by the Central Government while according their approval.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to regulatory authorities, execution of necessary documents and to settle any question, difficulties and /or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution.”

**7. RE-APPOINTMENT OF SH. SHOBHIT UPPAL, DY.MANAGING DIRECTOR OF THE COMPANY FOR A PERIOD OF 3 (THREE) YEARS WITH EFFECT FROM 01.04.2012 TO 31.03.2015**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution** with or without modification(s):

**“RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII, Part II Section-II, Under Clause (B) in the said shedule & in pursuance of Articles Nos. 169 to 172 of the Articles of Association of the Company including the rules made there under and any amendments there to any statutory modifications or re-enactment there of for the time being in force and all other sanctions, approvals and permissions as may be required and subject to such conditions and modification as may be imposed or prescribed by any of the authorities while granting such approvals, sanctions & consent of the Members of the Company be and is hereby accorded to the re-appointment of Sh. Shobhit Uppal, Dy.Managing Director of the Company for a period of 3 (Three) Years with effect from 01.04.2012 To 31.03.2015 with the following remuneration as set out below:

1. Basic Salary @ Rs. 4,00,000/- (Rs. Four Lakh only) per month.
2. Gratuity not exceeding one half month's Basic Salary for each completed year of service.
3. Contribution to provident fund and pension fund subject to specified ceiling in applicable Acts.

**“RESOLVED FURTHER THAT** in case of loss or inadequacy of profit the aggregate of monthly remuneration payable to the said Dy. Managing Director, inclusive of the value of all perquisites (other than those specifically exempted under section II of part II of the Schedule XIII) shall not exceed the ceiling limits specified under Schedule XIII to the Act. 1956.”

**“RESOLVED FURTHER THAT** the Company shall reimburse the Dy.Managing Director all expenses incurred on entertainment, travelling and/or any other expenses incurred solely for the purpose of business on the Company and that the same shall not be considered a part of remuneration.”

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any duly authorized Committee thereof, for the time being exercising the powers conferred on the Board by this Resolution, including the Remuneration Committee) be and is hereby authorized to revise,



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amend, alter and/or vary the terms and conditions in relation to the above remuneration in such manner as may be permitted in accordance with the provisions of the Act and/or to the extent as may be required by the Central Government while according their approval.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper or desirable including making of an application to regulatory authorities, execution of necessary documents and to settle any question, difficulties and /or doubts that may arise in this regard in order to implement and give effect to the foregoing resolution.”

### **8. RE-APPOINTMENT OF SH. VIKAAS AHLUWALIA, WHOLE TIME DIRECTOR OF THE COMPANY FOR A PERIOD OF 3(THREE) YEARS WITH EFFECT FROM 01.04.2012 TO 31.03.2015**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** with or without modification(s):

“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII & in pursuance of Articles Nos. 169 to 172 of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the re-appointment of Sh. Vikaas Ahluwalia, Whole time Director of the Company for a period of 3 (Three) Years with effect from 01.04.2012 to 31.03.2015 with the existing remuneration as set out below:

1. Basic Salary @ Rs. 85,000/- (Rs. Eighty five thousand only) per month.
2. Leave Travel Allowance for self and family once in a year to and fro any place in India subject to ceiling of one month's Basic Salary.
3. Free Supply of Gas, electricity, water, furniture and furnishing at the residence, subject to the ceiling that the expenditure incurred by the Company on the same valued as per Income Tax Rules 1962, shall not exceed 20% of the Basic Salary.
4. Reimbursement of Medical Expenses for self and family subject to a ceiling of one month's Basic Salary in a block of three years.
5. Premium for Mediclaim Policy for self and family subject to a ceiling of Rs. 10000/- (Rupees Ten Thousand Only) per annum.
6. Fees of Maximum of two clubs, subject to the condition that life Membership fees shall not be allowed.
7. Personal Accident Insurance, the premium of which shall not exceed Rs. 1000/- (rupees One thousand only) per annum.
8. Free Telephone facility at residence, subject to the condition that personal long distance calls shall be recovered.
9. Provision of car use for Company's Business, subject to the condition that use of car for private purpose shall be recovered or reimbursement of expenses incurred on conveyance in case of use of personal car for Company's Business.
10. Gratuity not exceeding one half month's Basic Salary for each completed year of service.
11. Contribution to provident fund and pension fund subject to specified ceiling in applicable Acts.

“**RESOLVED FURTHER THAT** in case of loss or inadequacy of profit the aggregate of monthly remuneration payable to the said Whole Time Director, inclusive of the value of all perquisites (other than those specifically exempted under section II of part II of the Schedule XIII) shall not exceed the ceiling limits specified under Schedule XIII to the Companies Act. 1956.”

“**RESOLVED FURTHER THAT** the Company shall reimburse the Whole Time Director all expenses incurred on entertainment, travelling and/or any other expenses incurred solely for the purpose of business on the Company and that the same shall not be considered a part of remuneration”.



**9. RE-APPOINTMENT AND PAYMENT OF REMUNERATION TO SMT. SUDERSHAN WALIA, WHOLE TIME DIRECTOR OF THE COMPANY FOR A PERIOD OF 2 MONTHS WITH EFFECT FROM 01.04.2012 TO 30.05.2012**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution** with or without modification(s):

**“RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII & in pursuance of Articles Nos. 169 to 172 of the Articles of Association of the Company, consent of the Members of the Company be and is hereby accorded to the reappointment and payment of remuneration to Smt. Sudershan Walia, Whole time Director of the Company for a period of 2 (Two) months with effect from 01.04.2012 To 30.05.2012 with the existing remuneration as set out below:

1. Basic Salary @ Rs. 65,000/- (Rs. Eighty five thousand only) per month.
2. Leave Travel Allowance for self and family once in a year to and fro any place in India subject to ceiling of one month's Basic Salary.
3. Free Supply of Gas, electricity, water, furniture and furnishing at the residence, subject to the ceiling that the expenditure incurred by the Company on the same valued as per Income Tax Rules 1962, shall not exceed 20% of the Basic Salary.
4. Reimbursement of Medical Expenses for self and family subject to a ceiling of one month's Basic Salary in a block of three years.
5. Premium for Medclaim Policy for self and family subject to a ceiling of Rs. 10000/- (Rupees Ten Thousand Only) per annum.
6. Fees of Maximum of two clubs, subject to the condition that life Membership fees shall not be allowed.
7. Personal Accident Insurance, the premium of which shall not exceed Rs. 1000/- (rupees One thousand only) per annum.
8. Free Telephone facility at residence, subject to the condition that personal long distance calls shall be recovered.
9. Provision of car use for Company's Business, subject to the condition that use of car for private purpose shall be recovered or reimbursement of expenses incurred on conveyance in case of use of personal car for Company's Business.
10. Gratuity not exceeding one half month's Basic Salary for each completed year of service.
11. Contribution to provident fund and pension fund subject to specified ceiling in applicable Acts.

**“RESOLVED FURTHER THAT** the Company shall reimburse the Whole Time Director all expenses incurred on entertainment, travelling and/or any other expenses incurred solely for the purpose of business on the Company and that the same shall not be considered a part of remuneration”.

**10. WAIVER OF EXCESS MANAGERIAL REMUNERATION PAID TO MR. BIKRAMJIT AHLUWALIA, MANAGING DIRECTOR OF THE COMPANY DURING THE FINANCIAL YEAR 2011-12:**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution** with or without modification(s):

**“RESOLVED THAT** pursuant to Section 309(5B) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of Central Government, the approval of the Members of the Company be and is hereby accorded to waive the excess managerial remuneration of Rs. 31,49,311/- paid to Mr. Bikramjit Ahluwalia, Managing Director of the Company for the financial year ended 31st March, 2012, as paid in excess of the limits specified under Section II Part II of Schedule XIII of the Companies Act, 1956 due to the loss suffered by the Company during the financial year ended 31st March, 2012.”

**“RESOLVED FURTHER THAT** the Company do accept any amendment, alteration, addition, deletion or modification





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to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Bikramjit Ahluwalia. as may be suggested or advised or directed by the Central Government and acceptable to Mr. Bikramjit Ahluwalia.”

### 11. WAIVER OF EXCESS MANAGERIAL REMUNERATION PAID TO MR. SHOBHIT UPPAL, DY.MANAGING DIRECTOR OF THE COMPANY DURING THE FINANCIAL YEAR 2011-12:

To consider and, if thought fit, to pass the following resolution as a **Special Resolution** with or without modification(s):

“**RESOLVED THAT** pursuant to Section 309(5B) of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of central Government, the approval of the Members of the Company be and is hereby accorded to waive the excess managerial remuneration of Rs.15,84,098/- paid to Mr. Shobhit Uppal, Dy.Managing Director of the Company for the financial year ended 31st March, 2012, as paid in excess of the limits specified under Section II Part II of Schedule XIII of the Companies Act, 1956 due to the loss suffered by the Company during the financial year ended 31st March, 2012.”

“**RESOLVED FURTHER THAT** the Company do accept any amendment, alteration, addition, deletion or modification to any of the terms and conditions relating to the waiver of excess remuneration paid to Mr. Shobhit Uppal as may be suggested or advised or directed by the Central Government and acceptable to Mr. Shobhit Uppal,.”

#### REGISTERED OFFICE

Ahluwalia House,  
4, Community Centre,  
Saket , New Delhi-110017  
Date: 14.08.2012

By order of the Board  
Ahluwalia Contracts (India) Ltd.

Vipin Kumar Tiwari  
GM (Corporate) & Company Secretary

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HER SELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN, 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the company shall remain closed from Wednesday, 19th September, 2012 to Friday, 28th September, 2012 (both days inclusive) in connection with Annual General Meeting of the company.
3. **Payment of un-paid/ unclaimed Dividend**  
The members are hereby informed that the Company would transfer the unpaid / unclaimed dividends, which remain unclaimed for a period of 7 years, to the Investor Education and Protection Fund (IEP FUND) constituted by the Central Government under section 205C of The Companies Act, 1956.

The following are the details of dividends declared by the Company and Last date for claiming unpaid Dividend.

Sl.	Financial Year	Date of Declaration of dividend	Last date for claiming unpaid Dividend
1	2004-2005	30/09/2005	05/11/2012
2	2005-2006	30/09/2006	05/11/2013
3	2006-2007 – Interim	27/12/2006	01/02/2013
4	2006-2007 – Final	29/09/2007	04/11/2014
5	2007-2008	30/09/2008	05/11/2015
6	2008-2009	30/09/2009	05/11/2016
7	2009-2010	17/09/2010	23/10/2017
8	2010-2011	30-09-2011	05/11/2018

In view of the above, the shareholders are advised to send their requests for payment of unpaid dividend pertaining to the years 2004-05 to 2010-11 to The Share Transfer Agent at New Delhi for Revalidation of Dividend Warrants/Demand Drafts before the last date for claiming un-paid dividend.

Once the unpaid/ unclaimed dividend is transferred to IEPF, no claim shall lie against the Company / RTA in respect of such amount by the members.





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Investors holding shares in physical form are advised to forward the particulars of their bank account, name, branch and address of the bank to the Share Transfer Agent immediately, if not sent earlier, so as to enable them to update the records.

#### 4. Company on the Net

The website of your company is [www.acilnet.com](http://www.acilnet.com) where you can find more information about the Company, its subsidiaries. The details of various services being provided to the investors, guidance and procedure to be followed by the investors in respect of Transfer, Transmission and Transposition of shares, dematerialization and re-materialization of shares, quarterly, half yearly and Annual Results etc. are available at the page of Financial Results and News Alert for Investors Service Centre. ([investor\\_relations@acilnet.com](mailto:investor_relations@acilnet.com))

#### 5. Share Transfer Agent

##### **LINK INTIME INDIA PVT. LTD. (RTA)**

A-40, 2nd Floor, Near Batra Banquet Hall,  
Naraina Industrial Area, Phase-II,  
New Delhi-110028  
Tel. No. -011-41410592-94 Fax No. - 011-41410591  
e.mail: [delhi@linkintime.co.in](mailto:delhi@linkintime.co.in)

#### 6. Members are requested to:

Send their queries, if any, to reach the Company's Corporate Office at New Delhi at least 10 days before the date of the Meeting so that information can be made available at the meeting.

7. All documents referred in the notice are open for inspection at the Registered Office of the company between 11.00 a.m. to 1.00 p.m. on any working day prior to the date of the Annual General Meeting.

8. Members/ Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

9. Shareholders are requested to bring their copy of Annual Report to the meeting.

10. Shareholders are requested to intimate immediately the change in address, if any, to the Company's Registrar and Share Transfer Agent (RTA) M/s Link Intime India Pvt. Ltd. A-40, 2nd Floor, Naraina Industrial Area, Phase-II, Near Batra Banquet Hall, New Delhi – 110028. Those who are holding their Shares in dematerialized form may notify to their Depository participants, Change / correction in their address / Bank Account particulars etc.

#### RE-APPOINTMENT OF DIRECTORS

At the ensuing Annual General Meeting, Mr. S.K.Chawla, Dr. Sushil Chandra & Mr. Vikaas Ahluwalia, Directors of the Company, shall retire by rotation and being eligible, offer themselves for re-appointment. Pursuant to Clause 49 of the Listing Agreement the particulars of above said Directors are given below:

**MR.S.K.CHAWLA (Independent Director)**, aged 72 years is an independent director of our company. He has about 33 years of experience in handling construction projects. He is an Engineer by profession and has been associated with various Govt. Departments. He has retired as a Director of the CPWD. He is having vast experience in construction and Engineering activities. He joined the Board of our company as a Director on 28.08.2000 and serving continuously till date. He is also a member of the Audit Committee and Remuneration Committee of our company.

##### **DR. SUSHIL CHANDRA (Independent Director)**

Dr. Sushil Chandra aged 74 years, is M.A -PHD. He is an Independent Director of our company. A business Associate of Michelin, France, Tip Top General Agencies Pvt. Ltd- B Business Associate of Rema, Germany, Oswal Electricals & Group Industries, Faridabad.

He has been Corporate Advisor of SBI, ERA Group, DS Group, ITC- Bhadrachalam petro products Ltd and Council member of NABARD and has done international consulting Assignments like:

- International Labour Organization , Bangkok
- The united Nations Asian and Pacific Development Administration Centre, Kualampur



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- Asian Regional Project for Labor and Manpower Administration
- Iraq National Oil Company, Baghdad.

He is a member of Audit Committee and Remuneration Committee.

**MR.VIKAAS AHLUWALIA ( Whole-Time-Director)**, is aged 38 years. He is graduate in civil engineering. He has been involved in construction business since 1996. He has been very instrumental for successful implementation of many big projects of the company. He is currently overseeing the RMC and real estate business of our company. He is a Director of following Companies:

1. Ahlcon Ready Mix Concrete Pvt. Ltd
2. Premsagar Merchants Pvt. Ltd
3. Splendor Distributors Pvt. Ltd
4. Paramount Dealcomm Pvt. Ltd
5. Jiwanyoti Traders Pvt. Ltd
6. Dipesh Mining Pvt. Ltd
7. Tidal Securities Pvt. Ltd.
8. Ahluwalia Builders and Development Group Pvt. Ltd.

**By order of the Board  
Ahluwalia Contracts (India) Limited**

**Vipin Kumar Tiwari  
GM (Corporate) & Company Secretary**

**Place: New Delhi  
Date: 14.08.2012**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT,1956**

**ITEM NO. 6 & 7:**

The Company reappointed its Managing Director, Dy. Managing Director / Whole Time Director in the Board Meeting held on 30th March,2007 for a period of 5 Years w.e.f. 01.04.2007 to 31.03.2012 subject to the approval of the members in the next general meeting as required under point no 1 of part III of schedule XIII of the Companies Act,1956. The members accorded their consent for re-appointment in the ensuing Annual General Meeting held on 29th September,2007 by passing the requisite Resolutions.

The tenure of Mr. Bikramjit Ahluwalia, the Chairman cum Managing Director of the company expired on 31st March, 2012.The Board of Directors have already approved his re-appointment as Managing Director of the Company for a further period of 3 years w.e.f. 01-04-2012 to 31-03-2015 in its meeting held on 14th Feb,2012 at existing terms of remuneration.

Since he had attained the age of 70 years, the Company filed an application with the Central Government for approval of his re-appointment as per part I under Clause © of schedule XIII of the Companies Act,1956.

It is further informed to the members that during the financial year ended 31st March,2012, the Company suffered loss of around Rs 40 Cr and there was inadequacy of profit. The effective capital of the Company was more than Rs 100 Crores; therefore the company can pay remuneration up to Rs 4.00 lacs p.m as per part II of section II under clause B of the schedule XIII of the Companies Act,1956 without approval of the Central Government.

In view of the same the Remuneration Committee and Board of Directors of the Company which had earlier approved his re-appointment, revised the terms of remuneration for the year 2012-15 superseding the earlier resolution passed on 14.02.2012.

Further the Remuneration Committee and the Board of Directors of the Company had approved and revised the remuneration of period of reappointment at their meetings held on 14.08.2012, that considering the rich experience & contribution made by the Chairman & Managing Director that it would be reasonable, fit and justified to approve the remuneration payable to Mr. Bikramjit Ahluwalia, Managing Director, Mr. Shobhit Uppal, Dy. Managing Director of the Company for the year 2012-15 as specified in the resolution under item No 6 & 7 as minimum remuneration, which is within the limits to be approved by the members at the 33rd Annual General Meeting scheduled to be held on 28th September,2012, subject to the necessary compliance with the other requirements of the Act.

In accordance with sub-paragraph (B) of paragraph (1) of section II of Schedule XIII of the Act, where in any financial year during the currency of the tenure of the Managerial person, a company has no profits or its profits are inadequate, it may pay remuneration upon compliance with the conditions stated thereunder including seeking approval from the members by way of special Resolution for the payment of remuneration for a period not exceeding three years.

The aforesaid resolutions and the accompanying explanatory statements approved by the members, inter-alia, stated that if the company has no profits or its profits are inadequate in any financial year, during the currency of their tenure, the company shall pay, minimum remuneration to the Chairman & Managing Director, Dy. Managing Director and Whole Time Directors, as per relevant applicable provisions of law including provisions as contained in schedule XIII of the Companies Act,1956 ("the Act") including any amendments thereto or any modifications or Statutory re-enactment thereof and/or any rules or regulations framed there under.

In view of the unprecedented economic instability prevalent in the global environment the Indian economy has also been seriously affected. There has been a sense of negative demand growth felt across various sectors which has resulted in slowdown in the economy and thereby slackened the demand in infrastructure and construction.

The Board of Directors in the meeting held on 14-08-2012 has re-appointed Mr. Bikramjit Ahluwalia as Managing Director, Mr.Shobhit Uppal as Dy. Managing Director of the Company for period of 3 years with effect from 01.04.2012 on the terms and conditions including remuneration payable to them as therein set out in the resolution.



## Ahluwalia Contracts (India) Limited

**MR. BIKRAMJIT AHLUWALIA (Founder, Promoter and CMD)** aged 73 years, has been involved in the construction activities for last 47 years. Under Mr. Bikramjit Ahluwalia, the company's turnover rose manifold in the face of stiff competition from various players. He was actively involved in construction management for various prestigious projects such as Common Wealth Games Village Project, for CWG-2010, Dr.S.P.M. Swimming Pool, Talkatora, Stadium, New Delhi, for CWG-2010, Karni Singh Shooting Range, Tuglakabad, Delhi, for CWG-2010, District Court, Saket, Advocate Chambers, Saket, (IICA) Office at Manesar, Gurgaon, for Ministry of Corporate Affairs, Moser Baer Plant, Noida, Starex School, Gurgaon, SEBI Building, Mumbai, Apollo Tyres Corporate Office, Gurgaon, Malibu Town, Gurgaon, CIELO Car Plant, Surajpur, Greater Noida, Goa State Legislative Assembly, 22 storied IFCI Tower, New Delhi and many others. He has also following group companies on his hold:

- Ahlcon Parenterals (India) Ltd.
- Ahluwalia Builders & Development Group (Pvt.) Ltd.
- Capricon Industrials Ltd.

He is the guiding figure who directs, manages and oversees all activities of our company.

**MR. SHOBHIT UPPAL (Deputy Managing-Director)** aged 45 years, has graduated in Electrical Engineering and has been to his credit more than 23 years of Experience in multifarious activities relating to infrastructure. He has been instrumental in award and execution of many mega projects by the company. He has been involved with the execution of India Exposition Mart Complex (PH-I & II) at Greater Noida, Singapore High Commission Building at Chanakyapuri, New Delhi, Fortis Hospital, Shalimar Bagh, New Delhi, Delhi Metro Depot at Dwarka Sector-8, New Delhi, National Press Centre, New Delhi, Reliance Corporate Office at New Delhi, IBIS Accor Hotel cum Hospital, IGI Airport, New Delhi, Fortis Multi-Specialty Hospital at Sector-62, Noida (UP), Hotel Leela Venture, Chankyapuri, New Delhi and many others. At present, he is actively involved with Kolkata, Bangalore, Punjab and NCR projects.

Sh. Bikramjit Ahluwalia, Smt. Sudershan Walia and Sh. Vikaas Ahluwalia, being related to each other, may be deemed to be interested in the resolution. No other Director is interested in or concerned with the resolutions.

The Board recommends that the Resolution, be passed.

**In Terms of the requirements as per sub clause(iv) of the proviso to sub-paragraph(B) of paragraph (1) of Section II part-II of Schedule XIII to the Act, the information is as furnished below:**

**I GENERAL INFORMATION:**

- 1) Nature of Industry : Construction and Engineering
- 2) Date of Commencement of commercial production : Not Applicable
- 3) In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus : Not Applicable
- 4) Financial Performance: Rs. In Lacs

Particulars	2011-12	2010-11	2009-10	2008-09	2007-08
Orders in Hand	573584.00	584700.00	530570.00	414330.00	315000.00
Turnover	137453.04	169576.41	157343.36	117196.00	88657.46
Operating Profit (Profit before Int.& Dep.)	2444.67	15709.58	17453.15	14896.02	10952.01
Interest	2208.99	1577.37	1626.50	1457.00	857.61
Depreciation	4286.52	3381.46	3306.70	4642.02	2280.18
Profit / Loss before Tax (PBT)	-4050.84	10750.75	12519.95	8797.00	7814.22
Provision for Tax	12.31	3672.14	4341.62	3025.00	2650.71
Profit / Loss after Tax (PAT)	-4063.15	7078.61	8178.33	5772.00	5163.51

- 5) Export Performance, Net Foreign Exchange : NIL



## Ahluwalia Contracts (India) Limited

### Earnings and collaborations

- 6) Foreign investment of Collaborations, if any: The Total equity shares held by Foreign Institutional Investors (FIIs) and Global Depository Shares (GDS) holders is 9350083 Equity Shares of Rs 2/- each which constitutes 14.90% of the paid up Equity Share capital of the Company. There is no foreign collaboration for any investment.

## II: INFORMATION ABOUT THE APPOINTEE

### 1. Background Details:

**MR.BIKRAMJIT AHLUWALIA, Chairman & Managing Director (Founder, Promoter aged 73 years,** has been involved in the construction activities for last 47 years. Under Mr. Bikramjit Ahluwalia, the company's turnover rose manifold in the face of stiff competition from various players. He was actively involved in construction management for various prestigious projects such as Common Wealth Games Village Project, for CWG-2010, Dr.S.P.M. Swimming Pool, Talkatora, Stadium, New Delhi, for CWG-2010, Karni Singh Shooting Range, Tuglakabad, Delhi, for CWG-2010, District Court, Saket, Advocate Chambers, Saket, (IICA) Office at Manesar, Gurgaon, for Ministry of Corporate Affairs, Moser Baer Plant, Noida, Starex School, Gurgaon, SEBI Building, Mumbai, Apollo Tyres Corporate Office, Gurgaon, Malibu Town, Gurgaon, CIELO Car Plant, Surajpur, Greater Noida, Goa State Legislative Assembly, 22 storied IFCI Tower, New Delhi and many others. He has also following group companies on his hold:

- Ahlcon Parenterals (India) Ltd.
- Ahluwalia Builders & Development Group (Pvt.) Ltd.
- Capricon Industrials Ltd.

He is the guiding figure who directs, manages and oversees all activities of our company.

**MR.SHOBHIT UPPAL (Deputy Managing-Director)** aged 45 years, has graduated in Electrical Engineering and has been to his credit more than 23 years of Experience in multifarious activities relating to infrastructure. He has been instrumental in award and execution of many mega projects by the company. He has been involved with the execution of India Exposition Mart Complex (PH-I & II) at Greater Noida, Singapore High Commission Building at Chankyapuri, New Delhi, Fortis Hospital, Shalimar Bagh, New Delhi, Delhi Metro Depot at Dwarka Sector-8, New Delhi, National Press Centre, New Delhi, Reliance Corporate Office at New Delhi, IBIS Accor Hotel cum Hospital, IGI Airport, New Delhi, Fortis Multi-Specialty Hospital at Sector-62, Noida (UP), Hotel Leela Venture, Chankyapuri, New Delhi and many others. At present, he is actively involved with Kolkata, Bangalore, Punjab and NCR projects.

### 2. Past Remuneration

MR.BIKRAMJIT AHLUWALIA, CHAIRMAN &MANAGING DIRECTOR : Rs. Per Annum

Period From	Period To	Basic Salary Allowances	Perquisites	Total Remuneration
01-04-2009	31-03-2010	72,00,000	6,22,889	78,22,889
01-04-2010	31-03-2011	72,00,000	6,80,872	78,80,872
01-04-2011	31-03-2012	72,00,000	7,49,311	79,49,311

MR.SHOBHIT UPPAL, DY.MANAGING DIRECTOR: Rs. Per Annum

Period From	Period To	Basic Salary Allowances	Perquisites	Total Remuneration
01-04-2009	31-03-2010	60,00,000	3,31,428	63,31,428
01-04-2010	31-03-2011	60,00,000	3,48,938	63,48,938
01-04-2011	31-03-2012	60,00,000	3,84,098	63,84,098

### 3. RECOGNITION/ AWARDS

**Mr. Bikramjit Ahluwalia, Chairman & Managing Director**



## Ahluwalia Contracts (India) Limited

2012	Awarded from Labour Ministry Delhi Government for Best Safety Award, by Mrs. Sheila Dikshit, Chief Minister, Delhi
2011	Vishwakarma Award by CIDC for the category of Industry Doyen.
2011	Best Professionally Managed Company (>Rs. 1000 Crores) by Construction Industry Development Council (CIDC).
2010	Delhi Ratna Award by Delhi State Intellectuals.
2010	Awarded the Status of "Second fastest growing Construction Company" by Minister of Commerce & Industry.
1985	Awarded Trophy by Hon'ble Finance Minister of India for successful completion of Finance Ministry Building Complex "National Institute Public Finance & Policy" at New Delhi.
1985	Best Building Award for Construction of Indian Institute of Foreign Trade, New Delhi.
1982	Awarded Appreciation Certificate for valuable Services rendered to the Special Organizing Committee, 9th Asian Games 1982.

### Mr. Shobhit Uppal, Dy.Managing Director

2011	Best Professionally Managed Company (>Rs. 1000 Crores) by Construction Industry Development Council (CIDC).
2010	Awarded the Status of "Second fastest growing Construction Company" by Minister of Commerce & Industry.

#### 4. Job Profile and suitability

a) **Mr. Bikramjit Ahluwalia**

Mr. Bikramjit Ahluwalia is the Chairman & Managing Director of the Company having more than 4 decades of rich experience in construction industry. He functions under the control, superintendence and direction of the Board of Directors. Under his able leadership company which was primarily engaged construction sector has since then wide range other divisions like Electro & Mechanical, Plumbing & Fire Fighting divisions.

In the present challenging business environment, the duties and responsibilities of Mr. Bikramjit Ahluwalia, Chairman & Managing Director, has grown manifold. There is a continuous need for formulation of competitive strategies and periodical review thereof for successful implementation and sustained overall development of the company which has necessitated his increased focus and higher involvement in the Company's matters.

In these crucial times, it is imperative that the company's growth strategy continuous under the continued guidance and dynamic leadership of Mr. Bikramjit Ahluwalia with whose rich experimental background, the company remains reinforced to strive through the challenging times and bounce back on the growth chart.

b) **Mr. Shobhit Uppal**

In his rich and diverse experience of over 20 years Mr. Shobhit Uppal has a career span of 18 years with the Company. As the Dy.Managing Director of the Company and member of the Audit Committee, he is responsible for strategic functions of procurement of projects and head of Electrical Division, considering the overall significant contribution to the Company. In the highly competitive industry, Mr. Uppal has been shouldered with increased responsibilities. There is a continuous need to formulate appropriate business policies and formalize business decisions which have a competitive edge over others and the Dy. Managing Director he has dedicated and holistic involvement for the entire operations of the Company. In his present role, he has to discharge multi facet responsibilities and with his rich talent and dynamic experience it is firmly believed that he will continue to provide able guidance and contribution as over, in order to translate the business prospects into successful business ventures.

#### 5. Remuneration paid / proposed

a) **Mr. Bikramjit Ahluwalia**

Details of total remuneration comprising inter-alia, salary and perquisites and allowances which is proposed for next tenure for Mr. Bikramjit Ahluwalia have been set out in the resolution at item no.6



## Ahluwalia Contracts (India) Limited

**b) Mr. Shobhit Uppal**

Details of total remuneration comprising inter-alia, salary and perquisites and allowances which is proposed for next tenure for Mr. Shobhit Uppal have been set out in the resolution at item no.7

**6. Comparative Remuneration profile with respect to Industry, size of the Company, profile of the position and person:**

**a) Mr. Bikramjit Ahluwalia**

Considering that Sh. Bikramjit Ahluwalia, Chairman & Managing Director of the Company has strived hard to place the company in a prominent position in India, his role and contribution to the company cannot be overemphasized. He has immensely contributed to the company which has ensured the longterm survival and prosperity of our company and the remuneration committee of our and the Board of Directors felt that the remuneration proposed to him is reasonable.

In view of the above facts, Remuneration committee of the Board and Board of Directors had approved the considering the size of the industry in which the company operates, the challenging and competitive business environment, the size of the company, it is utmost befitting that Mr. Bikramjit Ahluwalia continues as the Managing Director of the Company considering his competence and experience, leadership provided to the company for more than 4 decades which has resulted in sustained growth for the company and therefore the payment of aforesaid remuneration stated at resolution No.6 is commensurate to prevailing levels in the industry and thereby is fit and more than justified for payment to him.

**b) Mr. Shobhit Uppal**

Mr. Shobhit Uppal is a qualified Electrical Engineer and possesses specialized knowledge and vast experience for discharging the functions entrusted to him as Dy Managing Director of the Company. The remuneration paid/payable to Mr. Shobhit Uppal is reasonable and comparable to remuneration paid to other Directors in same Industry. The Remuneration Committee of the Board and Board of Directors had approved that considering his competence, subject matter expertise and experience, it is more than appropriate that Mr. Uppal continues as Dy Managing Director of the Company with his immensely valuable contribution, continues to drive the operations of the Company in the face of the challenging business environment, which would enable to the company to emerge successful and therefore it was felt that the payment of aforesaid remuneration stated in Resolution No.7 is comparable to the prevailing industry levels and more than justified for payment.

**7) Pecuniary Relationship, directly or indirectly with the Company or relationship with the Managerial Personnel, if any**

**a) Mr. Bikramjit Ahluwalia**

Mr. Bikramjit Ahluwalia, Managing Director is related to Mr. Shobhit Uppal, Dy. Managing Director and Mr. Vikaas Ahluwalia, Whole Time Director of the Company and to the extent of the Promoter Shareholding in the Equity Share Capital of the Company.

**b) Mr. Shobhit Uppal**

Mr. Shobhit Uppal, Dy Managing Director is related to the Mr. Bikramjit Ahluwalia, Managing Director and Mr. Vikaas Ahluwalia, Whole Time Director of the Company and to the extent of the Promoters Shareholding in the Equity Share Capital of the Company.

### III. OTHER INFORMATION

**(1) Reasons of loss or inadequate profits**

The turnover & operating margin decline due to increase competition as well as higher raw material price for fixed price proposition of order book & increase in interest cost. In nutshell reasons of loss are:

- Due to overall Economy's Slowdown & Poor liquidity conditions
- Macroeconomics scenario of high interest rates, delay in project approval, land acquisition & environmental clearance related issue
- Order book was not reflected in revenue & profitability due to execution delay & easing cost of construction
- Increase in labour cost mainly Govt. has regularly increase minimum wages price also short fall of skilled labour

All the above has resulted slowdown in the economy ultimately adversely affecting the progress of the company.





## Ahluwalia Contracts (India) Limited

### (2) Steps taken or proposed to be taken.

Ahluwalia Contracts(India) Ltd has taken view of all these factors seriously and to overcome the above challenges. The Company has undertaken following steps to improve financial and operational effectiveness:

- a) **COST CONTROL**  
The Company has taken measures for cutting overheads and ratiocination of human resources. In these measures the company can expected to improve profitability going forward.
- b) **REDUCTION OF CAPITAL EXPENSES**  
The company is planning to utilize own machines or hire equipment in timeline plan and to minimise new purchases and Improve efficiency to timely completion of Project
- c) **REALIZATION OF CLAIMS**  
The Company has started finalization of claims by settlement or filed Application with Arbitration for realization of claims.
- (d) **EXPECTED INCREASE IN PRODUCTIVITY AND PROFITS IN MEASURABLE TERMS.**  
In the current financial year, the improvement of turnover growth will be remain same, the situation is expected to improve in financial year 2013-14 onwards with expectations in macroeconomic conditions. The Company's growth strategy continues to focus on winning good contracts in both government and private sector. The situation of inadequacy in profits faced by the company has been due to various factors and reasons beyond the control of the company. The management is taking special efforts to make company turn around. It is expected that the results of the renewed vigor and efforts are likely to be seen in the near future.

### IV DISCLOSURES

The members of the Company have been informed of the remuneration package of both the above mentioned directors in the respective resolutions at item No. 6 & 7.

The proposal as set out in Item Nos. 6 & 7 of the Notice are placed for consideration and approval of Members by way of special resolution.

#### ITEM NO. 8

The Board of Directors in the meeting held on 14-02-2012 has re-appointed Mr.Vikaas Ahluwalia, Whole Time Director of the Company for a period of 3 years (Three Years) with effect from 01.04.2012 to 31.03.2015 on the terms and conditions including remuneration payable to them as therein set out in the resolution.

**MR.VIKAAS AHLUWALIA (Promoter and Whole-Time-Director)**, is aged 38 years. He is Civil Engineer by qualification. He has been involved in construction business since 1996. He has been very instrumental for successful implementation of many big projects of the company. He is currently overseeing the RMC and real estate business of our company.

Sh. Bikramjit Ahluwalia, Smt. Sudershan Walia, being related to him, may be deemed to be interested in the resolution. No other Director is interested in or concerned with the resolution.  
The Board recommends that the Resolution be passed.

#### ITEM NO. 9

The Board of Directors in the meeting held on 14-02-2012 has re-appointed Mrs. Sudershan Walia, as Whole Time Director for a period of 5 years(Five years) with effect from 01.04.2012 to 31-03-2017on the terms and conditions including remuneration payable to them as therein set out in the resolution.

Subsequently, she has resigned from Directorship from the Company on 30.05. 2012 due to pre –occupation. Therefore, the reappointment and remuneration shall be approved only for the period from 01.04.2012 to 30.05.2012.

The proposal as set out in item No 9 of the Notice is placd for consideration and approval of members by way of Ordinary Resolution.

**MRS.SUDERSHAN WALIA (Promoter and Whole-Time-Director)**, is aged 65 years. She is associated with the construction business since its inception. She has been a guiding figure in the overall growth of the company. She is also a Director in Ahlcon Parenterals (India) Ltd, Capricon Industrials Ltd., Ahluwalia Developement Group Pvt. Ltd. Presently she is involved in the General Administration of the company and is also handling human resource development and labour welfare.



## Ahluwalia Contracts (India) Limited

Sh. Bikramjit Ahluwalia and Mr. Shobhit Uppal, Sh. Vikaas Ahluwalia, being related to her, may be deemed to be interested in the resolution. No other Director is interested in or concerned with the resolution.

The Board recommends that the Resolution be passed.

### ITEM NO. 10 & 11

Mr. Bikramjit Ahluwalia was re-appointed as Managing Director of the Company i.e. 1st April 2007 to 31st March 2012 for a period of 5 years as per provisions of Part A of Schedule XIII of the Companies Act, 1956 with basic salary of 6 lacs p.m. along with other perquisites. However the Audited financial Results for the financial year ended 31st March, 2012 depicts net loss of Rs 40 crores.

As the Company incurred losses during the financial year 2011-12, the remuneration paid to Mr. Bikramjit Ahluwalia as per provisions of Part A of Schedule XIII of the Companies Act, 1956 for the financial year 2011-12 exceeded limit as prescribed under Section II Part II under clause (B) of the Schedule XIII of the Companies Act, 1956.

Mr. Bikramjit Ahluwalia, the promoter Managing Director of the Company, whose dedication, commitment and vision helped the company to achieve new goals and the remuneration which was already paid to him as per Part A of Schedule XIII of the Act.

The Company had applied/filed with Central Government in F.N 25A for waiver of excess remuneration paid to him.

Mr. Shobhit Uppal was re-appointed as Dy Managing Director of the Company w.e.f 01.04.2007 to 31st March 2012 for a period of 5 years as per provisions of Part A of Schedule XIII of the Companies Act, 1956 with basic salary of Rs 5 lacs p.m. along with other perquisites. However, the Audited financial results for the financial year ended 31st March, 2012 depicts net loss of Rs 40 crores.

As the Company incurred losses during the financial year 2011-12, the remuneration paid to Mr. Shobhit Uppal as per the provisions of Part A of Schedule XIII of the Companies Act, 1956 for the financial year 2011-12 exceeded limit as allowed under Section II Part II under clause (B) of Schedule XIII of the Companies Act 1956.

Mr Shobhit Uppal, Dy Managing Director of the Company. He has rich and diverse experience over two decades in construction Industry and the remuneration paid to him as per part A of Schedule XIII of the Act.

The Company had applied/filed with Central Government in Form No 25 A for waiver of excess remuneration paid to him.

Mr. Bikramjit Ahluwalia, Mr Shobhit Uppal are interested or concerned to their remuneration and relative of Mr Vikaas Ahluwalia. No other Director is interested except Mr Vikaas Ahluwalia.

The Board of Directors recommends the resolution for approval of members.

**By order of the Board  
Ahluwalia Contracts (India) Limited**

**Place: New Delhi  
Dated: 14.08.2012**

**(Vipin Kumar Tiwari)  
GM (Corporate) & Company Secretary**



**IMPORTANT COMMUNICATION**

IN ORDER TO PROTECT THE ENVIRONMENT AND AS A "GO GREEN" INITIATIVE, THE COMPANY HAS TAKEN AN INITIATIVE OF SENDING INTIMATION OF AGM AND ANNUAL REPORT FOR FINANCIAL YEAR 2011-12 BY E-MAIL. PHYSICAL CREDIT DOCUMENT WERE SENT TO ONLY THOSE SHAREHOLDERS WHOSE E-MAIL ADDRESSES WERE NOT REGISTERED WITH THE COMPANY AND FOR THE BOUNCED E-MAIL CASES.

MINISTRY OF CORPORATE AFFAIRS HAS ISSUED CIRCULAR ON FEBRUARY 18TH, 2011 TO DISPENSE NOTICE WITH BALANCE SHEET, PROFIT AND LOSS ACCOUNT, AUDITORS' REPORT, DIRECTORS' REPORT, AND EXPLANATORY STATEMENT ETC. THROUGH E-MAIL TO ALL THEIR SHAREHOLDERS.

SHAREHOLDERS ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESSES WITH LINK INTIME INDIA PRIVATE LIMITED (FOR SHARES HELD IN PHYSICAL FORM) AND WITH THEIR DEPOSITORY PARTICIPANT (FOR SHARES HELD IN ELECTRONIC FORM) FOR RECEIVING AND OTHER INFORMATION ON E-MAIL.



## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 33rd Annual Report on the working of the Company, together with the Audited Accounts for the financial year ended 31st March, 2012.

### FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

FINANCIAL	YEAR ENDED 31-03-2012	YEAR ENDED 31-03-2011
Gross Income	1,37,453.05	1,69,576.41
Profit before Interest and Depreciation	2444.67	15,709.59
Less: Interest	2208.99	1577.37
Less: Depreciation	4286.52	3381.47
Profit/(Loss) before Tax	(4050.84)	10,750.75
Less: Provision for Taxation	12.31	3,672.14
Profit/(Loss) after Tax	(4063.15)	7078.61
Balance of profit/Loss brought forward for appropriation	27194.00	21107.17
Less: Proposed Dividend on Equity Shares	0	251.05
Less: Tax on Dividend	0	40.73
Less: Transfer to General Reserves	0	700.00
Balance Carried Forward to Balance Sheet	23130.85	27194.00

### DIVIDEND

In view of the losses suffered by the Company, your Directors have not recommended any dividend for the financial year ended March 31, 2012

### OPERATIONS AND FUTURE OUTLOOK

The lower turnover and reduced operating margins have put serve pressure on company's' profitability. In nutshell reasons of losses are:

- (i) Unprecedented global economic instability.
- (ii) Delays in decision by company clients Land acquisitions and possession to the company and settlement of claims.
- (iii) High inflation of commodity costs , Interest Costs and unable to pass onfull costs to the clients due to reasons beyond the control of management.
- (iv) Other reasons including environment clearance, increased requirement of working capital, increase in employee cost.

All the above has resulted slowdown in the economy ultimately adversely affecting the progress of the company.

For improvement the company has taken/ proposed to take following steps:

- (i) To control the costs specially the Capex.
- (ii) To implement the Cost Optimization measure including human resources. To increase efficiency at all levels.
- (iii) To reduce the working capital requirements and utilize the available resources at optimum level.
- (iv) To dispose of the surplus assets for improvement of cash flow and reduce interest costs.



## **PROFIT/ LOSS**

Your Company suffered the net loss of Rs.40.63 Crores during the year 2011-12.

## **RENEWAL OF RATINGS BY CARE**

CARE has retained Company's rating to "CARE A1" for short term borrowings and "CARE A" for long term borrowings.

CARE A-1 indicates those instruments with this rating have strong capacity for timely payment of short-term debt obligations and carry lowest credit risk.

CARE reserves the right to undertake a surveillance/ review of the rating from time to time, based on circumstances warrant in such review, subject to at least one such review/ surveillance every year.

CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material and clarification as may be required by CARE. CARE shall also be entitled to publicize / disseminate such suspension/ withdrawal/ revision in the assigned rating in any manner considered appropriate by it, without any reference to anyone. CARE ratings are not recommendations to buy, sell, or hold any securities.

## **PUBLIC DEPOSITS**

The Company has not accepted any deposit from the public during the year under review.

## **SUBSIDIARIES**

As on March 31, 2012, the Company has six subsidiary companies namely Ahlcon Ready Mix Concrete Pvt. Ltd., Premsagar Merchants Pvt. Ltd., Splendor Distributors Pvt. Ltd., Jiwanyoti Traders Pvt. Ltd., Dipesh Mining Pvt. Ltd. and Paramount Dealcomm Pvt. Ltd.

The Ministry of Corporate Affairs vide its General Circular No. 2/2011 dated February 08th, 2011 has granted a general exemption for not attaching the Balance sheet of subsidiary companies and compliance of conditions enlisted therein. Therefore the Company shall not be attaching the audited accounts of the subsidiaries to the annual accounts of your Company for the current year. The annual accounts of the subsidiary companies and related detailed information will be made available to any member of the Company or subsidiary company upon request and are also available for inspection by any member of the Company, during the business hours, at the registered office of the company and that of the subsidiary company concerned. The annual accounts of the individual subsidiary company shall also be available on the website of the company.

## **DIRECTORS**

The tenure of Mr.Bikramjit Ahluwalia, Mr.Shobhit Uppal and Mr.Vikaas Ahluwalia have been completed on 31-03-2012. The Board and Remuneration Committee had recommended the reappointment of Mr.Bikramjit Ahluwalia, Mr.Shobhit Uppal and Mr.Vikaas Ahluwalia for the period of three Years w.e.f. 01-04-2012 to 31-03-2015 for Managing Director and five years w.e.f. 01-04-2012 to 31-03-2017 for Deputy Managing Director and Whole Time Director, subject to the approval by members at the ensuing Annual General Meeting. Later on in the meeting of Board held on 14.08.2012 the remuneration and period of reappointment was revised in case of all above managerial personnel. The revised resolutions in this regard have been included in the Notice of Annual General Meeting of the Company for your approval.

Mr.Bikramjit Ahluwalia had already attained the age of 70 years; the company had already filed an application with central government for his re-appointment for the period of three years.

However the company suffered loss during the financial year 2011-12 and the company was having inadequate profit, even for payment of minimum remuneration, though the members had earlier approved the minimum remuneration. As the relief is available in the Companies Act, the company has applied to Central Government for waiver of excess remuneration paid during the year 2011-12 to Mr.Bikramjit Ahluwalia and Mr.Shobhit Uppal. The consent is yet to be received from Central Government.



## Ahluwalia Contracts (India) Limited

In accordance with the provisions of Section 255 and 256 of the Companies Act, 1956 and the Articles of Association of the Company, Mr. S.K.Chawla, Dr.Sushil Chandra and Mr. Vikaas Ahluwalia retire by rotation at the ensuing Annual General Meeting of the Company and being eligible offer themselves for reappointment.

**MR.S.K.CHAWLA (Independent Director)**, aged 72 years is an independent director of our company. He has about 33 years of experience in handling construction projects. He is an Engineer by profession and has been associated with various Govt. Departments. He has retired as a Director of the CPWD. He is having vast experience in construction and Engineering activities. He joined the Board of our company as a Director on 28.08.2000 and serving continuously till date. He is also a member of the Audit Committee and Remuneration Committee of our company.

**DR. SUSHIL CHANDRA (Independent Director)**

Dr. Sushil Chandra aged 74 years, is M.A -PHD. Presently he is a associates in, Radials International Ltd- A business Associate of Michelin, France, Tip Top General Agencies Pvt. ltd- A Business Associate of Rema, Germany, Oswal Electricals & Group Industries, Faridabad.

He has been Corporate Advisor of SBI, ERA Group, DS Group, ITC- Bhadrachalam petro products Ltd and Council member of NABARD and has done international consulting Assignments like:

International Labour Organization , Bangkok  
The united Nations Asian and pacific Development Administration Centre, Kualampur  
Asian Regional Project for Labor and Manpower Administration  
Iraq National Oil Company, Baghdad.

He is a member of Audit Committee and Remuneration Committee.

**MR.VIKAAS AHLUWALIA (Promoter and Whole-Time-Director)**, is aged 38 years. He is graduate in civil engineering . He has been involved in construction business since 1996. He has been very instrumental for successful implementation of many big projects of the company. He is currently overseeing the Ready Mix Concrete and real estate business of our company.

He is a Director of following Companies:

1. Ahlcon Ready Mix Concrete Pvt. Ltd.
2. Premsagar Merchants Pvt. Ltd.
3. Splendor Distributors Pvt. Ltd.
4. Paramount Dealcomm Pvt. Ltd.
5. Jiwanjyoti Traders Pvt. Ltd.
6. Dipesh Mining Pvt. Ltd.
7. Tidal Securities Pvt. Ltd.
8. Ahluwalia Builders and Development Group Pvt. Ltd.

Mr.S. S. Kohli, Independent Director has resigned from the Directorship of the company on 15-12-2011 and Mrs. Sudershan Walia, Whole time Director of the company has resigned from the Directorship of the company on 30-05-2012.

### DIRECTORS RESPONSIBILTY STATEMENT

In terms of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the Annual Accounts, all the applicable Accounting Standards have been followed along with proper explanation relating to the material departures if any,
- (ii) The Company has 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 as at 31st March, 2012 and of the Profit & Loss Statement of the Company for the year ended on that date.
- (iii) The Company has taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) These Annual Accounts of the Company have been prepared on a going concern basis.



## **LISTING WITH STOCK EXCHANGES**

The equity shares of the Company continue to remain listed with the National Stock Exchange of India Limited (NSE), Bombay Stock Exchange Limited (BSE), Jaipur Stock Exchange Limited (JSE), Delhi Stock Exchange Limited (DSE) and Calcutta Stock Exchange Limited (CSE). The Listing fees payable to all the exchanges for the financial year 2012-13 have been paid.

## **PARTICULARS OF EMPLOYEES**

No employee was in receipt of remuneration exceeding specified limits as prescribed under section 217 (2A) of the Companies Act, 1956 read with the Companies(Particulars of Employees) Rules 1975.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company focuses on attracting the best talent and enjoys a good brand image among leading construction companies and job seekers. Human resource is one of the key elements to achieve the objectives and strategies of the Company. The Company, therefore, considers its employees as “key Asset”. It provides equitable and fair work environment to its employees. Senior colleagues provide ample support to their junior colleagues with a view to develop their skills and capabilities. The Company continues to maintain Constructive relationship with its employees with a positive environment so as to improve efficiency and productivity. The Company Continues to invest in up-gradation of the Knowledge and Skill of the employees. The Company continuously works to nurture this environment to keep its employees highly motivated, result-oriented and adaptable to changing business environment. A reward and recognition system is in place to provide fast track growth for high potential employees and star performers. Career development workshops are undertaken to identify such high potential employees. Industrial relations continue to be cordial. Regular communication meetings are held with the workmen representatives to exchange views and to address mutual issues. The labour relations were cordial throughout the year across all the project sites of the Company.

## **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Social welfare and community development is at the core of the ACIL'S CSR philosophy and this continues to be a top priority.

We have tied-up a program with Indian Building Congress regarding inauguration of Workmen training Centre at Noida for the “LOTUS” Site. We have taken this initiative to train the workmen in the category Masonry of and Shuttering.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

## **SAFETY, HEALTH AND ENVIRONMENTAL PERFORMANCE:**

The Company firmly believes that without a safe, clean environment and healthy working conditions overall economic growth cannot be achieved and maintained. The Company looks at QSHE as its corporate social responsibility and focuses on energy conservation and maintaining a clean sustainable environment by promoting usage of eco-friendly fuels, recycling of waste and water.

### **QUALITY & SAFETY**

- ▶ The Company has provided Training personally at various sites through Head of QA/QC/SHE
- ▶ So far 500 persons including Supervisor/Engineer/Project Manager (PM)/Assistant General Manager (AGM) have been undergone training through QA/QC department.
- ▶ On Ground Level more than 8000 workers have been given presentation and Film through head of QA/OC/SHE Department
- ▶ Training on Safe working at height at ground level staff. So far more than 1500 workers are trained at different projects

### **HEALTH**

Training programs on Safety and Health awareness were organized by the company for workers at following sites:





## Ahluwalia Contracts (India) Limited

- “Krrish Proviance”, Gurgaon, Haryana
  - “ITC”, Mewat, Haryana
  - “ITC”, Kolkata
  - “Mumbai Metro One Project”, Mumbai
  - “Bangalore Metro”, Bangalore
  - “Logix Bloosom Green”, Noida, UP
  - “Umang- Winter Hills”, Gurgaon, Haryana
  - “TATA Primanti”, Gurgaon, Haryana
  - “RRL Project”, Dwarka, New Delhi
- ▶ Free Medical Check-up for staff and workers at Corporate Office at New Delhi.
  - ▶ Free Medical Check-up for workers at sites.
  - ▶ Free training on Safety Subjects like safe working at height, Safe crane opretion etc.
  - ▶ Provide Crèche facilities at Project level.

### QA/QC/HSE VERTICAL

- ▶ The Company has moved forward in the areas of Quality, Safety, Health & Environment Practices and opened a new vertical with a Head of the Department and Senior Quality/Safety Managers to address the issue PAN India.

### WORKMEN TRAINING

- ▶ The Company has also launched an intensive drive in the field of Training the Workmen under the aegis of Indian Buildings Congress (IBC) and the move is spear headed by the Dy. Managing Director Sh. Shobhit Uppal who is also the Vice President of IBC.
- ▶ Officers from Delhi Metro Rail Corporation (DMRC) have also contacted IBC & M/s Ahluwalia Contracts (India) Ltd. for imparting training to their construction workers at our training centers. Modalities are being worked out.
- ▶ The first batch of our trained masons and shuttering carpenters went through a grueling skill test at IBC’s Dev Nagar Assessment Centre in New Delhi on 26.05.2011. The assessment was carried out by an independent agency on behalf of DGET, Govt. of India under Modular Employable Skills (MES) program of the Directorate General of Employment & Training (DGET). Results are likely to be declared shortly after which the successful candidates will be issued with certificates by Directorate of Apprenticeship and Training, DGET, GOI. Issue of these certificates which are valid both in India and abroad will imply a career progression for the successful construction workers and is likely to result in an increased output from the individuals on the ground. This will also motivate fellow construction workers to go in for training and similar certification and upgrade their skills in the field.

### AWARDS & RECOGNITION

1. The Company has won Delhi Shramik Puraskar – 2012 and Delhi Safety Awards – 2012 and was awarded from Smt. Sheila Dikshit, Hon’ble Chief Minister of NCT of Delhi and Shri. Rama Kant Goswami, Hon’ble Labour Minister on the eve of Celebration of International Labour day 2012 by Labour Department at Delhi Secretariat, New Delhi.
2. ACIL has bagged the prestigious "Prashansa Patra" award 2011 for Delhi Airport Metro Express Project from the National Safety Council of India for exemplary monitoring and implementation of effective safety systems and procedures.

### CORPORATE GOVERNANCE REPORT

Pursuant to clause 49 of the Listing Agreements with the Stock Exchanges, a detailed report on Corporate Governance is included in the Annual Report certifying the Company’s compliance with the requirements of Corporate Governance stipulated under Clause 49 of the Listing Agreement is attached with the Corporate Governance Report.



## AUDITORS & AUDITORS' REPORT

M/s Arun K. Gupta & Associates, Chartered Accountants, (Regn. No. 000605N) Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The Company has received a certificate from the Auditors to the effect that their re-appointment, if made, would be in accordance with Section 224 (1B) of the Companies Act, 1956. The Board recommends their re-appointment. The Notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

## MAINTENANCE OF COST RECORDS

M/s Kabra & Associates, Cost Accountants were appointed the Cost Auditors of the Company for the Financial Year ended 31st March, 2012 by the resolution passed by the Audit Committee and approved by the Board of Directors.

## INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

The information required to be disclosed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 with respect to conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, are explained as under :-

## CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION

Since your company does not own any manufacturing facility the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) rules, 1988 are not applicable.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

	Current Year (Rs.)	Previous Year (Rs.)
Foreign Exchange Earnings	NIL	NIL
Foreign Exchange Outgo		
a. Raw Material *	102,95,202	4,64,75,124
b. Capital Goods	366,40,995	1,19,38,388
c. Advance Payment for Raw Materials	-	38,65,522
d. Advance Payment for Capital Goods	-	4,82,584
e. Travelling Expenses	10,42,962	5,44,609
f. Consultancy Charges/ Technical Fee	-	58,76,193

\* Includes ₹ 19,911/- (P.Y. ₹ 1,17,77,483/-) payment made to sub contractor.

## ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation for assistance and cooperation received from Banks, Government Authorities, Clients, Vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the executives, staff and workers of the Company.

Regd. Office:  
Ahluwalia House  
4, Community Centre, Saket  
New Delhi-110017  
Dated: 14-08-2012

On behalf of the Board of Directors

(BIKRAMJIT AHLUWALIA)  
Chairman-cum-Managing Director



## Report On Corporate Governance

In accordance with Clause 49 of the Listing agreement with the Bombay Stock Exchange Limited (BSE), National Stock Exchange Limited (NSE), Jaipur Stock Exchange Limited (JSE), Delhi Stock Exchange Limited (DSE) and Calcutta Stock Exchange Limited (CSE) (Clause 49) and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes at Ahluwalia Contracts (India) Limited is as under:

### **CORPORATE GOVERNANCE PHILOSOPHY**

Ahluwalia Contracts (India) Ltd. is committed to the adoption of best governance practices and its adherence in the true spirit, at all times. Company's governance practices are a product of self-desire, reflecting the culture of the trust-eeship that is deeply ingrained in our value system and reflected in our strategic thought process. At a macro level, our governance philosophy rests on five basic tenets, viz., Board accountability to the Company and shareholders, strategic guidance and effective monitoring by the Board, protection of minority interests and rights, equitable treatment of all shareholders as well as superior transparency, and timely disclosure. In line with this philosophy, Ahluwalia Contracts (India) Ltd. is striving for excellence through adoption of best governance and disclosure practices. The Company, as a Continuous process strengthens the quality of disclosures, on the Board composition and its functioning, remunerations paid and level of compliance with various Corporate Governance Codes.

### **COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES**

Your Company confirms the compliance of Corporate Governance as contained in clause 49 of the Listing Agreement, and is committed to ensure compliance with any proposal for modifications well ahead of their implementation timelines. Your Company's compliance with requirements is presented in the subsequent sections of this Report.

### **CORPORATE GOVERNANCE RECOGNISED**

In recognition in Corporate Governance, the following awards have been conferred on ACIL:

- Awarded the status of "Best Professionally Managed Company (> Rs. 1000 Crores)" by Construction Industry Development Council (CIDC)—2011.
- Award from Labour Ministry Delhi Government for Best Safety Award, by Smt. Sheila Dikshit, Delhi Chief Minister- 2012.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):** Social welfare and community development is at the core of the ACIL'S CSR philosophy and this continues to be a top priority. ACIL commits for behaving its business ethically and contributing towards economic development.

Through CSR Concept ACIL voluntarily contributes for a better society and a cleaner environment. ACIL follows this concept in which it integrates social and environmental concerns in their business operations and interacts with Stakeholders on voluntary basis.

Corporate Social Responsibility is an important activity. As globalization accelerates and large Corporations serve as global providers, these Corporations have progressively recognized the benefits of providing CSR programmes in their various locations.

Likewise, The Company has tied-up a program with Indian Building Congress regarding inauguration of Workmen training Centre at Noida for the "LOTUS" Site. Ahluwalia Contracts (India) Ltd has taken this initiative to train the workmen in the category of Masonry and Shuttering.

### **QUALITY, ENVIRONMENT, HEALTH & SAFETY POLICY:**

The quality system aims to achieve total customer satisfaction through its focus on improving quality to world standards. This is achieved through total employee involvement and continuous improvement culture.



## Ahluwalia Contracts (India) Limited

ACIL organizes the works through integrated management system for Safety, Health, Environment, Personnel, Industrial Relations and Quality Assurance, to ensure satisfying relationship with all employees and those who work for us.

Ahluwalia Contracts (India) Ltd. strives to continually improve performances and simultaneously ensures no undue adverse effect is caused to anyone. For protection of environment we follow the principle of prevention of pollution.

The Company is committed to comply with all applicable legislation, regulations and other requirements of Environment, Health and Safety.

The Company creates awareness amongst the employees, suppliers and interested parties through communication and training.

### **SHAREHOLDER'S COMMUNICATION:**

The Board recognizes the importance of two-way communication with shareholders and giving a report of results and progress and responds to queries and issues raised in a timely and consistent manner. Ahluwalia's Corporate Website: [www.acilnet.com](http://www.acilnet.com) has information for institutional and retail shareholders alike. Shareholders seeking information may contact the Company directly or via dedicated shareholder contact points with this report or through any of Investor service centers of the Company's Registrars and Transfer Agents, details of which are available on the Company's Website [www.acilnet.com](http://www.acilnet.com). The Company ensures that queries, complaints and suggestions are responded in a timely and consistent manner. A shareholder reference is provided with this report which is quite comprehensive and informative.

### **ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS:**

Company Secretary plays a key role in ensuring that the Board procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and senior management for effective decision-making at the meetings. The Company Secretary is primarily responsible to ensure compliance with applicable statutory requirements and is the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advices and services of the Company Secretary.

### **OBSERVANCE OF THE SCERETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:**

The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on important aspects like Board Meetings, General Meetings, maintenance of Registers and Records, Minutes of Meetings, Transmission of shares and Debentures, passing of Resolutions by Circulation, Affixing of Common Seal, Forfeiture of Shares and Board's Report. Although these standards are recommendatory in nature, the Company substantially adheres to the standards voluntarily.

### **BOARD OF DIRECTORS**

#### **COMPOSITION OF THE BOARD**

As on date the company has a strong and broad-based Board consisting of eight directors with adequate blend of professional, executive, non-executive and independent professionals. The Board is having an Executive Chairman and comprised of executive and non-executive directors, conforming to the norms required under clause 49 of the listing agreement.

None of the Directors on the Board are members of more than ten Committees or Chairman of more than five committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2012 have been made by the Directors.



## Ahluwalia Contracts (India) Limited

### COMPOSITION OF THE BOARD OF DIRECTORS

Director, Executive/ Non-Executive/ Independent

Sh. Bikramjit Ahluwalia	Chairman & Managing Director-Executive
Sh. Shobhit Uppal	Dy. Managing Director-Executive
Smt. Sudershan Walia (Resigned on 30-05-2012)	Whole Time Director-Executive
Sh. Vikaas Ahluwalia	Whole Time Director-Executive
Sh. Vinay Pal	Whole Time Director-Executive
Sh. Arun K. Gupta	Director---Non –Executive & Independent
Sh. Balbir Singh	Director---Non –Executive & Independent
Sh. S.K. Chawla	Director---Non –Executive & Independent
Dr. Sushil Chandra	Director ---Non –Executive & Independent
Sh.S.S.Kohli (Resigned on 15-12-2011)	Director ---Non –Executive & Independent

### BOARD PROCEDURE

#### BOARD'S FUNCTIONING AND PROCEDURE:

The Company's Board of Directors play primary role in ensuring good governance and functioning of the Company. The Board's roles, functions, responsibilities and accountabilities are well defined. All relevant information as required under the Listing Agreement with the Stock Exchanges is regularly placed before the Board. The Board reviews compliance reports of all laws as applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. The Members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussions.

#### BOARD MEETINGS

The details of Board Meeting held during FY 2011-12 are as outlined below:

Date of Board Meeting	City	No. of Directors Present
14th April 2011	New Delhi	8 out of 10
30th May 2011	New Delhi	9 out of 10
12th August 2011	New Delhi	9 out of 10
26th September 2011	New Delhi	8 out of 10
14th November 2011	New Delhi	8 out of 10
14th February 2012	New Delhi	9 to all 9

#### RECORDING MINUTES OF PROCEEDING AT THE BOARD MEETINGS:

Minutes of the proceedings of each Board/ Committee meeting are recorded. Draft minutes are circulated amongst all members of the Board/ Committee for their comments. Comments are recorded in minutes and thereby confirmed in minutes in next Board/ Committee meeting.



## Ahluwalia Contracts (India) Limited

### Composition and Attendance:

Name of Directors	Category of Directorship	Entitled to attend	Board Meeting Attended	Attendance at the Last AGM held on 30-09-2011	Remarks
Mr.Bikramjit Ahluwalia	Chairman & Managing Director	6	5	Yes	Re-appointment on 01-04-2012
Mrs.Sudershan Walia	Whole Time Director	6	5	Yes	Re-appointment on 01-04-2012 resigned on 30-05-2012
Mr.Shobhit Uppal	Dy.Managing Director	6	4	Yes	Re-appointment on 01-04-2012
Mr.Vikaas Ahluwalia	Whole Time Director	6	6	Yes	Re-appointment on 01-04-2012
Mr.Vinay Pal	Whole Time Director	6	6	Yes	Appointed on 14th August 2010
Mr.Arun K.Gupta	Independent Director	6	6	Yes	Appointed on 28th August 2000
Mr.Balbir Singh	Independent Director	6	4	Yes	Appointed on 28th August 2000
Mr.S.K.Chawla	Independent Director	6	4	Yes	Appointed on 15th March 2003
Dr.Sushil Chandra	Independent Director	6	5	No	Appointed on 8th March 2010
Mr.S.S.Kohli	Independent Director	5	5	Yes	Appointed on 2/8/2010 Resigned on 15/12/2011

Mr.S.S.Kohli, Independent Director resigned on 15-12-2011 and as required under clause 49 of the listing agreement the vacancy was to be filled within 180 days. During this period Smt. Sudershan Walia, Whole Time Director/ Executive Director resigned. The composition of Board shall be in conformity of clause 49 of the listing agreement.

### INDEPENDENCY OF DIRECTORS

As mandated by Clause 49, a Director is considered as Independent, if the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which conforms applicable legal requirements.

### INFORMATION TABLED BEFORE THE BOARD

The Board's roles, functions, responsibilities and accountabilities as well defined all relevant information is regularly placed before the Board. The information required to be placed before Board includes.

- Formation/ Reconstitution of Board Committees.
- Appointment, remuneration and resignation of Directors.
- General notices of Interest of Directors.
- Annual Operating plans & budgets and any update thereof.
- Capital Budgets and any updates thereof.
- Quarterly results for the Company and its operating divisions or business segments.
- Minutes of Board Meetings, Audit Committee Meetings and other Committee Meetings of the Board.
- Dividend Declaration.
- Quarterly summary of all long-term borrowings made, bank guarantee issued, Loans and investments made.
- Significant Changes in accounting policies and internal controls.
- Sale of material nature of investments, assets, which is not in the normal course of business.
- Materially important show cause notices, demand, prosecution notices and penalty notices.



## Ahluwalia Contracts (India) Limited

- Appointment or resignation of Chief Financial Officer and Company Secretary.
- Statement of significant transactions and arrangements entered by unlisted Subsidiary companies.
- Quarterly details of foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement, if material.
- Making of Loans and Investments of surplus funds.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the company, or substantial nonpayment for services sold by the company.
- Any issue, which involves possible public or any other liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the company.

### AUDIT COMMITTEE

#### TERMS OF REFERENCE AND OTHER DETAILS:

The terms of reference stipulated by the Board to the Audit Committee are, inter-alia, as contained in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 as follows:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required being included in the Directors' Responsibility Statement to be included in the Board's report in terms of Sub-section (2AA) of Section 217 of the Companies Act, 1956.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report, if any
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.





## Ahluwalia Contracts (India) Limited

11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism.
14. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance-function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
16. Management letters / letters of internal control weaknesses issued by the statutory auditors;
17. Internal audit reports relating to internal control weaknesses.

### COMPOSITION, MEMBER'S NAME AND CHAIRPERSON:

The Audit Committee comprises of five members namely Mr. Arun K. Gupta, Mr. Shobhit Uppal, Mr. Vinay Pal, Mr. S.K. Chawla and Dr. Sushil Chandra out of which three are independent Directors. Mr. Arun. K. Gupta is the Chairman of Audit Committee. All members of the Audit Committee possess sufficient knowledge and experience in the field of Finance and Accounts.

The Committee meetings are attended on invitation by the CFO, the representatives of Statutory Auditors and the Internal Auditors. The Company Secretary acts as the Secretary of the Audit Committee. The Internal Audit functions headed by the Head Internal Auditor, reports to the Audit Committee to ensure its independence. The Committee relies on the expertise and knowledge of management. The internal auditors and the independent Statutory Auditors carry out its oversight responsibilities. It also uses external expertise, if required. Management is responsible for the preparation, presentation and integrity of the Company's financial statements including consolidated statements, accounting and financial reporting principles. Management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal control. M/s Arun K Gupta & Associates, Chartered Accountants, the Statutory Auditors are responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

The composition of Audit Committee and the details of meetings attended by its members are given below:

Name of the Directors	Designation	Nature of Directorship	Number of Meetings during the Year 11-12	
			Held	Attended
Sh. Arun K. Gupta	Chairman	Independent Director	4	4
Sh. S. K. Chawla	Member	Independent Director	4	3
Sh. Shobhit Uppal	Member	Dy. Managing Director	4	4
Sh. Vinay Pal	Member	Whole Time Director	4	4
Dr. Sushil Chandra	Member	Independent Director	4	3
Sh. S.S.Kohli	Member	Independent Director	3 *	3

\* Mr.S.S.Kohli, Independent Director / Member of Audit Committee resigned on 15-12-2011



## Ahluwalia Contracts (India) Limited

Four Audit Committee Meetings were held during the year. The dates on which the said meetings were held as follows: May 30th, 2011; August 12th, 2011; November 14th, 2011; February 14th, 2012. The necessary quorum was present for all meetings.

### REMUNERATION COMMITTEE

The Company has a Remuneration Committee of Directors. The Committee approves the remuneration of the managerial personnel. The Composition of the Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Directors	Designation	Category
Sh. S.K. Chawla	Chairman	Independent Director
Sh. Arun K. Gupta	Member	Independent Director
Dr. Sushil Chandra	Member	Independent Director

The Remuneration Committee reviews that Company's policies on specific remuneration package and overall remuneration structures of Managing Director, Dy.Managing Director, Whole Time Directors and senior officer of the company. The Remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis.

Remuneration committee meetings were held for approval of reappointment of Chairman & Managing Director, Dy.Managing Director and Whole Time Director and for waiver of excess remuneration paid to its executives directors during 2011-12.

### REMUNERATION POLICY

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) to its Managing Director and the Executive Directors. During the year 2011-12, your company paid remuneration to its Executive Directors within Limits envisaged under the applicable provisions of the Companies Act, 1956. The remuneration paid to the Executive Directors was approved by the Board and remuneration Committee within limits and concented approved by the members. The remuneration determines your company's policy on specific remuneration packages for the executive Directors.

During the year 2011-12, the Company paid sitting fee to its non-executive directors for attending meetings of the Board and meetings of Committees of the Board.

The remuneration policy of the Company is in consonance with the experience and performance of the Directors and as per existing industry practice.

The aggregate value of Remuneration of the Directors for the financial year ended 31st March, 2012 is as follows:-  
(Rs.)

Name of Directors	Salary Allowances	Perquisites	Sitting Fee	Total
Sh. Bikramjit Ahluwalia	7200000	749311	NIL	7949311
Sh. Shobhit Uppal	6000000	384098	NIL	6384098
Smt. Sudershan Walia	780000	21672	NIL	801672
Sh. Vikaas Ahluwalia	1020000	28332	NIL	1048332
Sh. Vinay Pal	4680000	nil	NIL	4680000
Sh. Arun K. Gupta	NIL	NIL	60000	60000
Sh. S. K. Chawla	NIL	NIL	40000	40000
Sh. Balbir Singh	NIL	NIL	20000	20000
Dr. Sushil Chandra	NIL	NIL	50000	50000
Sh. S. S. Kohli	NIL	NIL	40000	40000
TOTAL	19680000	1183413	210000	21073413



## Ahluwalia Contracts (India) Limited

During the year 2011-12, the Company did not advance any Loan to any its Directors except advance for travel or other purposes to discharge their official duties in the normal course of business.

There is no provision for any stock option scheme and any severance fee payable to any Director on cessation of their employment and Directorship with the Company.

The remuneration structure for the Executive Directors of your Company has following components:

Name of Directors	Basic Salary in Rs. P.M.	Perquisites in Rs. P.M.	Sitting Fee in Rs. Per Board Meeting	Total in Rs. P.M.
Sh. Bikramjit Ahluwalia	6,00,000	62442	NIL	662442
Sh. Shobhit Uppal	5,00,000	32008	NIL	532008
Smt. Sudershan Walia	65,000	1,806	NIL	66,806
Sh. Vikaas Ahluwalia	85,000	2,361	NIL	87,361
Sh. Vinay Pal	3,90,000	NIL	NIL	3,90,000
<b>TOTAL</b>	<b>1640000</b>	<b>98617</b>	<b>NIL</b>	<b>1738617</b>

### PARTICULARS OF THE BOARD OF DIRECTORS AS ON 31/03/2012

Name of Directors & Designation	Age	Director in other Companies	Educational & Professional Qualifications	Shareholding in the Company as on 31.03.2012
Sh. Bikramjit Ahluwalia, Chairman & Managing Director (Promoter & Executive)	73	3	Civil Engineering	5181198 8.26%
Sh. Shobhit Uppal, Dy. Managing Director (Executive)	45	NIL	Bachelor's Degree in Electrical Engineering	4308000 6.86%
**Smt. Sudershan Walia, Whole Time Director (Executive)	65	3	Matriculation	23562380 37.54%
Sh. Vikaas Ahluwalia, Whole Time director (Executive)	38	8	Bachelor's Degree in Civil Engineering	33500 0.05%
Sh. Vinay Pal, Whole Time Director (Executive)	52	7	Graduate	NIL
Sh. Arun K. Gupta, Independent Director (Non-Executive)	63	3	Chartered Accountant & Cost and Work Accountant	632
Sh. S. K. Chawla, Independent Director (Non-Executive)	71	NIL	Bachelor's Degree in Civil Engineering	400
Sh. Balbir Singh, Independent Director (Non-Executive)	77	NIL	Bachelor's Degree in Civil Engineering	400
Dr. Sushil Chandra, Independent Director (Non-Executive)	73	NIL	Master Degree & PHD	NIL
**Sh. S. S. Kohli, Independent Director (Non-Executive)	66	7	B.Sc. (Mechanical Engineering) and Diploma in Industrial Finance	NIL

\*\*Mr.S.S.Kohli, Independent Director and Mrs. Sudershan Walia, Whole Time Director resigned from the Post of Directorship of the Company on 15-12-2011 & 30-05-2012 respectively.

### INVESTORS GRIEVANCE AND SHAREHOLDER COMMITTEE

The Company has a Shareholders/Investors Grievance Committee of Directors to look into the redresses of Complaints of investors such as non-transfer or credit of shares, non-receipt of dividend/ notices/ annual reports, etc.The



## Ahluwalia Contracts (India) Limited

Composition of the Shareholders/ Investors Grievance Committee, Comprising of Sh. S.K. Chawla (Chairman), Sh. Shobhit Uppal, (Member)& Dr.Sushil Chandra (Member).

Eight Shareholders and Grievance Meetings were held during the year. The dates on which the said meetings were held as follows:

15-04-2011, 30-04-2011, 16-05-2011, 31-05-2011, 15-06-2011, 25-07-2011, 30-07-2011 & 30-08-2011

The Committee inter-alia approves issue of duplicate Certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholder's Complaints like Dematerialization and Re-materialization of Shares, transfer of shares, non- receipt of balance sheet etc. The Committee oversees the performance of the Registrar and Transfer Agents, and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated the power of approving transfer of securities to the Company Secretary.

The Board had designated Shri Vipin Kumar Tiwari, GM (Corporate) & Company Secretary, as the Compliance Officer. No complaints were pending for redressal from any shareholder at the end of current year.

Name designation and address of Compliance Officer:

**Mr. Vipin Kumar Tiwari**  
**G. M. (Corporate) & Company Secretary**  
**Ahluwalia Contracts (India) Limited**

Corporate Office:

Plot No. 1, Okhla Industrial Estate,  
Phase-III, Okhla, New Delhi-110020

Telephone: 011-49410517, 599

Fax: 011-49410553-575

Details of Investor Complaints received and redressed during the year 2011-12 are as follows:

Opening Balance	Received during the Year	Resolved during the year	Closing Balance
-----	NIL	NIL	-----

### SUBSIDIARY MONITORING FRAMEWORK

All subsidiary companies of the Company are managed with their Boards having the rights and obligations to manage such companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies, inter alia, by following means:

- > Financial Statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company.
- > A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

Mr. Vikaas Ahluwalia and Mr. Vinay Pal, Whole Time Directors of the Company have been appointed nominee Director(s) on the Board of all the Six Subsidiary Companies.

### GENERAL BODY MEETINGS

The particulars of Annual General Meeting (AGM) of the Company are under. The Shareholders passed all the resolutions set out in the respective notices



## Ahluwalia Contracts (India) Limited

F.Y.	GM	Venue	Date	Time
2008-2009	AGM	Ahlcon Public School Auditorium, Mayur Vihar, Phase-I, Delhi-110091	30th September, 2009	4.00 p.m.
2009-2010	AGM	Ahlcon Public School Auditorium, Mayur Vihar, Phase-I, Delhi-110091	17th September, 2010	4.00 p.m.
2010-2011	AGM	Ahlcon Public School Auditorium, Mayur Vihar, Phase-I, Delhi-110091	30th September, 2011	4.00 p.m.

No Special Resolution was placed in AGM, therefore no special resolution was passed by the company during the last three years.

### POSTAL BALLOT

No postal ballot was conducted during the year 2011-2012.

### DISCLOSURES

#### (A) RELATED PARTY TRANSACTIONS:

All the related party transactions are strictly done on arm's-length basis. The Company places all the relevant details relating to related party transactions before the Audit Committee from time to time. Particulars of related party transactions are listed out in the Balance Sheet forming part of the Annual Report.

#### (B) DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has followed all relevant Accounting Standards while preparing the financial statements.

#### (C) RISK MANAGEMENT:

The Company has developed comprehensive risk management policy, and it is reviewed by the Audit Committee, which in turn, informs the Board about the risk assessment and minimization procedures with a view to strengthen the risk management framework and to continuously review and reassess the risks that the businesses of the Company. The Committee reviews the risk management process and implementation of risk mitigation plans. This process is improved year after year.

#### (D) REMUNERATION OF DIRECTORS:

The Company has a system where all the directors and senior management personnel of the Company are required to disclose all pecuniary relationship(s) or transaction(s) with the Company. No significant material transactions have been made with the non-executive Director's vis-à-vis the Company.

#### (E) DISCLOSURE OF NUMBER OF SHARES HELD BY NON-EXECUTIVE DIRECTORS

Sh. Arun K. Gupta holds 632 Equity Shares, Sh. S.K. Chawla holds 400 Equity Shares, Sh. Balbir Singh holds 400 equity Shares and Dr. Sushil Chandra holds NIL equity Shares.

#### (F) DISCLOSURE RELATING TO NON-MANDATORY COMPLIANCES

The Company has implemented a whistle Blower Policy in the Company and no personnel have been denied access to the Audit Committee of the Company.

#### (G) DETAILS OF NON-COMPLIANCES

Details of non-compliance by the company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.



## Ahluwalia Contracts (India) Limited

No penalty or strictures had been imposed on the Company by any regulatory authority relating to capital markets during the last three years.

### SECRETARIAL AUDIT

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### MEANS OF COMMUNICATION

The quarterly, half- yearly and annual results of the Company are published in leading newspapers in India which include Financial Express in English and Rashtriya Sahara/Jansatta in Hindi. The results are also promptly forwarded to the Bombay Stock Exchange, National Stock Exchange, Delhi Stock Exchange, Calcutta Stock Exchange and Jaipur Stock Exchange. The results are also displayed on the Company's website [www.acilnet.com](http://www.acilnet.com). Press releases made by the Company from time to time are also displayed on the company's website. Presentations made to the Institutional investors and analysts after the declarations of the quarterly, half-yearly and annual results are displayed on the company's website.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is attached to and forms part of Annual Report.

### GENERAL SHAREHOLDER INFORMATION

#### Annual General Meeting:

Date : 28th September, 2012  
Day : Friday  
Time : 4.00 p.m.  
Venue : Ahlcon Public School, Mayur Vihar,  
Phase-I, New Delhi-110091

#### Financial Calendar:

Year Ending : March 31, 2012  
AGM on : September, 28th 2012

Date of Book Closure/  
Record Date : 19/09/2012 to 28/09/2012

► Listing on Stock Exchange : Bombay Stock Exchange, National Stock Exchange,  
Jaipur Stock Exchange, Delhi Stock Exchange,  
Calcutta Stock Exchange

Stock Codes/ Symbol :  
National Stock Exchange : AHLUCONT  
Delhi Stock Exchange : 7526  
Bombay Stock Exchange : 532811  
Jaipur Stock Exchange : 0922  
Calcutta Stock Exchange : 011134

► Corporate Identification Number : L45101DL1979PLC009654 (CIN) of the Company

► Demat ISIN Numbers in NSDL & CDSL for Equity Shares: ISIN No. INE758C01029

► Designated Exclusive e-mail-ID :

The Company has designated the following email-ids exclusively for investor servicing.

(a) For queries on Annual Report-[investor\\_relations@acilnet.com](mailto:investor_relations@acilnet.com)

(b) For queries in respect of shares in physical mode- [investor\\_relations@acilnet.com](mailto:investor_relations@acilnet.com)

► Payment of Listing Fees: Annual Listing fee for the year 2012-2013(as applicable) has been paid by the company to BSE, NSE, JSE, CSE and DSE. Annual maintenance and listing agency fee for the financial year 2012-2013 has been paid by the Company to the NSDL and CDSL.



## Ahluwalia Contracts (India) Limited

### ► REGISTRARS AND TRANSFER AGENTS:

LINK INTIME INDIA PVT. LTD.A-40, 2nd Floor, Near Batra Banquet Hall,Naraina Industrial Area, Phase-II,  
New Delhi-110028Tel. No.- 011-41410592-94, Fax No.-011-41410591  
e-mail: delhi@linkintime.co.in

### BRANCHES:

#### MUMBAI:

Link Intime India Pvt. Ltd. C-13, Pannalai Silk Mills Compound, L.B.S., Marg, Bhandup (West), Mumbai-400078  
Tel: 022-25963838  
E-mail id: mt.helpdesk@linkintime.co.in

### COMPLIANCE

#### MANDATORY REQUIREMENTS

The company is fully compliant with the applicable mandatory requirements of the revised clause 49 of listing agreement:

#### QUARTERLY COMPLIANCES:

First Quarter	:	August, 2012
Second Quarter	:	November, 2012
Third Quarter	:	February, 2013
Fourth Quarter	:	May, 2013

#### MARKET PRICE DATA

The High and Low of the share price of the Company during each month in the Last Financial year at BSE and NSE Website were as under:

MONTH	MUMBAI STOCK EXCHANGE			NATIONAL STOCK EXCHANGE		
	HIGH (Rs.)	LOW (Rs.)	VOLUME	HIGH (Rs.)	LOW (Rs.)	VOLUME
April,2011	143.90	108.60	511586	143.90	109.15	998357
May, 2011	125.00	101.00	82668	118.80	101	212190
June, 2011	124.90	101.05	157935	122.75	97.35	706825
July, 2011	140.00	110.00	168512	140	110.50	879920
Aug, 2011	140.00	108.05	113955	139	108.15	1050878
Sep, 2011	124.50	102.00	16086	121	102.65	72122
Oct, 2011	116.95	102.00	8794	116	100.20	33217
Nov, 2011	108.00	65.00	328007	107.35	63	685460
Dec, 2011	72.00	45.60	137486	78.50	52.15	403454
Jan, 2012	82.75	52.00	41590	81.90	53	855013
Feb, 2012	88.00	75.00	57790	86	74.50	735341
Mar, 2012	82.70	68.50	108869	84	68	748510

#### SHARE TRANSFER SYSTEM:

99.44% of the equity shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Link Intime India Pvt. Ltd. (Our Registrar and Share Transfer Agent) at the abovementioned address.

Transfer of Shares in physical form is normally processed within ten to twelve days from the date of receipt, if the documents are complete in all respects. The Company Secretary is severally empowered to approve transfers.





## Ahluwalia Contracts (India) Limited

### DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON 31ST MARCH, 2012:

#### Categories of Equity Shareholding as on March 31st, 2012

CATEGORY	Number of Shares Held	% of Shares Held	Number of Shares Pledged	% of Shares Pledged
Promoters	45543918	72.57	11,771,380	25.83
Other entities of the Promoter Group	25000	0.04	NIL	NIL
Mutual funds/ UTI	3060632	4.88	NIL	NIL
Foreign Institutional Investor	9350083	14.90	NIL	NIL
Corporate Bodies	2732079	4.35	NIL	NIL
Indian Public (Individuals)	1813147	2.89	NIL	NIL
Directors & their relatives	1432	0.0022	NIL	NIL
Non Resident Indians	129488	0.21	NIL	NIL
Hindu Undivided Family	58790	0.09	NIL	NIL
Clearing Members	47991	0.08	NIL	NIL

#### DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31ST, 2012

Number of Shares	No. of Shareholders	%age of Shareholdings	Share Amount (Rs.)	%age of share amounts (Rs.)
Up to 2,500	6797	95.276	16,76,770	1.336
2,501 -- 5,000	130	1.822	4,61,166	0.367
5,001 -- 10,000	83	1.163	6,23,646	0.497
10,001 -- 20,000	48	0.673	7,35,756	0.586
20,001 -- 30,000	14	0.196	3,57,190	0.285
30,001 -- 40,000	5	0.07	1,83,780	0.146
40,001 -- 50,000	4	0.056	1,92,900	0.154
50,001 -- 1,00,000	16	0.224	10,97,400	0.874
1,00,001 & Above	37	0.519	12,01,96,512	95.755
<b>TOTAL</b>	<b>7134</b>	<b>100</b>	<b>12,55,25,120</b>	<b>100</b>

#### PROMOTER AND PROMOTER GROUP HOLDING AS ON 31ST MARCH, 2012

Name of Shareholders	Total Shares Held		Shares pledged or otherwise encumbered		
	Number of Shares	%age of Holding	Number of shares	% of total shares held	% age of grand total
Mr.Bikramjit Ahluwalia	51,81,198	8.26	15,00,000	28.95	2.39
Mrs.RamPiari	42,59,900	6.79	NIL	NIL	NIL
Mrs.Pushpa Rani	39,56,100	6.3	NIL	NIL	NIL
Mrs.RachnaUppal	12,27,500	1.96	NIL	NIL	NIL
Mr.Shobhit Uppal	43,08,000	6.86	NIL	NIL	NIL
Mrs.Sudarshan Walia	2,35,62,380	37.54	10,271,380	49.17	16.37
Mrs.Mukta Walia	33,500	0.05	NIL	NIL	NIL
Mr.Vikaas Ahluwalia	33,500	0.05	NIL	NIL	NIL
Dr. Rohini Ahluwalia	29,81,840	4.75	NIL	NIL	NIL



## Ahluwalia Contracts (India) Limited

Tidal Securities Private Limited	25,000	0.04	NIL	NIL	NIL
<b>TOTAL</b>	<b>45,568,918</b>	<b>72.61</b>	<b>11,771,380</b>	<b>25.83</b>	<b>18.76</b>

### **PUBLIC SHARE HOLDING MORE THAN 1% OF THE TOTAL NO. OF SHARES AS ON 31ST MARCH, 2012**

<b>Name of Share holder</b>	<b>Number of Shares</b>	<b>%age of total number of shares</b>
ICICI Prudential MIP 25	1539483	2.45
Sundaram Mutual Fund A/c Sundaram ATIC Funds Capex Opportunities-Growth	784306	1.25
Nalanda India Fund Ltd.	3545485	5.65
Taurus Asset Management Company Ltd.	1227089	1.96
Nalanda India Equity Fund Ltd.	3870102	6.17
<b>TOTAL</b>	<b>10966465</b>	<b>17.47</b>

### **DEMATERIALIZATION OF SHARES AND LIQUIDITY:**

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 99.44% of the Company's equity share capital are dematerialized as on March 31, 2012.

The Company's equity shares are regularly traded on the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in dematerialized form.

### **INTIMATION THROUGH E-MAIL:**

In order to protect the environment and as a "GO GREEN" initiative, the Company has taken an initiative of sending intimation by e-mail. Physical credit intimation was sent to only those shareholders whose e-mail addresses were not registered with the company and for the bounced e-mail cases.

Ministry of Corporate Affairs has issued circular on February 18th, 2011 to dispense Notice with Balance Sheet, Profit and Loss Account, Auditor's Report, Director's Report, and Explanatory Statement etc. through e-mail to all their Shareholders.

Shareholders are requested to register their e-mail addresses with Link Intime India Private Limited (for shares held in Physical form) and with their Depository Participant (for shares held in electronic Form) for receiving dividend credit intimation, and other information on e-mail.



## Ahluwalia Contracts (India) Limited

### ADDRESSES FOR CORRESPONDENCE:

Regd. Office: 4, Community Centre, Saket, New Delhi-110017 Tel. No.- 011-40504500 Fax No.- 011-40504553	Corporate Office: Plot No. 1, Okhla Industrial Estate, Phase-III, Okhla, Near Modi Mill, New Delhi-110020 Tel. no.-011-49410517, 599 Fax No.- 011-49410553-575 E-mail id: mail@acilnet.com
For Share transfer, transmission and dematerialization request LINK INTIME INDIA PVT. LTD. A-40, 2ND FLOOR, NEAR BATRA BANQUET HALL, NARAINA INDUSTRIAL AREA, PHASE- II, NEW DELHI-110028 Tel. No.- 011- 41510592-94, Fax No.- 011-41510591 E-mail id: delhi@linkintime.co.in	

For and on behalf of the Board of Directors  
For Ahluwalia Contracts (India) Ltd.

Place: New Delhi  
Dated: 14-08-2012

(Vipin Kumar Tiwari)  
GM (CORPORATE) & COMPANY SECRETARY

### CODE OF CONDUCT

The Board has laid down a Code of Conduct (copy available on Company's website), applicable to all Board Members and Senior Executives of the Company. All the Board Members and Senior Management Personnel have confirmed compliance with the code of Business Conduct and ethics in report of financial year 2011-12.

Place: New Delhi  
Dated: 14-08-2012

(Bikramjit Ahluwalia)  
Chairman & Managing Director



**Ahluwalia Contracts (India) Limited**

## **AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Members  
Ahluwalia Contracts (India) Limited  
4, Community Centre,  
Saket, New Delhi - 110017

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in clause 49 of the listing agreement entered into, by the Company, with the Stock Exchanges, for the year ended 31st March 2012.

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in clause 49 of the Listing Agreements We further state that, such compliance is neither an assurance as the future viability of the Company, nor as to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Arun K. Gupta & Associates  
Chartered Accountants  
Firm Registration No. 000605N

Gireesh Kumar Goenka  
Partner  
M.No. 96655

Place: New Delhi  
Date: 14.08. 2012



**Ahluwalia Contracts (India) Limited**

## **Certificate by Chief Executive Officer and Chief Financial Officer**

**(Under Clause 49 of the Listing Agreement with Stock Exchanges)**

The Board of Directors  
**Ahluwalia Contracts (India) Ltd.**

- a. We have reviewed the financial statements, read with the cash flow statement of Ahluwalia Contracts (India) Ltd. for the year ended 31st, March 2012 and that to the best of our knowledge and belief, we state that:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, Applicable Laws and Regulations.
- b) To the best of our Knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2012 are fraudulent, illegal or violated of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and Audit Committee and steps have been taken to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

New Delhi  
30-05-2012

**S.K.SACHDEVA**  
Executive Director (F&A)  
(CFO)

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(CEO)



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDIAN ECONOMY

The Indian Economy decelerated considerably during the year, growing below 7% in 2011-12 as compared to 8.4% in 2010-11. The Cumulative impact of a tight monetary policy stance adopted by the Reserve Bank in bid to balance the growth- inflation dynamic, lower global demand and hardening international prices of the crude oil combined to lower the growth rate to below 6% during the second half of the year. There was a market slowdown in mining and quarrying, manufacturing and construction sectors. The poor performance of the industrial sector which grew below 4% a 10 year low – reflected a number of factors including a higher interest rate regime, slackening external demand and general decline in business confidence etc during the year, representing a decline of nearly 4% points over the last 4 years. The position on the 'twin deficits' also worsened with the fiscal deficit touching 5.9 % of GDP and the current account deficit on the one hand and only a small increase in net capital inflows on the other, the overall Balance of payments situation turned negative- the first time in 16 years excluding 2008-09; This amongst other factors, led to a sharp depreciation of the Indian Rupee which fell to record lows. There was some good news on the inflation front which, after staying close to 10% for an extended period of 22 months, moderated to around 7% in recent months.

### INDIAN CONSTRUCTION INDUSTRY

In India, Construction is second largest economic activity after agriculture. The outlook for the Indian Construction sector is stable compared to other Industry. Investment in the infrastructure sector plays a crucial role in the growth of economy and in turn the construction Industry. In the past few years, the rapid growth of the economy has put a tremendous pressure on the physical infrastructure of the country. In order to sustain the economic growth, the government has lined up huge investments across various infrastructure segments. The total investment planned in the infrastructure sector during the 11th Five year plan is estimated to double than that was in the tenth Five Year Plan. The increase in competitive pressure is taking a toll on operating margins while a rising cost of debt would further slowdown earnings. At the same time, the current challenging situation has had positive fallout in that companies have renewed their focus on cash management, leading to working capital reduction.

In the recent years ahead, the construction industry in India has to overcome various challenges—be it with respect to housing, environment, transportation, power or natural hazards. Technocrats associated with the Indian Construction industry need to employ innovative technologies and skilled project handling strategies to overcome these challenges. The Outstanding performance under demanding situations in the past will stand in good stead and give confidence to the Indian Construction industry to bring about an overall development in the infrastructure of the nation. The gains of large investments in the mega-projects eventually will feedback to the construction industry itself in the form of better economy and improved work conditions.

Monetary tightening over the past couple of months along with volatility in commodity prices has induced delays in Capital Expenditure decisions. Once the macro environment begins to improve, government sector and private sector activity will pick up.

The PBIDT margin of construction companies largely depends upon on the order backlog mix, movement of key raw materials and extent of escalation clauses built in to contracts. Despite of the favoring order backlog position, the PBIDT margin of construction companies was under pressure in FY12 due to sluggish revenue growth led by the delay in order execution and fairly high prices of key input materials like steel, cement etc.,

In the past couple of years, the construction industry has been benefited by the recovery in the macro economic conditions after global turmoil. The order backlog to sales multiple has increased to a comfortable level of 2.5 times as at the end of the FY12. However, the construction industry is facing a huge challenging of delay in the execution of projects across all the sectors. Since the last fiscal, the momentum of order inflow to construction companies has slowed-down on account of the issues related to land acquisition, environmental clearances, delay in project approval unveiling various scams.

### BUSINESS ACTIVITIES

Construction is the company's core business, which focuses on residential, commercial, power, hotel, hospital and institutional and industrial construction projects. The business has been extended to offering complete Engineering Procurement Services (EPC) services.



## Ahluwalia Contracts (India) Limited

ACIL is developing a portfolio of assets from planning and conceptualization to execution, and retains ownership rights on the assets created. Returns are generated from utilization of the assets leading to expansion of value.

The Company's order backlog as on 31st March, 2012 was Rs 5736 Crores. The order backlog is well distributed across various sectors including industrial, commercial, institutional, residential, hotels, hospitals, BOT, etc.

### OPERATIONAL PERFORMANCE

The turnover & operating margin decline due to increase competition as well as higher raw material price for fixed price proposition of order book & increase in interest cost. In nutshell reasons of loss are:

- Due to overall Economy's Slowdown & Poor liquidity conditions
- Macroeconomics scenario of high interest rates, delay in project approval, land acquisition & environmental clearance related issue
- Order book was not reflected in revenue & profitability due to execution delay & easing cost of construction
- Increase in labour cost mainly Govt. has regularly increase minimum wages price also short fall of skilled labour

All the above has resulted slowdown in the economy ultimately adversely affecting the progress of the company.

#### For improvement the company has taken/ proposed to take following steps:

- A sharp focus to increase work execution level.
- New contract with material are being engaged only with the escalation clause.
- To control the costs specially the capex.
- To implement the Cost Optimization measure including human resources. To increase efficiency at all levels.
- To reduce the working capital requirements and utilize the available resources at optimum level.

To dispose of the surplus assets for improvement of cash flow and reduce interest costs

### QUALITY, SAFETY, HEALTH & ENVIRONMENT

The Company firmly believes that without a safe, clean environment and healthy working conditions overall economic growth cannot be achieved and maintained. The Company looks at QSHE as its corporate social responsibility and focuses on energy conservation and maintaining a clean sustainable environment by promoting usage of eco-friendly fuels, recycling of waste and water.

#### QUALITY & SAFETY

The Company has provided Training personally at various sites through Head of QA/QC/SHE

More than 500 persons including Supervisor/Engineer/Project Manager (PM)/Assistant general Manager (AGM) have undergone training through QA/QC department.

On Ground Level more than 8000 workers have been given presentation and Film through head of QA/OC/SHE Department

Training on Safe working at height at ground level staff. So far more than 1500 workers are trained at different project'

#### HEALTH

Training programs on Safety and Health awareness were organized by the company for workers at various projects:

- "Krrish Proviance", Gurgaon, Haryana
- "ITC", Mewat, Haryana
- "ITC", Kolkata
- "Mumbai Metro One Project", Mumbai
- "Bangalore Metro", Bangalore
- "Logix Bloosom Green", Noida, UP
- "Umang- Winter Hills", Gurgaon, Haryana





## Ahluwalia Contracts (India) Limited

- “TATA Primanti”, Gurgaon, Haryana
- “RRL Project”, Dwarka, New Delhi

Free Medical Check-up for staff and workers at Corporate Office at New Delhi  
Free Medical Check-up for workers at site  
Free training on Safe Working at height in the projects.  
Provide Crèche facilities at Project level

### AWARDS & RECOGNITION

1. The company has won Delhi Shramik Puraskar – 2012 and Delhi Safety Awards – 2012. The Awards were given by Smt. Sheila Dikshit, Hon’ble Chief Minister of NCT of Delhi and Shri. Rama Kant Goswami, Hon’ble Labour Minister on the eve of International Labour day 2012 by Labour Department at Delhi Secretariat, New Delhi.
2. ACIL has bagged the prestigious “Prashansa Patra” award 2011 for Delhi Airport Metro Express Project from the National Safety Council of India for exemplary monitoring and implementation of effective safety systems and procedures.

### RISK AND CONCERNS

The Company undergoes the process of Enterprise Risk Management (ERM) which is a holistic, integrated, structured and disciplined approach to managing risks with the objective of maximizing shareholder’s value. It aligns strategy, processes, people & culture, technology and governance with the purpose of evaluating and managing the uncertainties faced by the organization while creating value.

ACIL realizes the need to better understand, anticipate and mitigate business risks in order to minimize the frequency and impact of risks. As the company contends with the new responsibility for the risk management, it is looking for greater assurance that there is a system in place, with well-documented, effective mitigation plans and accountability, which provides relevant information for decision making to the appropriate people in a timely manner. Effective risk management allows company to:

- Effectively constrain threats to acceptable levels,
- Have increased confidence in achieving its desired goals and objectives,
- Take informed decisions about exploiting opportunities.

### PRINCIPLES OF RISK MANAGEMENT FRAMEWORK

- Shareholder Value Based: Risk management will be focused on sustaining the creation of shareholder value and protecting against erosion.
- Supported and assured: Risk management will provide support in establishing appropriate processes to ensure that current risks are being managed appropriately and assurance is provided to relevant shareholders over the effectiveness of these processes.
- Reviewed: Effectiveness of the risk management program will be reviewed on a regular basis to ensure in a dynamic and changing business environment.

Risk Management process adopted by Company comprises of the following steps

- ▶ Risk Identification with focus on Strategic, Operational, Financial, and Compliance.
- ▶ Risk Prioritization to identify the key risks for the business.
- ▶ To monitor risks on an ongoing basis.
- ▶ To develop a robust monitoring mechanism at the enterprise level to monitor the mitigation plans.

### INFORMATION TECHNOLOGY

The Company uses Information Technology to provide reliable, contemporary and integrated business processes which enables it to improve all round operational efficiencies. To achieve these objectives, ACIL recognizes Information Technology as a critical business enabler that connects people, officers, companies and all stakeholders through automation and application. The IT function at ACIL has focused on providing end-user satisfaction by ensuring high uptimes, latest modes of communication, business aligned applications and proactive compliance to industry and regulatory needs. All this has improved productivity of users with smooth workflow across all functions of the organization. This has also improved consistency in management practices applied across all the systems.



## **OUTLOOK & STRENGTH**

At ACIL, we believe that change is the only thing that is constant, which is why our consistent endeavor is to stay in step with the times if not ahead of it. Keeping up with the challenges of the 21st century, we have gone in for extensive mechanization and specialization. This not only allows us to a strict control over quality but also helps us in honoring deadlines.

Amongst the new age, state of the arts equipments we have are:

Automatic concrete batching plant

- ▶ Concrete transit mixers
- ▶ Concrete Pumps
- ▶ Mobile and Stationary Heavy duty cranes
- ▶ Ultra-modern Carpentry Workshop with Seasoning Plant

We are also in the course of developing wide area network covering all our sites having no gaps in the system, there is transparency and project Management, Inventory Control, etc. can all be done on real-time basis.

As a result of its consistent quest towards quality, safety and customer satisfaction our organization has got ISO 9001 certification which demonstrates our capabilities at par with the international market.

In order to continually improve our system, expansion of business and venture into new disciplines, we will need to develop some winning strategies which will help combat the initial expenditure and get us major profits in near future. Cost reduction and cost control by effective and efficient planning profitability by adoption of latest techniques for project management, Inventory Control, Quality Management and Introduction of Risk Management, Scope Management, Resource Management.

- ▶ Efficient Tax Planning:
- ▶ R &D to be able to come up with better and more cost effective techniques and methods.
- ▶ More mechanization to improve our efficiency.
- ▶ Adoption of latest management tools and techniques.
- ▶ Proper collection and analysis of records to be able to learn from our mistakes and implementation of corrective and preventive actions in each and every department and project of our organization.
- ▶ Introduction of Information Technology in a big way to make everyone updated and to provide better communication and in hand information from any department and any project anywhere to the top Management.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition thereof. All transactions are authorised, recorded and reported correctly. The internal controls are checked by internal auditors. The observations made by the audit committee of the Board of Directors. Concerns if any are reported to the Board.

The internal control systems of the Company are effective and adequate for business processes with regards to efficiency of the operations, compliance with applicable laws and regulations, financial reporting, etc. which commensurate with the size and complexities of the operations. It provides a reasonable material mismanagement or loss. The capital budgetary control system is in place to ensure that actual spending is in line with budgeting.

The Company has engaged professional firms of Chartered Accountants to conduct internal audit which is required to be carried out as per law. The internal auditors review the adequacy of control systems and suggest improvements. The internal auditors have expressed their satisfaction about the adequacy of the control systems and the manner in which the company is updating its systems and procedures to meet the challenging requirements of business needs. The Audit Committee of Directors enquired with the Management about the quality and depth of the control systems and offered suggestions for improvements.

The recommendations of the Internal Auditors and Audit Committee are followed up effectively for implementation. Following objectives of the internal audit is forming part of audit plan as approved by Audit committee.



- Adherence to the Operating System and manual.
- Performance of operating activities in efficient and effective manner.
- Compliance with the risk management procedures.
- Compliance with the legislative and regulatory provisions.

Audit Committee reviews audit report and also hold discussion with Statutory Auditors.

## **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

The Company focuses on attracting the best talent and enjoys a good brand image among leading construction companies and job seekers. Human resource is one of the key elements to achieve the objectives and strategies of the Company. The Company, therefore, considers its employees as “key Asset”. It provides equitable and fair work environment to its employees. Senior colleagues provide ample support to their junior colleagues with a view to develop their skills and capabilities. The Company continues to maintain Constructive relationship with its employees with a positive environment so as to improve efficiency and productivity. The Company Continues to invest in up-gradation of the Knowledge and Skill of the employees. The Company continuously works to nurture this environment to keep its employees highly motivated, result-oriented and adaptable to changing business environment. A reward and recognition system is in place to provide fast track growth for high potential employees and star performers. Career development workshops are undertaken to identify such high potential employees.

Industrial relations continue to be cordial. Regular communication meetings are held with the workmen representatives to exchange views and to address mutual issues. The labour relations were cordial throughout the year across all the project sites of the Company.

## **CAUTIONARY STATEMENT**

Statements in this Management Discussion and Analysis describing the Company’s Objectives, projections, estimates & expectations may be “forward Looking Statements” within the meaning of applicable laws and regulations. Actual result might differ substantially or materially from those expressed or implied. Important developments that could affect the Company’s Operations include Unavailability of finance at competitive rates- global or domestic or both, reduction in number of viable infrastructure projects, significant changes in political and economic environment abroad, tax Laws, Litigation, interest and other Costs.



Ahluwalia Contracts (India) Limited

**ARUN K. GUPTA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

D-58, East of Kailash  
New Delhi -110 065  
26287884  
Phones : 26287885  
26287886

## **AUDITORS' REPORT**

To  
The members of  
Ahluwalia Contracts (India) Limited

1. We have audited the attached Balance Sheet of M/s. Ahluwalia Contracts (India) Limited, as at 31st March, 2012 and also the Statement of Profit and Loss of the Company for the year ended on that date annexed thereto and the cash flow statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. 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. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, issued by Central Govt. of India in terms of section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters applicable to the company as specified in the paragraph 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, 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 purposes of our audit;
  - b) 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 the books except for as referred to in point No.(i)(a) of the Annexure to the report;
  - 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 dealt with by this report comply with the accounting standards referred to in section 211(3C) of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with significant accounting policies and notes there on give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012;



**Ahluwalia Contracts (India) Limited**

- ii) in the case of Statement of Profit and Loss, of the Loss of the Company for the year ended on that date; and
- iii) in the case of Cash Flow statement of the cash flow for the year ended on that date.

**For Arun K. Gupta & Associates**  
Firm Registration No. 000605N  
Chartered Accountants

**Gireesh Kumar Goenka**  
Partner  
M.No. 96655

Place : New Delhi  
Date : 30-05-2012



**Annexure referred to in paragraph 3 of our report of even date  
Ahluwalia Contracts (India) Limited**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets except for shuttering and scaffolding materials for which considering the nature of the business of the company, maintenance of record is not feasible.
- (b) All fixed assets have not been physically verified by the management during the year. There is a regular programme of verification of fixed assets except for shuttering and scaffolding materials which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. In accordance with the said programme part of the fixed assets have been physically verified by the management during the year. As informed, no material discrepancies were noticed on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of major items of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The company is mainly engaged in the business of construction. In view of multifarious jobs at different sites spread at different locations and practical difficulties, proper records of inventory of only major inputs have been maintained. No material discrepancies were noticed on physical verification of such stocks.
- (iii) (a) The company has granted interest free unsecured loans to its six subsidiary companies listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 594.55 lacs and the year end balance of loans granted to such companies was Rs. 594.55 lacs and the terms and conditions of the loans are not prima facie prejudicial to the interest of the company.
- (b) The aforesaid loan is repayable on demand & there is no repayment schedule.
- (c) Since the loan is repayable on demand, we are unable to comment whether there has been default in repayment.
- (d) As informed to us, 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 Companies Act, 1956. Accordingly the provisions of clause 4(iii) (e, f and g) of the companies (Auditor's Report) order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and also for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register maintained under section 301 of the Companies Act 1956 have been made at prices which are reasonable having regard to prevailing market prices wherever available at the relevant time.



## Ahluwalia Contracts (India) Limited

- (vi) According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 58A & 58AA of the companies Act, 1956 and the rules framed there under.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the company pursuant to the (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out detailed examination of such accounts and records with a view to determining whether they are accurate or complete.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income-tax, value added tax, wealth-tax, custom duty, excise duty, service tax, cess have generally been regularly deposited with the appropriate authorities except for *delays in some cases in Service Tax & TDS*.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees state insurance, income-tax, sales-tax, wealth-tax, custom duty, excise duty, service tax, cess and other undisputed statutory dues were outstanding at the year end for a period of more than six months from the date they became payable.
- (c) According to the records of the company, the dues outstanding of sales-tax, income-tax, custom duty, wealth-tax, excise duty, service tax, cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act	Demand for Excise Duty	46.37	1998-1999 & 2000-2001	CESTAT, New Delhi
Indian Stamp Act	Stamp duty on Real Estate Project	57.42	1990-1991	Allahabad Revenue Tribunal
Work Contract Tax Act, Delhi	Works Contract Tax Demand	15.26	2004-2005	Hon'ble Delhi High Court
Work Contract Tax Act, West Bengal	Works Contract Tax Demand	3.01	1998-1999	Tribunal, Kolkata
Value Added Tax Act Haryana	VAT Demand	5.93	2005-2006	VAT Tribunal Chandigarh
Value Added Tax Act Karnataka	VAT Demand	7.79	2006-2007	Tribunal Court Bangalore
Value Added Tax Act Karnataka	VAT Demand	92.49	2006-2010	Joint Commissioner (Appeal-3), Karnataka
Value Added Tax Act Maharashtra	VAT Demand	16.43	2005-2006	Dy. Commissioner (Audit), Mumbai
Value Added Tax Act Punjab	VAT Demand	473.40	2006-2008	High Court, Chandigarh
Value Added Tax Act Ghaziabad	VAT Demand	20.06	2006-2008	Addl..Commissioner Appeals-IV / Tribunal-I, Ghaziabad
Value Added Tax Act, Delhi	VAT Demand	12597.39	2006-2009	Commissioner, DVAT, New Delhi
Value Added Tax Act, West Bengal	VAT Demand	45.19	2005-2006 & 2006-2007	Directorate of Commercial Tax /Sr. Jt. Commissioner, Kolkata





**Ahluwalia Contracts (India) Limited**

Value Added Tax Act Punjab	VAT Demand	19.57	2005-06	DETC(A), Ludhiana
Value Added Tax Act, West Bengal	VAT Demand	1.54	1997-1998	Settlement Commissioner, Kolkata
The Finance Act 2004 and the Service Tax Rules	Service Tax Demand	7361.61	2004-2009	CESTAT, New Delhi
	Service Tax Demand	211.95	2004-2008	CESTAT, New Delhi
	Service Tax Demand	802.43	Oct.08 to Sept. 09	CESTAT, New Delhi
	Service Tax Demand	13483.26	2008-2010	CESTAT, New Delhi
	Service Tax Demand	4203.88	2010-2011	Commissioner Service Tax, New delhi
	Service Tax Demand	965.47	2008-2012	Commissioner of Service Tax, Karnatak
	Service Tax Demand	1434.97	Sept. 04 to Jan 08 & Apr 08 to Aug 08	AsstCommissioner/Commissioner Service Tax, Kolkata
	Service Tax Demand	472.02	2006-2009	Commissioner / Asst. Commissioner Service Tax, Ludhiana
	Service Tax Demand	25.55	Apr.06 to Oct.09	Additional Commissioner, Chennai.
	Service Tax Demand	15.74	2006-2009	Superintendent (AR Service Tax), Jamnagar
	Service Tax Demand	942.80	2004-2009	Asstt. Commissioner,/ Commissioner (A) , Service Tax, Mumbai
	Service Tax Demand	1647.62	July 2004 to February 2012	Asstt. Commissioner,/ Commissioner S.Tax, Noida
Service Tax Demand	8.71	2007-2008	Asstt. Commissioner Service Tax, Rajkot	

- (x) The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution or banks.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chitfund, nidhi / mutual benefit fund and societies.
- (xiv) In respect of dealing in shares, securities, debentures and other investments, in our opinion and according to the information and explanations given to us, proper records have been maintained for the transactions and contracts and timely entries have been made therein. The shares, debentures and other securities have been held by the company in its own name.
- (xv) *According to the information and explanations given to us, the company has given guarantee for loans taken by its wholly owned subsidiary namely M/s. Ahlcon Ready Mix Concrete Pvt. Ltd. from bank amounting to Rs. 27.00 crore. In our opinion the terms & conditions are not prejudicial to the interest of the company.*



**Ahluwalia Contracts (India) Limited**

- (xvi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xvii) *According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds amounting to Rs. 5,158.47 lacs raised on short term basis have been used for long –term investment.*
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act 1956.
- (xix) The company did not have any debenture outstanding during the year.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For Arun K. Gupta & Associates  
Firm Registration No. 000605N  
Chartered Accountants**

Place : New Delhi  
Date : 30-05-2012

Gireesh Kumar Goenka  
**Partner**  
**M.No. 96655**



**Ahluwalia Contracts (India) Limited**

**AHLUWALIA CONTRACTS (INDIA) LIMITED**  
BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTE NO.	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS FUND</b>			
Share capital	3	125525120	125525120
Reserves & surplus	4	<u>2681214880</u>	<u>3087697763</u>
		2806740000	3213222883
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	5	188114037	66215427
Other long-term liabilities	6	220985175	854747244
Long-term provisions	7	<u>13152455</u>	<u>21538329</u>
		422251667	942501000
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	8	1828620860	1483255950
Trade payables	9	3071688808	2891443680
Other current liabilities	10	2919888635	2292957330
Short term provisions	11	<u>6046145</u>	<u>37189284</u>
		7826244449	6704846244
<b>TOTAL &gt;</b>		<b>11055236116</b>	<b>10860570127</b>

<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	12		
Tangible assets		1504333010	1469155242
Intangible assets		7373673	9442408
Capital work-in progress		<u>307718607</u>	<u>151352746</u>
		1819425290	1629950396
Non-current investment	13	114888940	80378940
Deferred tax assets (net)	14	162049723	162049723
Long-term loans and advances	15	611032400	483161066
Trade receivables	16	572838095	100011956
Other non-current assets	17	<u>532061115</u>	<u>473891851</u>
		1992870273	1299493536
<b>CURRENT ASSETS</b>			
Current investments	18	20000000	0
Inventories	19	2193943890	1679347650
Trade receivables	20	4260641437	4941047178
Cash and cash equivalents	21	498650772	1052996112
Short-term loans and advances	22	231317474	222561121
Other current assets	23	<u>38386981</u>	<u>35174134</u>
		7242940553	7931126195
<b>TOTAL &gt;</b>		<b>11055236116</b>	<b>10860570127</b>

**Significant Accounting Policies and Notes on Accounts**

1&2

**On behalf of the Board of Directors**

**As per our report of even date annexed**  
For **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A

Place : New Delhi  
Date :- 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### AHLUWALIA CONTRACTS (INDIA) LIMITED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2012 (RS.)	YEAR ENDED 31.03.2011 (RS.)
<b>REVENUE FROM OPERATIONS</b>			
Revenue from operations	24	13636102346	16895541286
Other Income	25	<u>109202259</u>	<u>62099525</u>
<b>Total Revenue(A)</b>		<u>13745304605</u>	<u>16957640812</u>
<b>EXPENSES</b>			
Cost of Material Consumed		7792433000	7853814536
Operating Expenses	26	3239971090	4276973857
Purchase of Traded Goods		78877158	49072144
(Increase)/ Decrease in Work in Progress & Stock in Trade	27	(652294222)	118235544
Employee benefit expenses	28	2697169295	2737252357
Finance costs	29	264369407	200079778
Depreciation	12	428819463	338313936
Less Transfer from Revaluation Reserve		<u>167586</u>	<u>167586</u>
Other expenses	30	301211088	308991075
<b>Total Expenses(B)</b>		<u>14150388693</u>	<u>15882565641</u>
Profit before tax and exceptional item		(405084088)	1075075171
Exceptional Item		0	0
<b>PROFIT BEFORE TAX</b>		<b>(405084088)</b>	<b>1075075171</b>
Provision for Current Tax		631209	378499668
Provision for Wealth Tax		600000	500000
Provision for Deferred Tax Liability / (Assets)		0	(11785319)
<b>NET PROFIT AFTER TAX</b>		<b>(406315297)</b>	<b>707860822</b>
Earning per share(Basic)	Rs.	(6.47)	11.28
Earning per share(Diluted)	Rs.	(6.47)	11.28
(Face Value Rs. 2/- each)			
Number of share used in computing earning per share			
Basic		62762560	62762560
Diluted		62762560	62762560

#### Significant Accounting Policies and Notes on Accounts

1&2

#### On behalf of the Board of Directors

As per our report of even date annexed

For **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A

Place : New Delhi  
Date :- 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### 3 SHARE CAPITAL

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>AUTHORISED CAPITAL</b>		
10,00,00,000, Equity Share of Rs. 2/- each (P.Y. 10,00,00,000 Equity Share of Rs. 2/- each)	200000000	200000000
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>		
6,27,62,560, Equity Shares of Rs. 2/- each (P.Y. 6,27,62,560 Equity Shares of Rs. 2/- each) fully paid up (out of this 3,50,030 Equity shares of Rs. 2/- each have been issued for other than cash and 5,58,39,900 Equity shares of Rs. 2/- each have been issued as bonus shares by way of capitalisation of accumulated profits)	125525120	125525120
<b>TOTAL &gt;</b>	<b>125525120</b>	<b>125525120</b>

#### Terms / Rights attached to equity shares

The company has only one class of equity share having a par value of Rs. 2/- per share. Each equity shareholder is entitled for one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors of the company, subject to the approval of the Members/Shareholders of the Company in the ensuing Annual General Meeting.

During the year ended 31st March, 2012, the amount of per share dividend recognised as distribution to equity shareholders is Rs. -Nil- (Previous Year Rs. 0.40)

As per records of the company, including its register of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31-03-2012		As at 31-03-2011	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
At the beginning of the year	62762560	125525120	62762560	125525120
Add : Shares issued during the year	Nil	Nil	Nil	Nil
<b>Outstanding at the end of the year</b>	62762560	125525120	62762560	125525120

Details of shareholders holding more than 5% share in the company		No. of Shares	%age of Holdings	No. of Shares	%age of Holdings
		March 31, 2012	March 31, 2012	March 31, 2011	March 31, 2011
Equity shares of Rs. 2/- each fully paid					
Mr. Bikramjit Ahluwalia	Promoter	5181198	8.26	5181198	8.26
Mrs. Sudershan Walia	Promoter	23562380	37.54	20889380	33.28
Mr. Shobhit Uppal	Promoter	4308000	6.86	4308000	6.86
Mrs. Ram Piari	Promoter	4259900	6.79	4259900	6.79
Mrs. Pushpa Rani	Promoter	3956100	6.30	3956100	6.30
Nalanda India Fund Limited	Body Corporate	3545485	5.65	3522192	5.61
Nalanda India Equity Fund Limited	Body Corporate	3870102	6.17	Nil	Nil



## Ahluwalia Contracts (India) Limited

**Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	No. of share as on 31-03-2012	No. of share as on 31-03-2011
Equity share allotted as fully paid bonus shares on (31-03-2006)	Nil	47071920
Equity share allotted as fully paid up pursuant to contracts for consideration other than cash	NA	NA
Equity share bought back by the Company	NA	NA

### 4 RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
Capital reserve-Opening balance	0	0
Less : Transferred to statement of Profit and Loss	<u>0</u>	<u>0</u>
	0	0
Securities Premium Account	16000000	16000000
Revaluation Reserve		
Balance as per last financial statement	7507112	7674698
Less : Transferred to statement of Profit and Loss	<u>167586</u>	<u>167586</u>
	7339526	7507112
General Reserve		
Balance as per last financial statement	344790243	274790243
Add : Transferred from Profit and Loss account	<u>0</u>	<u>70000000</u>
	344790243	344790243
Surplus/ (Deficit) in the Statement of Profit & Loss-Opening Balance	2719400408	2110717274
Add: Net Profit/(Loss) for the year	<u>-406315297</u>	<u>707860821</u>
<b>Amount available for appropriation</b>	<b>2313085111</b>	<b>2818578095</b>
Less: Appropriations		
Dividend	0	25105024
Dividend tax	0	4072663
Amount transferred to General Reserve	<u>0</u>	<u>70000000</u>
Net surplus in the statement of profit and loss	<u>2313085111</u>	<u>2719400408</u>
<b>Total</b>	<b><u>2681214880</u></b>	<b><u>3087697763</u></b>

### 5 LONG-TERM BORROWINGS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>TERM LOANS</b>		
From Banks	166199671	21196413
From Others	21914366	44786175
<b>VEHICLE LOANS</b>		
From Banks	0	232839
From others	0	0
<b>TOTAL &gt;</b>	<b>188114037</b>	<b>66215427</b>



## Ahluwalia Contracts (India) Limited

### Term Loans

- From Punjab & Sind Bank of Rs. 204822782 (Previous Year -Nil-) is secured by way of
  - a) Negative lien to be created on licensing rights and future lease rentals receivable, through Escrow mechanism of commercial complex with bus depot and workshop to be constructed at Kota.
  - b) All future lease rentals to be received on account of commercial complex at Kota will be charged to Bank and company not to raise any loan against such rent/lease receivables.
  - c) Charge on Escrow accounts : The parking/advertising revenue and lease rentals to be routed through the Escrow account and bank will have right to first appropriate the said cash flows towards recovery of interest/principal installments of term loan, installment of any other charges etc.
  - d) Personal guarantees of (i) Mr. Bikramjit Ahluwalia (ii) Mrs. Sudershan Walia (iii) Mr. Vikaas Ahluwalia. The term loan bear floating interest at the rate base rate plus 2.75% p.a. The term loan repayable in 32 quarterly installments of Rs. 131.25 lacs each starting from September, 2012.
- Term Loan facilities from HDFC Bank of Rs.2,11,96,415/-(P.Y Rs.6,07,01,086/-) against machinery are secured by way of hypothecation of specified machinery . The term loan bear interest rate 8.25% to 9.50%. The terms loans are repayable in monthly installments .
- Other Term Loan From Tata Capital Ltd., TML Financial Services Ltd., Magma Fincorp Ltd., SREI Equipments Finance Pvt. Ltd., are secured by way of hypothecation of specified machinery / vehicle. The term loan bear interest rate 8.40% to 12.25%. The terms loans are repayable in monthly installments .

### 6 OTHER LONG-TERM LIABILITIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Mobilisation Advance	220985175	854747244
<b>TOTAL &gt;</b>	<b>220985175</b>	<b>854747244</b>

### 7 LONG-TERM PROVISIONS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Provision for Gratuity	13152455	21538329
<b>TOTAL &gt;</b>	<b>13152455</b>	<b>21538329</b>





## Ahluwalia Contracts (India) Limited

### 8 SHORT-TERM BORROWINGS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
SECURED		
Working Capital Loan from Banks	1828620860	1413255950
Working Capital Loan from Others	0	70000000
<b>TOTAL &gt;</b>	<b>1828620860</b>	<b>1483255950</b>

Working Capital loans From various banks are secured by way of

- First pari pasu charges on all existing and future current assets of the company
- Equitable mortgage of commercial property at Plot No. A-177, Okhla Industrial Area, Phase-I, New Delhi - Rs. 2.28 crores, valuation report dated 3.3.2007, equitable mortgage of commercial property at Plot No. 4, Community Centre, Saket, New Delhi - Rs. 9.76 crores, valuation report dated 8.12.2007, equitable mortgage of residential property at Plot No. B-7, Saket, New Delhi - Rs. 5.79 crores, valuation report dated 3.3.2007.
- Demand Promisory Note and letter of continuity for Rs. 78 crores.
- Personal guarantee of  
(i) Mr. Bikramjit Ahluwalia (ii) Mr. Shobhit Uppal (iii) Mrs. Sudersahan Walia & (iv) Mr. Vikaas Ahluwalia

The working capital loans from Banks bear floating interest rate ranging from base rate plus 2% to 5%.

### 9 TRADE PAYABLES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Trade Payables		
Dues to Micro and Small Enterprises (refer note -34)	3706044	6572969
Others	3067982765 *	2884870711
<b>TOTAL &gt;</b>	<b>3071688809</b>	<b>2891443680</b>

\* Includes Rs. 1,46,64,235/- ( P.Y. Rs. 2,67,14,172/-) due to subsidiary company.

### 10 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Current maturities of term loans from banks (refer note-5)	59819526	41474473
Current maturities of term loans from others (refer note-5)	57399436	49526055
Current maturities of vehicle loans from banks (refer note-5)	232838	756103
Current maturities of vehicle loans from others (refer note-5)	0	521921
Mobilisation Advance	1967624165	1305059578
Advance Against Material at Site	341538218	394609336
Advance against flat booking	16714279	32359843



## Ahluwalia Contracts (India) Limited

Dues to Statutory Authorities	167251355	204801771
Due to Directors	8305526	7662167
Other payables	299889678	254702951
Interest accrued but not due on borrowing	707543	1111385
Unclaimed Dividend (1)	406072	371747
<b>TOTAL &gt;</b>	<b>2919888636</b>	<b>2292957330</b>

(1) To be transferred to Investor Education and Protection Fund as & when due.

### 11 SHORT-TERM PROVISIONS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
For Gratuity	5446145	7511597
For Income Tax ( Net of advance/TDS payments)	0	0
For Wealth Tax	600000	500000
Proposed Equity Dividend	0	25105024
Tax on proposed Equity Dividend	0	4072663
<b>TOTAL &gt;</b>	<b>6046145</b>	<b>37189284</b>

13 NON-CURRENT INVESTMENT	Balance AS AT 1.4.11 (Rs.)	Additions during the year	sale/ Adjustment during the year	Balance AS AT 31.3.12 (Rs.)
<b>INVESTMENTS IN EQUITY SHARES</b>				
<b>A. TRADE INVESTMENTS FULLY PAID UP (AT COST) UNQUOTED</b>				
(1) 1662 (P.Y. 1662) Equity shares of Rs. 100/- each M/s. Ahluwalia Builders & Development Group Pvt. Ltd. a company in which directors are interested	166200	0	0	166200
(2) 2500 (P.Y. 2500) Equity shares of Rs. 100/- each M/s Ahlcons India Pvt. Ltd. a company in which directors are interested	250000	0	0	250000
(3) 17274 (P.Y. 17274) Equity shares of Rs. 10/- each M/s. Capricon Industrials Ltd. a company in which directors are interested	172740	0	0	172740
(4) 10000000 (P.Y. 6549000) Equity shares of Rs.10/- each M/s. Ahlcon Ready Mix Concrete Pvt. Ltd. (wholly owned subsidiary)	65490000	34510000	0	100000000
(5) 10000 (P.Y. 10000) Equity shares of Rs.10/- each M/s. Preamsagar Merchants Pvt. Ltd. ( wholly owned subsidiary)	2860000	0	0	2860000
(6) 10000 (P.Y. 10000) Equity shares of Rs.10/- each M/s. Paramount Dealcomm Pvt. Ltd. ( wholly owned subsidiary)	2860000	0	0	2860000
(7) 10000 (P.Y. 10000) Equity shares of Rs.10/- each M/s. Splendor Distributors Pvt. Ltd. ( wholly owned subsidiary)	2860000	0	0	2860000
(8) 10000 (P.Y. 10000) Equity shares of Rs.10/- each M/s. Dipesh Mining Pvt. Ltd. ( wholly owned subsidiary)	2860000	0	0	2860000
(9) 10000 (P.Y. 10000) Equity shares of Rs.10/- each M/s. Jiwan Jayoti Traders Pvt. Ltd. ( wholly owned subsidiary)	2860000	0	0	2860000
Aggregate investments in equity shares	<b>80378940</b>	<b>34510000</b>	<b>0</b>	<b>114888940</b>
Less:- Aggregate Provision for diminution in value of investments	0			0
<b>TOTAL &gt;</b>	<b>80378940</b>	<b>34510000</b>	<b>0</b>	<b>114888940</b>



**AHLUWALIA CONTRACTS (INDIA) LIMITED**

**12 FIXED ASSETS**

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	COST AS ON 1/4/2011 (RS.)	ADDITIONS DURING THE YEAR (RS.)	SALES/ADJUSTMENTS DURING THE YEAR (RS.)	TOTAL AS ON 31/03/2012 (RS.)	UPTO 31/03/2011 (RS.)	DURING THE YEAR (RS.)	ADJUSTMENTS DURING THE Year (RS->)	TOTAL AS ON 31/03/2012 (RS.)	WD.V AS ON 31/03/2012 (RS.)	WD.V AS ON 31/3/2011 (RS.)
LAND-LEASEHOLD	26817315	1898367		28715682	1773065	363860		2136925	26578757	25044250
LAND-FREEHOLD	27251750		3924000	23327750	0			0	23327750	27251750
BUILDING	56740471			56740471	6263934	924870		7188804	49551667	50476537
TEMPORARY STRUCTURES	31494675	6575254		38069929	28087211	7123858		35211069	28588660	3407464
PLANT & MACHINERY	1185919559	105516506		1291436065	220006341	59520883		27956824	1011867641	965913218
SHUTTERING MATERIAL	1103862531	320145922		1424008453	937233876	315972219		1253206095	170802358	166628655
EARTH MOVERS	48748346	5876006		54624352	28120550	6039501		34160051	20464301	20627796
VEHICLES	123662561	9134198	3786308	129010451	43810416	12116867	1976917	53950366	75060085	79852145
COMMERCIAL VEHICLES	128732723	4951365	133684088	136684088	56299715	14865919		71165634	62518454	72433008
FURNITURE & FIXTURES	15191366	2294513		17485879	8492903	1005493		9498396	7987483	6698463
OFFICE EQUIPMENTS	30380462	2769721		33150183	8917638	1383963		10301601	22848582	21462824
AIR CONDITIONERS	11218431	2061781		13280212	2633813	604917		3238730	10041482	8584618
COMPUTERS	41017765	5473012		46490777	20243251	5821936		26065187	20425590	20774514
<b>INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	11874673	965242		12839915	2432265	3033977		5466242	7373673	9442408
<b>GROSS TOTAL=&gt;</b>	<b>2842912628</b>	<b>467661887</b>	<b>7710308</b>	<b>3302864207</b>	<b>1364314978</b>	<b>428819463</b>	<b>1976917</b>	<b>1791157524</b>	<b>1511706683</b>	<b>1478597650</b>
<b>PREVIOUS YEAR =&gt;</b>	<b>2295320122</b>	<b>554573791</b>	<b>6981285</b>	<b>2842912628</b>	<b>1027543229</b>	<b>338313936</b>	<b>1542187</b>	<b>1364314978</b>	<b>1478596650</b>	<b>1267776893</b>

CAPITAL WORK-IN-PROGRESS

307718607 151352746

NOTE :-

- Gross Block of Plant & Machinery, Shuttering Material, Earth Movers, Vehicles and Commercial Vehicles includes Rs.37,50,33,574/- (P.Y.40,93,67,917/-), Rs.13,16,32,188/- (P.Y.Rs. 16,08,07,724/-), Rs.54,71,956/- (P.Y.Rs.1,13,34,079/-), Rs.13,61,52,327/- (P.Y.Rs.15,06,22,626/-) taken on hire purchase/finance respectively.
- Land lease hold includes Rs.1359872/- pending registration in the name of the company.
- Building (cost of Floor) includes Rs.1,36,80,000/- pending registration in the name of the company.
- Capital Work-in-Progress, Plant & Machinery in transit Rs.2,60,00,000/- (P.Y. 37,78,163), Service concession arrangement (Refer Note No-39) Rs.28,17,18,607/- (P.Y. 14,75,74,583/-)



## Ahluwalia Contracts (India) Limited

### 14 DEFERRED TAX

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Deferred tax Assets		
Timing difference on account of Depreciation (Difference as per books & as per Income Tax Act)	161038553	135857748
On account of Disallowance u/s 43B Provisions	136494480	26191975
<b>Total(A)</b>	<b><u>297533033</u></b>	<b><u>162049723</u></b>
Deferred tax Liabilities		
	0	0
<b>Total(B)</b>	<b><u>0</u></b>	<b><u>0</u></b>
Net deferred Tax Assets/(Liabilities)(A-B)	297533033	162049723
Net deferred Tax Assets /(Liabilities) for the year	<u>135483310</u>	<u>11785319</u>

Note:- In consonance of prudent accounting practice the deferred tax assets arisen on unabsorbed depreciation and carried forward losses for the year has not been recognised. However, deferred tax assets of earlier years has not been derecognised in view of the projected profitability on the new projects awarded to the company and are to be executed in following years as the management believes that there would be sufficient profit to absorb deferred tax assets recognised in the books.

### 15 LONG-TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Unsecured Considered Good Loans to Subsidiaries	59455162	47225163
Capital advances	43992112	47712645
Advances recoverable in cash or in kind or for value to be received		
i) Advance against Real Estate project	55000000	205000000
ii) Earnest Money Deposit	26907797	36227982
iii) Staff Advance	856451	2196615
iv) Advance Income tax /TDS (net of provisions)	342367732	57408283
v) Others	82453146	87390378
	<u>507585126</u>	<u>388223258</u>
Unsecured , considered doubtful Advance against Real Estate project	16000000	18000000
	627032400	501161066
Less: Provision for doubtful advances	16000000	18000000
<b>TOTAL &gt;</b>	<b><u>611032400</u></b>	<b><u>483161066</u></b>



## Ahluwalia Contracts (India) Limited

### 16 TRADE RECEIVABLES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>Receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
<b>Unsecured, considered good</b>		
Retention Money	70323163	78868819
Against Running Bills	<u>502514932</u>	<u>21143137</u>
	572838095	100011956
<b>Unsecured, considered doubtful</b>		
Retention Money	11959499	2400502
Against Running Bills	<u>38644210</u>	<u>27639766</u>
	50603709	30040268
Less: Provision for doubtful debts	50603709	30040268
<b>TOTAL &gt;</b>	<b><u>572838095</u></b>	<b><u>100011956</u></b>

### 17 OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Deposits with maturity more than 12 months	494444928	442035886
Interest Receivable on deposits	34505881	28378990
Security Deposits	3110306	3476975
Prepaid Expenses		
<b>TOTAL &gt;</b>	<b><u>532061115</u></b>	<b><u>473891851</u></b>

### 18 CURRENT INVESTMENTS

PARTICULARS	Balance As at 01.04.2011 (Rs.)	Additions During the Year (Rs.)	Sale/ Adjustment During the Year (Rs.)	Balance As at 31.03.2012 (Rs.)
-------------	---	---------------------------------------	--	---

#### Non Trade-unquoted

(valued at the lower of cost and fair value)

(1) Punjab & Sind Bank Growth plan (9999.15 units purchased of Rs. 1000.07 each fully paid up) (P.Y. nil) (4999.55 units sold during the year) (P.Y. nil)	0	10000000	5000000	5000000
(2) Punjab & Sind Bank Dividend plan daily (8,05,723.862 units purchased of Rs. 18.6168 each fully paid up) (P.Y. nil)	0	15000000	0	15000000
	0	25000000	5000000	20000000

**Aggregate market value as on 31/3/2012**

**20290139**



## Ahluwalia Contracts (India) Limited

### 19 INVENTORIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Work in Progress	1098894073	446599851
Raw Material (includes in transit Rs113,29,340/-(P.Y.Rs.4,93,10,401/-)	1095049817	1232747799
<b>TOTAL &gt;</b>	<b><u>2193943890</u></b>	<b><u>1679347650</u></b>

### 20 TRADE RECEIVABLE

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
-------------	---------------------------	---------------------------

#### Receivables outstanding for a period exceeding six months from the date they are due for payment

##### Unsecured, considered good

Retention Money	1066075884		925830459
Against Running Bills	<u>588256345</u>	1654332230	<u>223238386</u> 1149068846

##### Others debts

##### ( Unsecured, considered good)

Retention Money	5943344		59010674
Against Running Bills	<u>2600365863*</u>	<u>2606309207</u>	<u>3732967658</u> 3791978332
<b>TOTAL &gt;</b>		<b><u>4260641437</u></b>	<b><u>4941047178</u></b>

\* Includes Rs. 84,90,574/- ( P.Y. Rs. 1,86,04,332/-) due from related party.

### 21 CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Cash-in-hand	110928109	87214388
Balance with banks		
In current accounts	366822984	849583110
In unpaid dividend accounts(1)	406072	371747
Deposits with maturity with less than 3 months	<u>20493607</u>	<u>35826867</u>
<b>Total (A)</b>	<b><u>498650772</u></b>	<b><u>972996112</u></b>
Other Bank Balance		
Deposits with maturity more than 3 months but less than 12 months	0	80000000
Deposits with maturity more than 12 months (2)	<u>494444928</u>	<u>442035886</u>
	<b><u>494444928</u></b>	<b><u>522035886</u></b>
Less : Amount disclosed under non current assets	<u>494444928</u>	<u>442035886</u>
<b>Total (B)</b>	<b><u>0</u></b>	<b><u>80000000</u></b>
<b>Total (A+B)</b>	<b><u>498650772</u></b>	<b><u>1052996112</u></b>

(1) These balances are not available for the use by the company as they represent corresponding unpaid dividend liabilities.

(2) Pledged with banks as margin for bank gaurentees, letter of credit and deposited with the court for legal cases against the company.



## Ahluwalia Contracts (India) Limited

### 22 SHORT-TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Unsecured Considered Good		
Advances recoverable in cash or in kind or for value to be received		
i) Earnest Money Deposit	6680000	18471000
ii) Advance to companies in which Directors are interested	76492852	37960273
iii) Advance to Suppliers & Petty Contractors	135672587	152407310
iv) Advance to Staff	10883046	10266549
v) Others	1588989	3455989
<b>TOTAL</b>	<b><u>231317474</u></b>	<b><u>222561121</u></b>

### 23 OTHER CURRENT ASSETS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Interest Receivable on deposits	0	751125
Prepaid Expenses	38386981	34423009
<b>TOTAL &gt;</b>	<b><u>38386981</u></b>	<b><u>35174134</u></b>

### 24 REVENUE FROM OPERATIONS

PARTICULARS	YEAR ENDING 3/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Contract Work Receipts	13486388301	16602439112
Sales Trading (Construction related Material )	109601089	62830714
Sale Real Estate Stock	0	21000000
Sale (Scrap)	40112956	20271460
<b>TOTAL &gt;</b>	<b><u>13636102346</u></b>	<b><u>16895541286</u></b>

### 25 OTHER INCOME

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Interest on deposits	52331156	37044028
Rent	4430025	7965768
Liabilities Written Back	48584012	7077110





## Ahluwalia Contracts (India) Limited

Profit on sale of Fixed Assets	0	0
Exchange Fluctuation gain (net)	319566	1521648
Provision for Doubtful Debts Written Back	1500000	4953471
Provision for doubtful advances Written Back	2000000	0
Bad Debts recovered	0	3500000
Dividend on Long Term Investment	37500	37500
<b>TOTAL &gt;</b>	<b><u>109202259</u></b>	<b><u>62099525</u></b>

### 26 OPERATING EXPENSES

<b>PARTICULARS</b>	<b>YEAR ENDING 31/03/2012 (RS.)</b>	<b>YEAR ENDING 31/03/2011 (RS.)</b>
Cost of Goods Sold (Real Estate)	0	141474780
Sub-Contracts	2310878420	3134753140
Professional Charges	65535114	37330859
Power & Fuel	314470575	333308122
Machinery & Shuttering Hire Charges	298853727	388439693
Machinery Repair & Maintenance	106569889	102717753
Commercial Vehicle Running & Maintenance	9115744	8335748
Testing Expenses	11076962	11736488
Insurance Expenses	40124997	32154879
Watch & Ward Expenses	83345663	86722395
<b>TOTAL</b>	<b><u>3239971090</u></b>	<b><u>4276973857</u></b>

### 27 (INCREASE)/ DECREASE IN WORK IN PROGRESS & STOCK IN TRADE

<b>PARTICULARS</b>	<b>YEAR ENDING 31/03/2012 (RS.)</b>	<b>YEAR ENDING 31/03/2011 (RS.)</b>
Work-in-Progress		
Opening Stock:	446599851	564835395
Closing Stock	1098894073	446599851
	<b><u>652294222</u></b>	<b><u>118235544</u></b>



## Ahluwalia Contracts (India) Limited

### 28 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
<b>Staff Cost</b>		
Salaries and other benefits (Including Directors Remuneration Rs.208,63,413/- previous year Rs. 190,36,266/-)	878875524	771132579
Employees Welfare	35278213	41907733
Employer's Contribution to Provident and Other Funds.	26611334	29938528
	940765071	842978840
<b>Labour Cost</b>		
Labour Wages & other benefits	1647099293	1778050280
Contribution to Provident & Other Funds	26707697	23976260
Hutment Expenses	10716725	8106746
Labour Welfare	71880509	84140231
	1756404224	1894273517
<b>TOTAL &gt;</b>	<b>2697169295</b>	<b>2737252357</b>

### 29 FINANCE COSTS

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Interest on Term Loans	18232926	13662737
Interest on Working Capital & Others	201371010	144074566
Interest on Income Tax	1294600	0
Upfront/Processing fee	6689593	9035628
Bank Charges	36781278	33306847
<b>TOTAL &gt;</b>	<b>264369407</b>	<b>200079778</b>

### 30 OTHER EXPENSES

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Electricity & Water Charges	6938843	4425611
Rent	99331703	96593051
Travelling & Conveyance Expenses	40220569	37646383
Travelling & Conveyance (Directors)	4593630	5331000
Legal & Professional Charges	26324434	17948727
Repairs & Maintenance :-		
Building	555750	327720
Others	15745437	15551966
Vehicle Running & Maintenance	28275036	28522981
Postage, Telegram and Telephone Expenses	20442898	23023036
Printing and Stationery	15830155	17956170
Advertisement	900733	2548047
Business Promotion	2439031	1812288



**Ahluwalia Contracts (India) Limited**

Charity & Donation (other than Political party)	974957	1305635
Insurance Charges	3401745	2592049
Watch & Ward Expenses	2634970	1861512
Rates & Taxes	1632054	1097128
Workman Compensation	315838	3836946
Miscellaneous Expenses	5971050	10231946
Payment to Auditors	2314165	2653813
Loss on Sale of Fixed Assets(net of Profit of Rs 604601/-, P.Y Rs -nil-)	94648	2912903
Theft Loss	0	5000000
Bad Debts Written Off	0	1056260
Provision for doubtful debts	22063440	24600903
Provision for doubtful advances	0	0
Directors Sitting Fees	210000	155000
<b>TOTAL &gt;</b>	<b><u>301211088</u></b>	<b><u>308991075</u></b>



## AHLUWALIA CONTRACTS (INDIA) LIMITED

### NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2012.

#### (1) NATURE OF OPERATIONS

Ahluwalia Contracts (India) Limited is primarily in the business of construction of structural and buildings.

#### (2) SIGNIFICANT ACCOUNTING POLICIES

##### (A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- (i) The Financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles, in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India from time to time and provisions of the Companies Act, 1956 as adopted consistently by the company, unless otherwise stated.
- (ii) The company generally follows Mercantile System of accounting and recognises items of Income and Expenditure on accrual basis except:-  
  
Works contract tax deducted at source including on advances by clients are charged to statement of profit and loss in the year of deduction and the refunds, if any, are accounted for in the year of receipt.
- (iii) Expenditure incurred in respect of additional costs/delays is accounted in the year in which they are incurred. Claims made in respect thereof are accounted as work receipts in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client.

##### (B) REVENUE RECOGNITION

- (i) Revenue recognition and valuation of the contract WIP are as per Accounting Standard AS-7. Work receipts are taken on percentage completion method, stated on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto. The site mobilisation expenditure for site installation is apportioned over the period of contract in proportion to value of work done. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.
- (ii) Sub contracts expenses are accounted on the basis of bills certified by principal. Cost of sub contract includes the cost of material wherever applicable.
- (iii) In respect of Real Estate projects the sales are accounted for at the time of handing over the possession of the flat / space to the buyers.
- (iv) Stage / percentage of completion is determined with reference to the certificates given by the Clients / Consultants appointed by Clients as well as on the billing schedule agreed with them for the value of work done during the year.
- (v) Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.

##### (C) FIXED ASSETS

- (i) Fixed Assets are stated at Cost of acquisition. Fixed Assets acquired under Hire Purchase Schemes are capitalised at their principal value and hire (finance) charges are charged off as revenue expenditure.
- (ii) Company's Land & Buildings have been revalued as on 31-03-1992 by Government



## Ahluwalia Contracts (India) Limited

approved registered valuer on the basis of their prevailing day value. Difference between the total value of these assets on revaluation and written down value as on 31.03.1992 of Rs. 10,691,246/- had been credited to revaluation reserve account.

### (D) DEPRECIATION / AMORTISATION

- (i) Depreciation is provided on straight line method in accordance with Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation on Addition/Deletion from the assets during the year is provided on pro-rata basis.
- (iii) Depreciation on shuttering material is provided @ 100% on prorata basis. Items costing below Rs. 5000/- are provided @ 100% on prorata basis / charged to the statement of Profit & Loss.
- (iv) Depreciation is charged on the historical cost of Fixed Assets (Except for Revalued Assets) including taxes, duties and installation costs.
- (v) Depreciation on revalued amount of Fixed Assets is being charged to Revaluation Reserve Account.
- (vi) Lease hold land is amortised over the period of lease.

### (E) INTANGIBLES

Software costs relating to acquisition of initial software licence fee and installation cost are capitalized in the year of purchase and amortized on straight line basis over its useful life, which is considered to be of a period of five years.

### (F) IMPAIRMENT OF ASSETS

The company makes an assessment of any indicator that may lead to impairment of assets on an annual basis. An impairment loss is recognised wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing value in use valuation is done by the estimated future cash flows (discounted to their present value, based on an appropriate discounting factor) are used. Impairment losses are recognised in the statement of Profit and Loss.

### (G) BORROWING COST

Borrowing Costs specifically related to acquisition of fixed assets are capitalized as part of the cost of fixed assets till the date ready to put to use. Other borrowing costs are charged to statement of Profit & Loss.

### (H) INVESTMENTS

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of such investments.

### (I) INVENTORIES

- (i) Stocks are valued at cost or net realisable value whichever is lower.
- (ii) Work-in-progress is valued on the basis of expenditure attributed to project up to the date of Balance sheet.

### (J) EMPLOYEE BENEFITS

#### (a) Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period.



## Ahluwalia Contracts (India) Limited

### **(b) Post-employment benefits:**

- (i) Retirement benefits in the form of the Company's contribution to Provident Fund etc. are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.
- (ii) The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date. When the calculation results in a benefit to the company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan. Actuarial gains and losses are recognized immediately in the statement of profit & loss.

### **(K) FOREIGN EXCHANGE TRANSACTIONS**

- (i) Transactions arising in Foreign Currency are converted at the exchange rates prevailing as on date of transactions. Monetary Assets & Liabilities denominated in Foreign Currencies are restated at year end exchange rates. All exchange difference arising on conversion are charged to statement of Profit & Loss.
- (ii) Forward Exchange Contracts (Derivative Instruments) not intended for trading or speculation purposes

The Company uses derivative financial instruments including forward exchange contracts to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

### **(L) CONCESSION ARRANGEMENT**

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant assumptions used in accounting for the intangible asset are given below:

The intangible assets are measured at cost, i.e. fair value of the construction service. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which will be recognized by reference to the stage of completion of the Construction. The intangible asset is assumed to be received only upon completion of construction and recognized on such completion. Until then, the expenditure incurred on this project will be debited as "Capital Work in Progress" under the main head of "Fixed Assets". The value of the intangible asset shall be amortized over the estimated useful life. The carrying value of intangible asset is reviewed for impairment when events or changes in circumstances indicate that the carrying value may be recoverable.

### **(M) TAXATION**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax result-



## Ahluwalia Contracts (India) Limited

ing from timing differences between book & tax profits is accounted for under the liability method, at the substantively enacted rate of tax on the balance sheet date, to the extent that the timing differences are expected to crystallise/ capable of reversal as deferred tax charge/benefit in the statement of profit & loss and as deferred tax liability/assets in the balance sheet.

### (N) PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

### (O) LEASES

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit & Loss on a straight-line basis over the lease term.

### (P) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity shares.

### 31a. CONTINGENT LIABILITIES NOT PROVIDED FOR

S.No.	Particulars	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
a)	Counter guarantees given to bankers against Bank guarantees	498,71,41,271	473,24,73,185
b)	Indemnity Bonds/Performance Bonds/ Surety Bonds / Corporate guarantees given to clients	113,29,94,715	126,43,95,704
c)	Value Added Tax liability	151,21,36,263	150,70,38,998
d)	Demand of stamp duty on Real Estate Project Claims against the company not	57,41,980	57,41,980
e)	Acknowledged as debts	49,54,04,581	29,33,60,739
f)	Excise duty demand for F.Y. 1998-99 & 2000-2001	46,37,000	46,37,000
g)	Service tax demand on alleged wrong availment of abatement on account of free supply of material by the Client	315,76,01,821	196,11,49,906
h)	Income tax demand	-	5,02,111



## Ahluwalia Contracts (India) Limited

Based on legal opinion taken by the Company, discussions with the advocates etc, the Company believes that there is fair chance of decisions in its favour in respect of all items listed in (c) to (g) above and hence no provision is considered necessary against the same. The reply/appeal have been filed before appropriate authority/Court. Disposal is awaited.

31b. Capital commitments :- Capital contracts remaining to be executed (net of payments) and not provided for Rs. 43,82,81,393/-(Previous Year Rs. 58,39,37,834/-)

32a. The company had executed Common Wealth Games Village Project and raised R.A. bills amounting to Rs. 638,87,67,898/- up to the March, 2011 which have been certified to the extent of Rs. 571,84,67,898/-. The company has further raised bills and lodged the claims of Rs. 418,02,86,608/- on the client with respect to additional works on account of deviations and other aspects which is disputed by the client. The client has in turn raised a counter claim on the company for Rs.250,92,91,002/-.

As per the terms of the agreement , both the parties have initiated process of arbitration and accordingly appointed arbitrators.

The company filed an application for the appointment of presiding arbitrator in High Court of Delhi which is pending before the Court. The management believes a favourable outcome of negotiations/ judicial proceedings and confirm recovery of dues.

b. On 19th Jan, 2011 Sri Sumeru Realty Pvt. Ltd (SSRPL) Bangalore, a client invoked the Bank Guarantees amounting to Rs 500,44,760/- and terminated the Contract on 10.03.2011. The Company filed petition in the District and Sessions Court, Bangalore to restrain the Bank for release of Payment against these Bank Guarantees. The Court restrained the Bank to release the payment of Bank Guarantees. The Company has also filed petition in the District Court, Bangalore on 20.3.2011 to secure its claims of Rs. 22,74,79,303/-

The company appointed the arbitrator but Sumeru did not. The company filed an application for appointment of arbitrator in Bangalore High Court on behalf of Sumeru. Both the arbitrators have appointed presiding arbitrator. The matter is pending before the arbitrators. The management believes a favourable outcome of judicial proceedings / negotiations and confirm recovery of dues.

c. The Construction of Festival City, Ludhiana was awarded on 10.03.2006 for a contract value of Rs 11,00,00,000/- to be completed in a period of 15 months. The project was delayed due to various reasons and under suspension since June 2009. During the course of the execution of the project, the Company had entered in to an agreement to create strategic account & agreement to sell in April 2007 for contiguous office space of 28744 sq ft for a total sale consideration of Rs 6,46,74,743/-.

The Client's bankers have taken over possession of the project (Building) under SARFESI Act and have filed a suit for securitization of space allotted under strategic account.

The recovery of the Company's dues are dependent upon decision of the judicial process. However, the management believes a favourable outcome of proceedings and confirm recovery of dues.

33. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provisions for depreciation and for all known liabilities are adequate and not excess or short of the amount considered necessary.

34. The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Company, the balance due to Micro & Small Enterprises as defined under the MSMED Act, 2006 is as under:

No.	Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006	As at 31st Mar, 2012 (Rs.)	As at 31st Mar, 2011 (Rs.)
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## Ahluwalia Contracts (India) Limited

i	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of year.		
	Principal Amount Unpaid	37,06,044	65,72,969
	Interest Due	8,33,560	4,52,257
ii	The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year		
	Payment made beyond the Appointed Date	1,19,22,164	78,00,746
	Interest Paid beyond the Appointed Date	-	-
iii	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of the year; and	18,43,886	10,10,326
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

- 35 The Company has 100% wholly owned subsidiaries namely M/s. Ahlcon Ready Mix Concrete Pvt. Ltd., Dipesh Mining Pvt. Ltd., Jiwani Jyoti Traders Pvt. Ltd., Paramount Dealcomm Pvt. Ltd., Premsagar Merchants Pvt. Ltd. and Splendor Distributors Pvt. Ltd.
- 36 (a) Sundry Debtors, Advances Recoverable and Sundry Creditors balances appearing in the Balance Sheet are subject to confirmation.
- (b) Advance payments received towards contracts are secured by Bank Guarantees and/or indemnity bonds issued by the company.
37. Loans & Advances in the nature of Loans given to Subsidiary Companies (as required by clause 32 of the listing agreement) :-

S.No.	Subsidiary Companies	As at 31.03.2012 (Rs.)	Maximum Balance during the year (Rs.)	As at 31.03.2011 (Rs.)	Maximum Balance during the previous year (Rs.)
i)	Ahlcon Ready Mix Concrete Pvt. Ltd.	1,20,00,000	1,20,00,000	-	-
ii)	Dipesh Mining Pvt. Ltd.	1,04,41,304	1,04,41,304	1,04,41,304	1,04,41,304
iii)	Jiwani Jyoti Traders Pvt. Ltd.	84,46,795	84,46,795	84,46,795	84,46,795



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iv)	Paramount Dealcomm Pvt. Ltd.	84,46,005	84,46,005	84,46,005	84,46,005
v)	Premasagar Merchants Pvt. Ltd.	1,05,25,203	1,05,25,203	1,04,45,203	1,04,45,203
vi)	Splendor Distributors Pvt. Ltd.	95,95,855	95,95,855	94,45,855	94,45,855
	<b>TOTAL</b>	<b>5,94,55,162</b>	<b>5,94,55,162</b>	<b>4,72,25,162</b>	<b>4,72,25,162</b>

### 38. Bus Terminal and Depot and Commercial Complex at Kota

- i) The Company entered into an "Agreement to Develop" with Rajasthan State Road Transport Corporation (RSRTC), grantor, for Development/Construction of Bus Terminal and Depot and Commercial Complex at Kota, on 19th September, 2007. The project was to be completed within 18 months. Delay in approval of drawing by Statutory Authorities affected the progress of the project and delay in completion.
- ii) The project cost has been estimated Rs. 72,00,00,000/- out of which Rs. 28,17,18,607/- have been spent till 31.03.2012. The expenditure incurred has been shown in Balance Sheet under the main head "Fixed Assets" and sub-head "Capital Work in Progress" as "Intangible Asset". The total expenditure will be amortized during the useful period taking into account the revenue receivable for remaining useful period.
- iii) Right to Lease Commercial Complex: The period of lease of right of Commercial complex is 40 years (30 years + 10 years extended period) from the date of completion of the project. Thereafter, the Commercial Complex will be handed over to RSRTC.
- iv)
  - a) Revenue from advertisement, outside the building shall be shared 50% to RSRTC & 50% to the Licensee. No Revenue sharing from advertisement etc. inside the building.
  - b) The revenue from commercial complex will be shared with RSRTC in the following manner:

S.No.	Details of area/ space to be used for shops/stalls or other occupants at Bus Stand Kota	License fee upto 36 months	License fee after 36 months upto the license period of 30 years	License fee after 30 years for a further period of 10 years
1)	For the space area 15 Sqm or more area	Rs. 10/- per Sqm per month	Rs 50/- per Sqm per month with 10% cumulative increase every year.	License fee effective as on Completion of 30 years and others terms & conditions will remain unchanged.
2)	For space less than 15 Sqm	Rs 150/- per month in each case.	Rs 750/- per month in each case with 10% cumulative increase every year.	License fee effective as on completion of 30 years and others terms & conditions will remain unchanged.

- v) Maintenance Obligations: The maintenance of Bus Terminal and Depot is the responsibility of RSRTC. It will be Contractual obligations to maintain the commercial complex. The actual maintenance charges will be recovered from the occupants of the commercial complex.

During the year Company has received No objection certificate (NOC) from Airport Authority of India (AAI) Delhi in respect of permissible limit of height of 26.56 mtrs and submitted revised Drawings/ plans to Urban Improvement Trust (Kota) duly acknowledged/signed by RSRTC, Kota for approval, which is awaited. In case of the aforesaid agreement the delay in approval of drawings has automatically extended the completion date as the entire project is to be completed within 18 months from the last approval given by local authority/ government agency.



## Ahluwalia Contracts (India) Limited

### 39. Employee Benefits:

- a) Effective from 1st January'2007, the Company adopted Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountant of India.
- b) The following table sets out the status of the gratuity scheme plan as at 31st March, 2012

Financial Assumptions:-	As on 31.03.2010	As on 31.03.2011	As on 31.03.2012
Discount Rate:	7.60%	7.90%	8.60%
Rate of increase in Compensation levels:	7.00%	7.00%	6.00%
Rate of Return on Plan Assets:	9.25%	9.25%	9.25%

#### I. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS DURING THE PERIOD

Present Value of Obligation as at the beginning of the period	4,20,91,635	5,59,67,851	6,93,84,050
Acquisition adjustment	----	----	----
Interest Cost	29,46,414	42,53,557	54,81,340
Past Service Cost	----	----	----
Current Service Cost	80,67,523	90,36,588	92,11,139
Curtailment Cost / (Credit)	----	----	----
Settlement Cost / (Credit)	----	----	----
Benefit Paid	(15,15,742)	(12,64,106)	(37,25,236)
Actuarial (gain)/ loss on obligations	43,78,021	13,90,160	(46,42,034)
Present Value of Obligation as at the end of the period	5,59,67,851	6,93,84,050	7,57,09,259

#### II. TABLE SHOWING CHANGES IN FAIR VALUE OF PLAN ASSETS THE DURING THE PERIOD

Fair Value of Plan Assets at the beginning of the period	2,06,21,365	3,02,64,766	4,03,34,124
Acquisition Adjustments	----	----	----
Expected Return on Plan Assets	19,07,476	33,66,066	47,99,152
Contributions	86,69,356	79,67,398	1,57,02,619
Benefits Paid	(15,15,742)	(12,64,106)	(37,25,236)
Actuarial Gain /( loss) on Plan Assets	5,82,311	NIL	NIL
Fair Value of Plan Assets at the end of the period	3,02,64,766	4,03,34,124	5,71,10,659

#### III. TABLES SHOWING FAIR VALUE OF PLAN ASSETS



## Ahluwalia Contracts (India) Limited

Fair value of plan asset at the beginning of period	2,06,21,365	3,02,64,766	4,03,34,124
Acquisition Adjustments	-----	-----	-----
Actual return on plan assets	24,89,787	33,66,066	47,99,152
Contributions	86,69,356	79,67,398	1,57,02,619
Benefits Paid	(15,15,742)	(12,64,106)	(37,25,236)
Fair value of plan assets at the end of period	3,02,64,766	4,03,34,124	5,71,10,659
Funded Status	(2,57,03,085)	(2,90,49,926)	(1,85,98,600)
Excess of actual over expected return on plan assets	5,82,311	NIL	NIL

#### IV. ACTUARIAL GAIN / LOSS RECOGNIZED FOR THE PERIOD

Actuarial gain/(loss) for the period – Obligation	(43,78,021)	(13,90,160)	46,42,034
Actuarial (gain)/loss for the period - Plan Assets	(5,82,311)	NIL	NIL
Total (gain) / loss for the period	37,95,710	13,90,160	(46,42,034)
Actuarial (gain) / loss recognized in the period	37,95,710	13,90,160	(46,42,034)
Unrecognized actuarial (gains) / losses at the end of period	-----	-----	-----

#### V. THE AMOUNTS TO BE RECOGNIZED IN BALANCE SHEET AND STATEMENTS OF PROFIT AND LOSS

Present Value of Obligation as at the end of the period	5,59,67,851	6,93,84,050	7,57,09,259
Fair Value of Plan Assets as at the end of the period	3,02,64,766	4,03,34,124	5,71,10,659
Funded Status	(2,57,03,085)	(2,90,49,926)	(1,85,98,600)
Unrecognized Actuarial (gains) / losses	-----	-----	-----
Unrecognized Past Service Cost (Non Vested Benefits)	-----	-----	-----
Net Liability Recognized in Balance Sheet	2,57,03,085	2,90,49,926	1,85,98,600

#### VI. EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD

Current Service Cost	80,67,523	90,36,588	92,11,139
Past Service Cost	-----	-----	-----
Interest Cost	29,46,414	42,53,557	54,81,340
Expected Return on Plan Assets	(19,07,476)	(33,66,066)	(47,99,152)
Curtailement Cost / (Credit)	-----	-----	-----
Settlement Cost / (Credit)	-----	-----	-----



## Ahluwalia Contracts (India) Limited

Net actuarial (gain)/ loss recognized in the period	37,95,710	13,90,160	(46,42,034)
Expenses Recognized in the statement of Profit & Loss	1,29,02,171	1,13,14,239	52,51,293

VII. The Company's Gratuity fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities.

### 40. AUDITORS' REMUNERATION

S.No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
(i)	As Audit Fee	17,64,800	17,64,800
(ii)	Tax Audit Fee	4,41,200	4,41,200
(iii)	Certification & other matters	18,274	4,09,213
(iv)	Out of pocket expenses	89,891	38,600
	<b>Total</b>	<b>23,14,165</b>	<b>26,53,813</b>

### 41. MANAGERIAL REMUNERATION

Due to losses incurred during the year, the remuneration to managerial personnel have exceeded the limits prescribed under schedule XIII of Companies Act 1956 by Rs. 1,18,13,409/- (P.Y. Nil). The Company has passed a resolution in its Board of Directors meeting held on 30/05/2012 for waiver of the excess remuneration paid subject to approval of shareholders and Central Government as per the applicable provisions of the Act. The excess remuneration of Rs. 1,18,13,409/- has been charged to the statement of profit and loss as the Company proposes to seek Central Government approval for waiver of the excess remuneration .

42. The Company has taken various residential, office and warehouse premises under operating lease agreements. These are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by Lease Agreement. There are no subleases.

Particulars	Lease Payments during 2011-12 (Rs.)	Lease Payments during 2010-11 (Rs.)
Total lease payment for the year (recognized in statement of Profit & Loss)	9,93,31,703/-	9,65,93,052/-
<b>Minimum Lease Payments</b>		
Not later than one year	3,58,06,063/-	5,68,65,273/-
Later than one year but not later than five years	88,06,873/-	4,47,53,107/-
Later than five years	-	-

43. Related Party Disclosure:

i) List of Related Parties (as ascertained by the management)

1. Parties under common control & Associates:

M/s Ahlcon Parenterals (India) Limited

M/s Tidal Securities Private Ltd.

M/s Ahlcons India Private Limited

M/s. Capricon Industrials Ltd.

M/s. Ahluwalia Builders & Development Group Pvt. Ltd.

2. Parties under Subsidiary Companies



## Ahluwalia Contracts (India) Limited

M/s. Ahlcon Ready Mix Concrete Pvt. Ltd.

M/s. Dipesh Mining Pvt. Ltd.

M/s. Jiwanyoti Traders Pvt. Ltd.

M/s. Paramount Dealcomm Pvt. Ltd.

M/s. Prem Sagar Merchants Pvt. Ltd.

M/s. Splendor Distributors Pvt. Ltd.

### 3. Key Management Personnels:

Mr. Bikramjit Ahluwalia	Chairman & Managing Director
Mr. Shobhit Uppal	Dy. Managing Director
Mr. Vikaas Ahluwalia	Whole Time Director
Mrs. Sudershan Walia	Whole Time Director
Mr. Vinay Pal	Whole Time Director

### 4 Relative of Key Management Personnels & Relationship:

Mrs. Rohini Ahluwalia	Daughter of Chairman & Managing Director
Mrs. Rachna Uppal	Daughter of Chairman & Managing Director
Mrs. Mukta Ahluwalia	Daughter of Chairman & Managing Director
Mrs. Pushpa Rani	Sister of Chairman & Managing Director
Mrs. Ram Piari	Sister of Chairman & Managing Director
Mrs. Raman Pal	Mother of whole time Director

### 5. Enterprises over which key managerial personnel is able to exercise significant influence. Karam Chand Ahluwalia Hospital & Medical Research Society

#### ii) Transactions During the Year with Related Parties

( In Rs. )

Nature of Transactions	Subsidiaries	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Parties under common control & Associates	Non executive & independent Director	Total
<b>Transactions during the year</b>							
<b>Purchase of machinery</b>							
Ahlcon RMC Pvt. Ltd.	23,54,482.00	-	-	-			23,54,482.00
	-	-	-	-			-
<b>Rent received</b>							



## Ahluwalia Contracts (India) Limited

Ahlcon India Pvt. Ltd.	-	-	-	-	7,33,968.00		7,33,968.00
	-	-	-	-	(7,33,968.00)		(7,33,968.00)
Ahlcon Par-enterals India Ltd.	-	-	-	-	2,70,000.00		2,70,000.00
	-	-	-	-	(2,70,000.00)		(2,70,000.00)
Ahlcon RMC Pvt. Ltd.	2.00	-	-	-			2.00
	(2.00)	-	-	-			(2.00)
<b>Payment against Contract work</b>							
Ahlcon India Pvt. Ltd.	-	-	-	-	13,35,42,584.00		13,35,42,584.00
	-	-	-	-	(30,21,62,130.00)		(30,21,62,130.00)
Ahlcon RMC Pvt. Ltd.	3,00,37,480.00	-	-	-			3,00,37,480.00
	(3,71,16,981.00)	-	-	-			(3,71,16,981.00)
<b>Purchase of Material</b>							
Ahlcon India Pvt. Ltd.	-	-	-	-	-		-
	-	-	-	-	(33,31,670.00)		(33,31,670.00)
Ahlcon RMC Pvt. Ltd.	2,48,48,355.00	-	-	-			2,48,48,355.00
	(8,65,87,728.00)	-	-	-			(8,65,87,728.00)
<b>Rent paid</b>							
Sudershan Walia	-	36,00,000.00	-	-			36,00,000.00
	-	(50,40,000.00)	-	-			(50,40,000.00)
Rachna Uppal	-	-	12,00,000.00	-			12,00,000.00
	-	-	(12,00,000.00)	-			(12,00,000.00)
Rohini Ahluwalia	-	-	7,20,000.00	-			7,20,000.00
	-	-	(7,20,000.00)	-			(7,20,000.00)
Ahluwalia Construction Group	-	-	-	3,00,000.00			3,00,000.00
	-	-	-	(3,00,000.00)			(3,00,000.00)

<b>Managerial remuneration</b>							
Bikramjit Ahluwalia	-	79,49,311.00	-	-			79,49,311.00
	-	(78,80,872.00)	-	-			(78,80,872.00)



**Ahluwalia Contracts (India) Limited**

Shobhit Uppal	-	63,84,098.00	-	-		63,84,098.00
	-	(63,48,938.00)	-	-		(63,48,938.00)
Sudershan Walia	-	8,01,672.00	-	-		8,01,672.00
	-	(8,01,672.00)	-	-		(8,01,672.00)
Vikaas Ahluwalia	-	10,48,332.00	-	-		10,48,332.00
	-	(10,48,332.00)	-	-		(10,48,332.00)
Vinay Pal	-	46,80,000.00	-	-		46,80,000.00
	-	(29,56,452.00)	-	-		(29,56,452.00)
<b>Dividend received</b>						
Ahlcon India Pvt. Ltd.	-	-	-	-	37,500.00	37,500.00
	-	-	-	-	(37,500.00)	(37,500.00)
<b>Dividend paid</b>						
Bikramjit Ahluwalia	-	20,72,479.00	-	-		20,72,479.00
	-	(41,44,958.00)	-	-		(41,44,958.00)
Vikaas Ahluwalia	-	13,400.00	-	-		13,400.00
	-	(26,800.00)	-	-		(26,800.00)
Mukta Walia	-	-	13,400.00	-		13,400.00
	-	-	(26,800.00)	-		(26,800.00)
Ram Piari	-	-	17,03,960.00	-		17,03,960.00
	-	-	(34,07,920.00)	-		(34,07,920.00)
Pushpa Rani	-	-	15,82,440.00	-		15,82,440.00
	-	-	(31,64,880.00)	-		(31,64,880.00)
Rachna Uppal	-	-	4,91,000.00	-		4,91,000.00
	-	-	(9,82,000.00)	-		(9,82,000.00)
Shobhit Uppal	-	17,23,200.00	-	-		17,23,200.00
	-	(34,46,400.00)	-	-		(34,46,400.00)
Sudershan Walia	-	94,24,952.00	-	-		94,24,952.00
	-	(1,67,11,504.00)	-	-		(1,67,11,504.00)
Rohini Ahluwalia	-	-	11,92,736.00	-		11,92,736.00
	-	-	(23,85,472.00)	-		(23,85,472.00)





**Ahluwalia Contracts (India) Limited**

<b>Nature of Transactions</b>	<b>Subsidiaries</b>	<b>Key Management Personnel</b>	<b>Relative of Key Management Personnel</b>	<b>Enterprises owned or significantly influenced by key management personnel or their relatives</b>	<b>Parties under common control &amp; Associates</b>	<b>Non executive &amp; independent Director</b>	<b>Total</b>
Raman Pal	-	-	-	-			-
	-	-	(21,38,400.00)	-			(21,38,400.00)
Tidal Securities Pvt. Ltd.	-	-	-	-	10,000.00		10,000.00
	-	-	-	-	(20,000.00)		(20,000.00)
<b>Investment</b>							
Ahlon RMC Pvt. Ltd.	3,45,10,000.00	-	-	-			3,45,10,000.00
	-	-	-	-			-
<b>Loan to body corporate</b>							
Ahlon RMC Pvt. Ltd.	1,20,00,000.00	-	-	-			1,20,00,000.00
	-	-	-	-			-
Premsagar Merchants Pvt. Ltd.	80,000.00	-	-	-			80,000.00
	-	-	-	-			-
Splendor Distributors Pvt. Ltd.	1,50,000.00	-	-	-			1,50,000.00
	-	-	-	-			-
<b>Payment against machinery hire</b>							
Ahlon RMC Pvt. Ltd.	8,72,164.00	-	-	-			8,72,164.00
	(2,88,67,917.00)	-	-	-			(2,88,67,917.00)
<b>Payment against professional</b>							
Dr. Sushil Chandra	-	-	-	-		1,00,000.00	1,00,000.00
	-	-	-	-		-	-
<b>Corporate guarantee</b>							
Ahlon RMC Pvt. Ltd.	27,00,00,000.00	-	-	-		-	27,00,00,000.00
	(27,00,00,000.00)	-	-	-		-	(27,00,00,000.00)
<b>Receipts against contract work</b>							



**Ahluwalia Contracts (India) Limited**

Bikramjit Ahluwalia	-	47,89,171.00	-	-		-	47,89,171.00
	-	(1,37,70,293.00)	-	-		-	(1,37,70,293.00)
Ahluwalia Construction Group	-	-	-	2,17,81,939.00		-	2,17,81,939.00
	-	-	-	(1,22,45,429.00)		-	(1,22,45,429.00)
<b>Sale of Real Estate</b>							
Bikramjit Ahluwalia	-	-	-	-		-	-
	-	(21,00,00,000.00)	-	-		-	(21,00,00,000.00)
<b>Enterprises over which key managerial personnel is able to exercise significant influence</b>							
Karam Chand Ahluwalia Hospital & Medical Research Society	-	-	-	6,00,000.00		-	6,00,000.00
	-	-	-	(6,00,000.00)		-	(6,00,000.00)
<b>Balances Outstanding as at year end</b>							
Due from Related Parties (Sundry Debtors)							
Ahlcon Par-enterals India Ltd.	-	-	-	-	1,21,500.00		1,21,500.00
	-	-	-	-	(3,03,750.00)		(3,03,750.00)
Ahluwalia Construction Group	-	-	-	83,69,074			83,69,074
	-	-	-	(1,83,00,582)			(1,83,00,582)
<b>Advance recoverable in cash or kind or fo value to be received</b>							
Ahlcon India Pvt. Ltd.	-	-	-	-	7,64,92,852.00		7,64,92,852.00
	-	-	-	-	(3,79,60,273.00)		(3,79,60,273.00)
<b>Investments</b>							
Ahluwalia Builders & Development Group Pvt. Ltd.	-	-	-	-	1,66,200.00		1,66,200.00
	-	-	-	-	(1,66,200.00)		(1,66,200.00)
Ahlcons India Pvt. Ltd.	-	-	-	-	2,50,000.00		2,50,000.00
	-	-	-	-	(2,50,000.00)		(2,50,000.00)



## Ahluwalia Contracts (India) Limited

Capricon Industrials Ltd.	-	-	-	-	1,72,740.00	1,72,740.00
	-	-	-	-	(1,72,740.00)	(1,72,740.00)
Ahlcon Ready Mix Concrete Pvt. Ltd.	10,00,00,000.00	-	-	-		10,00,00,000.00
	(6,54,90,000.00)	-	-	-		(6,54,90,000.00)
Premsagar Merchants Pvt. Ltd.	28,60,000.00	-	-	-		28,60,000.00
	(28,60,000.00)	-	-	-		(28,60,000.00)
Paramount Dealcomm Pvt. Ltd.	28,60,000.00	-	-	-		28,60,000.00
	(28,60,000.00)	-	-	-		(28,60,000.00)
Splendor Distributors Pvt. Ltd.	28,60,000.00	-	-	-		28,60,000.00
	(28,60,000.00)	-	-	-		(28,60,000.00)
Dipesh Mining Pvt. Ltd.	28,60,000.00	-	-	-		28,60,000.00
	(28,60,000.00)	-	-	-		(28,60,000.00)
Jiwan Jyoti Traders Pvt. Ltd.	28,60,000.00	-	-	-		28,60,000.00
	(28,60,000.00)	-	-	-		(28,60,000.00)
<b>Loan to body corporate</b>						
Ahlcon Ready Mix Concrete Pvt. Ltd.	1,20,00,000.00	-	-	-		1,20,00,000.00
	-	-	-	-		-
Dipesh Mining Pvt. Ltd.	1,04,41,304.00	-	-	-		1,04,41,304.00
	(1,04,41,304.00)	-	-	-		(1,04,41,304.00)

Jiwan Jyoti Traders Pvt. Ltd.	84,46,795.00	-	-	-		84,46,795.00
	(84,46,795.00)	-	-	-		(84,46,795.00)
Paramount Dealcomm Pvt. Ltd.	84,46,005.00	-	-	-		84,46,005.00
	(84,46,005.00)	-	-	-		(84,46,005.00)
Premsagar Merchants Pvt. Ltd.	1,05,25,203.00	-	-	-		1,05,25,203.00
	(1,04,45,203.00)	-	-	-		(1,04,45,203.00)
Splendor Distributors Pvt. Ltd.	95,95,855.00	-	-	-		95,95,855.00
	(94,45,855.00)	-	-	-		(94,45,855.00)
<b>Due to related parties (Remuneration &amp; Rent)</b>						



## Ahluwalia Contracts (India) Limited

Bikramjit Ahluwalia	-	34,52,115.96	-	-		34,52,115.96
	-	(15,29,379.17)	-	-		(15,29,379.17)
Sudershan Walia	-	2,31,019.89	-	-		2,31,019.89
	-	(22,34,737.22)	-	-		(22,34,737.22)
Shobhit Uppal	-	9,90,996.06	-	-		9,90,996.06
	-	(11,76,288.39)	-	-		(11,76,288.39)
Vikaas Ahluwalia	-	31,35,394.28	-	-		31,35,394.28
	-	(25,27,062.28)	-	-		(25,27,062.28)
Vinay Pal	-	4,96,000.00	-	-		4,96,000.00
	-	(1,94,700.00)	-	-		(1,94,700.00)
Rachna Uppal	-		13,50,000.00	-		13,50,000.00
	-		(2,70,000.00)	-		(2,70,000.00)
Rohini Ahluwalia	-		6,83,205.00	-		6,83,205.00
	-		(2,16,000.00)	-		(2,16,000.00)
<b>Sundry Creditors</b>						
Ahlcon RMC Pvt. Ltd.	1,46,64,235.00	-	-	-	-	1,46,64,235.00
	(2,67,14,172.00)	-	-	-	-	(2,67,14,172.00)
<b>Pledge of Shares</b>						
Bikramjit Ahluwalia		30,00,000 (30,00,000)				30,00,000 (30,00,000)
Sudershan Walia		2,05,42,760 (2,05,42,760)				2,05,42,760 (2,05,42,760)
<b>- Previous year figures are given in brackets.</b>						
<b>- No amount has been written off or provided for in respect of transactions with the related parties.</b>						

#### 44. Earnings Per Share (EPS)

Particulars	31.03.2012	31.03.2011
Net profit / (loss) as per statement of profit & loss	(40,63,15,297)	70,78,60,821
Number of equity shares of Rs. 2/- each at the beginning of the year	6,27,62,560	6,27,62,560
Number of equity shares of Rs. 2/- each at the end of the year	6,27,62,560	6,27,62,560



## Ahluwalia Contracts (India) Limited

Weighted average number of equity shares of Rs. 2/- each at the end of the year for calculation of basic and diluted EPS		6,27,62,560	6,27,62,560
Basic and diluted earnings per share (in Rs.) (Per share of Rs. 2/- each)		(6.47)	11.28

### 45. Disclosure in accordance with Accounting Standard –7 (Revised) amount due from/to customers on construction Contracts

	Current Year	Previous Year
Contract revenue recognized as revenue in the year	1393,82,62,200	1449,61,42,169
Contract costs incurred and recognised profits (less recognised losses) upto the reporting date	1341,73,95,814	1462,58,57,157
Advances received	248,58,64,828	246,23,63,498
Retention money	102,55,87,651	93,50,83,812
Gross amount due from customers for contract work	(1,23,15,869)	2,30,78,723
Gross amount due to customers for contract work	-	-

Note:-The above information is given only in respect of contracts entered into on or after 01.04.2003 and is in progress as on balance sheet date.

### 46. The Company is having only one business segment – Construction activities, hence no segment reporting is applicable.

### 47. PARTICULARS REGARDING TRADING GOODS (Construction related material)

#### Current Year:-

Sl. No.	Item	Opening stock		Purchase		Sales		Closing Stock	
			Value Rs.		Value Rs.		Value Rs.		Value Rs.
1	Cable		-		7657887		11129591		-
2	Panel		-		2923021		3228506		-
3	Transformer		-		25733593		38207328		-
4	Panel, Battery & Battery Charger		-		4329807		9702358		-
5	Lighting Fixtures		-		1341416		1715591		-
6	DB & MCB		-		916731		1158767		-
7	Other		-		35974703		44458948		-
	Gross Total		-		78877158		109601089		-

#### Previous Year:-

Sl. No.	Item	Opening stock		Purchase		Sales		Closing Stock	
			Value Rs.		Value Rs.		Value Rs.		Value Rs.
1	HT Panel 33 KV Indoor Type		-		1750486		2033463		-
2	Transformers 3000 KVA		-		1839473		1983043		-
3	Main LT Panels		-		3708122		4357713		-
4	LT PCC Panel		-		4650000		5856984		-



## Ahluwalia Contracts (India) Limited

5	Capacitor Panel 500 KVAR		-		4000000		5252488		-
6	Cable 3.5 core x 400 sqmm		-		1034197		2109450		-
7	Other		-		32089866		41237573		-
	Gross Total		-		49072144		62830714		-

### (A) a) CIF VALUE OF IMPORTS

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Raw Material	-	38,65,522
Capital Goods	-	4,82,584

### (B) EXPENDITURES IN FOREIGN CURRENCY

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Travelling expenses	10,42,962	5,44,609
Sub Contract work	-	44,86,208
Consultancy charges / Technical fee	-	58,76,193
Total	10,42,962	1,09,07,010

### (C) EARNINGS IN FOREIGN CURRENCY

<b>Current Year (Rs.)</b>	Nil
<b>Previous Year (Rs.)</b>	Nil

### (D) CONSUMPTION OF IMPORTED AND INDIGENOUS MATERIAL

	Current Year		Previous Year	
	(Rs.)	(%)	(Rs.)	(%)
<b>Raw Materials</b>				
*Imported	1,02,95,202	0.13	4,64,75,124	0.59
Indigenous	778,21,57,709	99.87	7,81,91,16,895	99.41
<b>Total</b>	<b>779,24,52,911</b>	<b>100.00</b>	<b>7,86,55,92,019</b>	<b>100.00</b>
<b>Stores &amp; Spares</b>				
Imported	-	-	-	-
Indigenous	8,26,56,345	100.00	8,01,85,242	100.00
<b>Total</b>	<b>8,26,54,345</b>	<b>100.00</b>	<b>8,01,85,242</b>	<b>100.00</b>

\*(Includes Rs 19,911/- (P.Y. Rs. 1,17,77,483/-) Payment made to sub contractor )

### (E) RAW MATERIAL CONSUMED



**Ahluwalia Contracts (India) Limited**

Item	Current Year		Previous Year	
		Value Rs.		Value Rs.
*Construction Material		779,24,52,911		7,86,55,92,019
<b>Total</b>		<b>779,24,52,911</b>		<b>7,86,55,92,019</b>

\*(Includes Rs. 19,911/- (P.Y. Rs. 1,17,77,483/-) Payment made to sub contractor )

The company is mainly engaged in the business of construction. Keeping in view the multifarious jobs at different sites and practical difficulties in measuring building material, individual details with regard to stock and consumption of raw materials are not given. Also the diverse nature of contracts undertaken by the Company and wide variety of material consumed, the additional information has been furnished to the extent practicable.

**48. PREVIOUS YEAR FIGURES**

Till the year ended 31st March, 2011, the Company was using pre-revised Schedule VI to the Companies Act 1956, for the preparation and presentation of its financial statements. During the year ended 31st March, 2012 the revised Schedule VI notified under the companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

The accompanying notes are an integral part of the financial statements.

As per our report of even date annexed

For **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy.Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President-F&A

Place: New Delhi  
Date: 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### Cash Flow Statement for the Year ended on 31st March, 2012

	Year ended 31.03.2012	Year ended 31.03.2011
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax and extra ordinary items	(405,084,088)	1,075,075,171
<b>Adjustments to reconcile profit before tax to cash provided by Operating Activities</b>		
Depreciation	428,651,877	338,146,350
Interest Received	(52,331,156)	(37,044,028)
Interest Paid	219,603,936	157,737,303
Rent Received	(4,430,025)	(7,965,768)
Loss on Sale of Fixed Assets	94,648	2,912,903
<b>Operating Profit before working Capital Changes :</b>	<b>186,505,192</b>	<b>1,528,861,931</b>
<b>Movement in Working Capital</b>		
Trade Receivables	207,579,603	(1,703,556,945)
Inventories	(514,596,240)	(193,622,351)
Trade & Other Payables/Provisions	108,712,103	738,355,594
Loans and Advances & Other Receivables	87,520,051	(197,847,008)
<b>Cash generated from Operations :</b>	<b>75,720,710</b>	<b>172,191,221</b>
Direct Taxes Paid	(286,761,059)	(416,594,658)
<b>Net Cash Generated from Operating Activities (A)</b>	<b>(211,040,349)</b>	<b>(244,403,437)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(624,027,748)	(645,786,441)
Purchase of Shares	(54,510,000)	0
Sale of Fixed Assets	5,638,744	2,526,195
Interest Received	52,331,156	37,044,028
Rent Received	4,430,025	7,965,768
<b>Net Cash from Investing Activities (B)</b>	<b>(616,137,824)</b>	<b>(598,250,450)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long term borrowings	255,358,210	180,533,069
Repayment of Long term borrowings	(108,286,351)	(98,503,257)
Movement in Short term borrowings	345,364,910	322,184,787
Interest Paid	(219,603,936)	(157,737,303)
Dividend Paid ( Including dividend distribution tax)	0	(58,549,310)
<b>Net Cash from Financing Activities (C)</b>	<b>272,832,833</b>	<b>187,927,986</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents</b>	<b>(554,345,304)</b>	<b>(654,725,901)</b>
Cash & Cash equivalents (Opening)	<b>1,052,996,112</b>	<b>1,707,722,014</b>
Cash & Cash equivalents (Closing)	<b>498,650,772</b>	<b>105,299,6112</b>
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash in Hand</b>	<b>110,928,109</b>	<b>87,214,388</b>
Balance with Scheduled Banks - Current Accounts	<b>366,822,984</b>	<b>849,583,110</b>





**Ahluwalia Contracts (India) Limited**

Term Deposit	<b>514,938,535</b>	<b>557,862,753</b>
Unpaid Dividend Accounts *	<b>406,072</b>	<b>371,747</b>
<b>Cash And Bank Balances</b>	<b><u>993,095,700</u></b>	<b><u>1,495,031,998</u></b>
Less : Fixed Deposits non considered as cash and cash equivalents	<b><u>494,444,928</u></b>	<b><u>442,035,886</u></b>
	<b><u>498,650,772</u></b>	<b><u>1,052,996,112</u></b>

\* These Balances are not available for the use by the Company

for **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

Place : New Delhi  
Date :- 30th May, 2012

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary

**SHOBHIT UPPAL**  
Dy. Managing Director

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A



**Ahluwalia Contracts (India) Limited**

**ARUN K. GUPTA & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**D-58, East of Kailash  
New Delhi -110 065  
26287884  
Phones : 26287885  
26287886**

**AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF AHLUWALIA CONTRACTS (INDIA) LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AHLUWALIA CONTRACTS (INDIA) LIMITED AND ITS SUBSIDIARIES**

To  
The Board of Directors of  
**Ahluwalia Contracts (India) Limited**

1. We have audited the attached Consolidated Balance Sheet of M/s. Ahluwalia Contracts (India) Limited and its subsidiaries, as at 31st March, 2012, the Consolidated Statement of Profit and Loss and also the Consolidated cash flow statements for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements of the Parent Company and its subsidiaries. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. 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. We did not audit the financial statements of five subsidiaries namely Dipesh Mining Private Ltd, Jiwanyjoti Traders Pvt. Ltd, Paramount Dealcomm Pvt. Ltd, Prem Sagar Merchants Pvt. Ltd & Splendor Distributors Pvt. Ltd, whose financial statements reflect total assets of Rs. 513.74 lacs as at 31st March, 2012 and total revenue of Rs. Nil for the year then ended and net cash flows from operating activities of Rs. 19.67 lacs. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.
5. To the best of our information and according to the explanations given to us and on consideration of the separate audit reports on individual audited financial statements of the Company and the aforesaid subsidiaries, in our opinion the attached consolidated financial statements read with accounting policies and notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India



**Ahluwalia Contracts (India) Limited**

- i) in the case of Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
- ii) in the case of Consolidated Statement of Profit and Loss, of the Loss of the Group for the year ended on that date; and
- iii) in the case of Consolidated Cash Flow statement of the cash flow of the Group for the year ended on that date.

For Arun K. Gupta & Associates  
Firm Registration No. 000605N  
Chartered Accountants

Place : New Delhi  
Date : 30.05.2012

Gireesh Kumar Goenka  
Partner  
M.No. 96655



## Ahluwalia Contracts (India) Limited

### AHLUWALIA CONTRACTS (INDIA) LIMITED CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2012

PARTICULARS	NOTE NO.	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUND</b>			
Share capital	3	125525120	125525120
Reserves & surplus	4	<u>2631527423</u>	<u>3095987995</u>
		2757052543	3221513115
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings	5	299188208	258448087
Other long-term liabilities	6	220985175	854747244
Long-term provisions	7	<u>15031302</u>	<u>22913998</u>
		535204685	1136109329
<b>CURRENT LIABILITIES</b>			
Short-term borrowings	8	1964919285	1611165283
Trade payables	9	3376828889	3112808317
Other current liabilities	10	3055168856	2433402718
Short term provisions	11	<u>6062976</u>	<u>37198667</u>
		8402980006	7194574985
<b>TOTAL &gt;</b>		<b>11695237234</b>	<b>11552197429</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets	12		
Tangible assets		1931595701	1988622497
Intangible assets		7994413	10210760
Capital work-in progress		<u>318279248</u>	<u>161195387</u>
		2257869362	2160028644
Non-current investment	13	588940	588940
Goodwill on Consolidation		13800000	13800000
Deferred tax assets (net)	14	162049723	140274847
Long-term loans and advances	15	569864730	468965216
Trade receivables	16	572838095	100011956
Other non-current assets	17	<u>535939718</u>	<u>478034046</u>
		1855081206	1201675005
<b>CURRENT ASSETS</b>			
Current investments	18	20000000	0
Inventories	19	2220827045	1699817183
Trade receivables	20	4531019016	5148298444
Cash and cash equivalents	21	494101522	1062855947
Short-term loans and advances	22	277952102	244348072
Other current assets	23	<u>38386981</u>	<u>35174134</u>
		7582286666	8190493780
<b>TOTAL &gt;</b>		<b>11695237234</b>	<b>11552197429</b>

**Significant Accounting Policies  
and Notes on Accounts**

1&2

**On behalf of the Board of Directors**

**As per our report of even date annexed  
For ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A

Place : New Delhi  
Date :- 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### AHLUWALIA CONTRACTS (INDIA) LIMITED CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

PARTICULARS	NOTE NO.	YEAR ENDED 31.03.2012 (RS.)	YEAR ENDED 31.03.2011 (RS.)
<b>REVENUE FROM OPERATIONS</b>			
Revenue from operations	24	14458511045	17529775109
Other Income	25	<u>123316566</u>	<u>78612018</u>
<b>Total Revenue(A)</b>		<u>14581827611</u>	<u>17608387128</u>
<b>EXPENSES</b>			
Cost of Material Consumed		8339774855	8217104095
Operating Expenses	26	3341408129	4340254972
Purchase of Traded Goods		78877158	49072144
(Increase)/ Decrease in Work in Progress & Stock in Trade	27	(652294222)	118235544
Employee benefit expenses	28	2798787845	2832824669
Finance costs	29	309523208	238770690
Depreciation	12	474692676	374389349
Less Transfer from Revaluation Reserve		<u>167586</u>	<u>167586</u>
Other expenses	30	<u>342622121</u>	<u>351672272</u>
<b>Total Expenses(B)</b>		<u>15033224184</u>	<u>16522156148</u>
Profit before tax and exceptional item		(451396573)	1086230979
Exceptional Item		<u>32094208</u>	<u>0</u>
<b>PROFIT BEFORE TAX</b>		<b>(483490781)</b>	<b>1086230979</b>
Provision for Current Tax		1977081	380735982
Provision for Wealth Tax		600000	500000
Provision for Deferred Tax Liability / (Assets)		(21774876)	(15532391)
<b>NET PROFIT AFTER TAX</b>		<b>(464292986)</b>	<b>720527388</b>
Earning per share(Basic)	Rs.	(7.40)	11.48
Earning per share(Diluted)	Rs.	(7.40)	11.48
(Face Value Rs. 2/- each)			
Number of share used in computing earning per share			
Basic		<u>62762560</u>	<u>62762560</u>
Diluted		<u>62762560</u>	<u>62762560</u>

**Significant Accounting Policies and Notes on Accounts**

1&2

**On behalf of the Board of Directors**

As per our report of even date annexed

For **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A

Place : New Delhi  
Date :- 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### 3 SHARE CAPITAL

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>AUTHORISED CAPITAL</b>		
10,00,00,000, Equity Share of Rs. 2/- each (P.Y. 10,00,00,000 Equity Share of Rs. 2/- each)	200000000	200000000
<b>ISSUED, SUBSCRIBED &amp; PAIDUP</b>		
6,27,62,560, Equity Shares of Rs. 2/- each (P.Y. 6,27,62,560 Equity Shares of Rs. 2/- each) fully paid up (out of this 3,50,030 Equity shares of Rs. 2/- each have been issued for other than cash and 5,58,39,900 Equity shares of Rs. 2/- each have been issued as bonus shares by way of capitalisation of accumulated profits)	125525120	125525120
<b>TOTAL &gt;</b>	<b>125525120</b>	<b>125525120</b>

#### Terms / Rights attached to equity shares

The company has only one class of equity share having a par value of Rs. 2/- per share. Each equity shareholder is entitled for one vote per share.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors of the company, subject to the approval of the Members/Shareholders of the Company in the ensuing Annual General Meeting.

During the year ended 31st March, 2012, the amount of per share dividend recognised as distribution to equity shareholders is Rs. -Nil- (Previous Year Rs. 0.40)

As per records of the company, including its register of Shareholders/Members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

#### Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31-03-2012		As at 31-03-2011	
	No. of Shares	Amount in Rs.	No. of Shares	Amount in Rs.
At the beginning of the year	62762560	125525120	62762560	125525120
Add : Shares issued during the year	Nil	Nil	Nil	Nil
<b>Outstanding at the end of the year</b>	62762560	125525120	62762560	125525120

Details of shareholders holding more than 5% share in the company		No. of Shares	%age of Holdings	No. of Shares	%age of Holdings
		March 31, 2012	March 31, 2012	March 31, 2011	March 31, 2011
Equity shares of Rs. 2/- each fully paid					
Mr. Bikramjit Ahluwalia	Promoter	5181198	8.26	5181198	8.26
Mrs. Sudershan Walia	Promoter	23562380	37.54	20889380	33.28
Mr. Shobhit Uppal	Promoter	4308000	6.86	4308000	6.86
Mrs. Ram Piari	Promoter	4259900	6.79	4259900	6.79
Mrs. Pushpa Rani	Promoter	3956100	6.30	3956100	6.30
Nalanda India Fund Limited	Body Corporate	3545485	5.65	3522192	5.61
Nalanda India Equity Fund Limited	Body Corporate	3870102	6.17	Nil	Nil



## Ahluwalia Contracts (India) Limited

**Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

Particulars	No. of share as on 31-03-2012	No. of share as on 31-03-2011
Equity share allotted as fully paid bonus shares on (31-03-2006)	Nil	47071920
Equity share allotted as fully paid up pursuant to contracts for consideration other than cash	NA	NA
Equity share bought back by the Company	NA	NA

### 4 RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2012	AS AT 31.03.2011
Capital reserve-Opening balance	0	0
Less : Transferred to statement of Profit and Loss	<u>0</u>	<u>0</u>
	0	0
Securities Premium Account	16000000	16000000
Revaluation reserve		
Balance as per last financial statement	7507112	7674698
Less : Transferred to statement of Profit and Loss	<u>167586</u>	<u>167586</u>
	7339526	7507112
General Reserve		
Balance as per last financial statement	344790243	274790243
Add : Transferred from Profit and Loss account	<u>0</u>	<u>70000000</u>
	344790243	344790243
Surplus/ (Deficit) in the Statement of Profit & Loss-Opening Balance	2727690640	2106651358
Add: Net Profit/(Loss) for the year	<u>-464292986</u>	<u>720216969</u>
Amount available for appropriation	2263397654	2826868327
Less: Appropriations		
Dividend	0	25105024
Dividend tax	0	4072663
Amount transferred to General Reserve	<u>0</u>	<u>70000000</u>
Net surplus in the statement of profit and loss	<u>2263397654</u>	<u>2727690640</u>
<b>Total</b>	<b><u>2631527423</u></b>	<b><u>3095987995</u></b>

### 5 LONG-TERM BORROWINGS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
<b>TERM LOANS</b>		
From Banks	197515066	144567423
From Others	84089565	79093376
<b>VEHICLE LOANS</b>		
From Banks	1028540	34787288
From others	16555037	0
<b>TOTAL &gt;</b>	<b>299188208</b>	<b>258448087</b>



## Ahluwalia Contracts (India) Limited

### Term Loans

- From Punjab & Sind Bank of Rs. 204822782 (Previous Year -Nil-) is secured by way of

- a) Negative lien to be created on licensing rights and future lease rentals receivable, through Escrow mechanism of commercial complex with bus depot and workshop to be constructed at Kota.
- b) All future lease rentals to be received on account of commercial complex at Kota will be charged to Bank and company not to raise any loan against such rent/lease receivables.
- c) Charge on Escrow accounts : The parking/advertising revenue and lease rentals to be routed through the Escrow account and bank will have right to first appropriate the said cash flows towards recovery of interest/principal installments of term loan, installment of any other charges etc.
- d) Personal guarantees of (i) Mr. Bikramjit Ahluwalia (ii) Mrs. Sudershan Walia (iii) Mr. Vikaas Ahluwalia. The term loan bear floating interest at the rate base rate plus 2.75% p.a. The term loan is repayable in 32 quarterly installments of Rs. 131.25 lacs each starting from September, 2012.

- Term Loan facilities from HDFC Bank of Rs.2,11,96,415/-(P.Y Rs.6,07,01,086/-) against machinery are secured by way of hypothecation of specified machinery . The term loan bear interest rate 8.25% to 9.50%. The terms loans are repayable in monthly installments .

- Other Term Loan From Tata Capital Ltd., TML Financial Services Ltd., Magma Fincorp Ltd., SREI Equipments Finance Pvt. Ltd., are secured by way of hypothecation of specified machinery / vehicle. The term loan bear interest rate 8.40% to 12.25%. The terms loans are repayable in monthly installments .

Term Loan of subsidiaries from scheduled bank & from others are secured by way of hypothecation of the specified assets acquired out of the loans taken their against. The said loans are further secured by personal guarantee of Mr. Vikaas Ahluwalia, a promoter director.

The term loan carries interest rate from Bank which varies 7.2-10.00 % and from others 7.68 - 12.15%

The term loan repayable within next 12 month i.e. in F.Y. 2012-13 is Rs. 10,14,28,339.77.

Vehicle loans of subsidiaries are secured by way of hypothecation of the specified vehicles acquired out of the loans taken. The vehicle loan carries interest rate from Others which varies 6.5-12.15 % and from Bank 9.20-9.75%. The Unsecured loan from Ahluwalia contracts India Limited, a Holding Company is Interest free Loan and repayable after 1 year.

### 6 OTHER LONG-TERM LIABILITIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Mobilisation Advance	220985175	854747244
<b>TOTAL &gt;</b>	<b>220985175</b>	<b>854747244</b>

### 7 LONG-TERM PROVISIONS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Provision for Gratuity	15031302	22913998
<b>TOTAL &gt;</b>	<b>15031302</b>	<b>22913998</b>





## Ahluwalia Contracts (India) Limited

### 8 SHORT-TERM BORROWINGS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
SECURED		
Working Capital Loan from Banks	1959645441	1541165283
Working Capital Loan from Others	0	70000000
Letter of credit	5273844	0
<b>TOTAL &gt;</b>	<b>1964919285</b>	<b>1611165283</b>

Working Capital loans From various banks are secured by way of

- First pari pasu charges on all existing and future current assets of the company
- Equitable mortgage of commercial property at Plot No. A-177, Okhla Industrial Area, Phase-I, New Delhi - Rs. 2.28 crores, valuation report dated 3.3.2007, equitable mortgage of commercial property at Plot No. 4, Community Centre, Saket, New Delhi - Rs. 9.76 crores, valuation report dated 8.12.2007, equitable mortgage of residential property at Plot No. B-7, Saket, New Delhi - Rs. 5.79 crores, valuation report dated 3.3.2007.
- Demand Promisory Note and letter of continuity for Rs. 78 crores.
- Personal guarantee of  
(i) Mr. Bikramjit Ahluwalia (ii) Mr. Shobhit Uppal (iii) Mrs. Sudersahan Walia & (iv) Mr. Vikaas Ahluwalia

The working capital loans from Banks bear floating interest rate ranging from base rate plus 2% to 5%.

### 9 TRADE PAYABLES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Trade Payables		
Dues to Micro and Small Enterprises (refer note -36)	3706044	6572969
Others	3373122845	3106235348
<b>TOTAL &gt;</b>	<b>3376828889</b>	<b>3112808317</b>

### 10 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Current maturities of term loans from banks (refer note-5)	110728918	98908886
Current maturities of term loans from others (refer note-5)	85749614	59374048
Current maturities of vehicle loans from banks (refer note-5)	4177282	14474966
Current maturities of vehicle loans from others (refer note-5)	18224325	521921
Mobilisation Advance	1987306464	1341332846
Advance Against Material at Site	341538218	394609336
Advance against flat booking	16714279	32359843



## Ahluwalia Contracts (India) Limited

Dues to Statutory Authorities	177015513	209849639
Due to Directors	8305526	7662167
Other payables	303379601	271958933
Interest accrued but not due on borrowing	1623044	1978386
Unclaimed Dividend (1)	406072	371747
<b>TOTAL &gt;</b>	<b>3055168856</b>	<b>2433402718</b>

(1) To be transferred to Investor Education and Protection Fund as & when due.

### 11 SHORT-TERM PROVISIONS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
For Gratuity	5462976	7520980
For Wealth Tax	600000	500000
Proposed Equity Dividend	0	25105024
Tax on proposed Equity Dividend	0	4072663
<b>TOTAL &gt;</b>	<b>6062976</b>	<b>37198667</b>

### 13 NON-CURRENT INVESTMENT

INVESTMENTS IN EQUITY SHARES	Balance as at 1.4.11 (Rs.)	Additions during the year (Rs.)	Sale/ Adjustment During the year (Rs.)	Balance as at 31.3.12 (Rs.)
<b>A. TRADE INVESTMENTS FULLY PAID UP (AT COST) UNQUOTED</b>				
(1) 1662 (P.Y. 1662) Equity shares of Rs. 100/- each M/s. Ahluwalia Builders & Development Group Pvt. Ltd. a company in which directors are interested	166200	0	0	166200
(2) 2500 (P.Y. 2500) Equity shares of Rs. 100/- each M/s Ahlcons India Pvt. Ltd. a company in which directors are interested	250000	0	0	250000
(3) 17274 (P.Y. 17274) Equity shares of Rs. 10/- each M/s. Capricon Industrials Ltd. a company in which directors are interested	172740	0	0	172740
Aggregate investments in equity shares	588940	0	0	588940
Less:- Aggregate Provision for diminution in value of investments	0	0	0	0
<b>TOTAL &gt;</b>	<b>588940</b>	<b>0</b>	<b>0</b>	<b>588940</b>



## Ahluwalia Contracts (India) Limited

### AHLUWALIA CONTRACTS (INDIA) LIMITED

#### 12 FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	COST AS ON 1/4/2011 (RS.)	ADDITIONS DURING THE YEAR (RS.)	SALES/ADJUSTMENTS DURING THE YEAR (RS.)	TOTAL AS ON 31/03/2012 (RS.)	UPTO 31/03/2011 (RS.)	DURING THE YEAR (RS.)	ADJUSTMENTS DURING THE Year (RS->)	TOTAL AS ON 31/03/2012 (RS.)	W.D.V AS ON 31/03/2012 (RS.)	W.D.V AS ON 31/3/2011 (RS.)
LAND-LEASEHOLD	46774301	8790606	4089342	51475565	3305078	6023269	1489669	7838678	43636887	43469223
LAND- FREEHOLD	61446598	6660000	3924000	64182598	0			0	64182598	61446598
BUILDING	56740471			56740471	6263934	924870		7188804	49551667	50476537
TEMPORARY STRUCTURES	36784256	6575254		43359510	30246645	7879739		38126384	5233126	6537611
PLANT & MACHINERY	1530418131	116637898	57956626	1589099403	243332884	75450234	4152711	314630407	1274468996	1287085247
SHUTTERING MATERIAL	1103862531	320145922		1424008453	937233876	315972219		1253206095	170802358	166628655
EARTH MOVERS	51696663	5876006		57572669	28984620	6372956		35357576	22215093	22712043
VEHICLES	142846727	9134198	7890411	144090514	46847282	13769635	2991930	57624987	86465527	95999445
COMMERCIAL VEHICLES	285555813	4951365	22508917	267998261	98013825	35187289	9050878	124150236	143848025	187541988
FURNITURE & FIXTURES	18739487	2406626		21146113	8674770	1230853		9905623	11240490	10064717
OFFICE EQUIPMENTS	32801870	3761191		36563061	9082893	1529712		10612805	28950456	23718977
AIR CONDITIONERS	12024464	2167969		14192433	2715585	645115		3360700	10831733	9308879
COMPUTERS	44874498	6061364		50935862	21241921	6525196		27767117	23168745	23632577
<b>INTANGIBLE ASSETS</b>										
COMPUTER SOFTWARE	12945934	965242		13911176	2735174	3181589		5916763	7994413	10210760
<b>GROSS TOTAL=&gt;</b>	<b>3437511744</b>	<b>494133641</b>	<b>96369296</b>	<b>3835276089</b>	<b>1438679487</b>	<b>474692676</b>	<b>17665188</b>	<b>1895665975</b>	<b>1939590114</b>	<b>1998833257</b>
<b>PREVIOUS YEAR =&gt;</b>	<b>2688089986</b>	<b>756403044</b>	<b>6981285</b>	<b>3437511745</b>	<b>1065831323</b>	<b>374389349</b>	<b>1542187</b>	<b>1438678485</b>	<b>1998833260</b>	<b>1622258663</b>

CAPITAL WORK-IN-PROGRESS

318279248 161195387

NOTE :-

- Gross Block of Plant & Machinery, Shuttering Material, Earth Movers, Vehicles and Commercial Vehicles includes Rs.37,50,33,574/- (P.Y.40,93,67,917/-)  
Rs.13,16,32,188/- (P.Y Rs. 16,08,07,724/-), Rs.54,71,956/- (P.Y Rs.16,65,167/-), Rs.21,84,339/- (P.Y Rs.1,13,34,079/-, Rs.13,61,52,327/- (P.Y.Rs.15,06,22,626/-) taken on hire purchase/ finance respectively.
- Land lease hold includes Rs.1359872/- pending registration in the name of the company.
- Building (cost of Floor) includes Rs.1,36,80,000/- pending registration in the name of the company.
- Capital Work-in-Progress, Plant & Machinery in transit Rs.2,60,00,000/- (P.Y. 37,78,163),  
Service concession arrangement (Refer Note No-39) Rs.28,17,18,607/- (P.Y. 14,75,74,583/-)



## Ahluwalia Contracts (India) Limited

### 14 DEFERRED TAX

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Deferred tax Assets		
Timing difference on account of Depreciation (Difference as per books & as per Income Tax Act)	121242933	92116473
On account of Disallowance u/s 43B	136494480	26191975
Provisions	2285585	2222582
Carry Forward Losses	<u>40096329</u>	<u>19743817</u>
Total(A)	<u>300119326</u>	<u>140274847</u>
Deferred tax Liabilities		
	0	0
Total(B)	<u>0</u>	<u>0</u>
Net deferred Tax Assets/(Liabilities)(A-B)	300119326	140274847
Net deferred Tax Assets /(Liabilities) for the year	<u>159844479</u>	<u>15532391</u>

Note:- In consonance of prudent accounting practice the deferred tax assets arisen on unabsorbed depreciation and carried forward losses for the year has not been recognised. However, deferred tax assets of earlier years has not been derecognised in view of the projected profitability on the new projects awarded to the company and are to be executed in following years as the management believes that there would be sufficient profit to absorb deferred tax assets recognised in the books.

### 15 LONG-TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Unsecured Considered Good Loans to Subsidiaries	0	1
Capital advances	43992112	47712645
Advances recoverable in cash or in kind or for value to be received		
i) Advance against Real Estate project	55000000	205000000
ii) Earnest Money Deposit	26907797	36227982
iii) Staff Advance	856451	2196615
iv) Advance Income tax /TDS (net of provisions)	342367732	57408283
v) Cenvat Credit	18287492	33029312
vi) Others	<u>82453146</u>	<u>87390378</u>
	525872618	421252570
Unsecured , considered doubtful Advance against Real Estate project	<u>17577290</u>	<u>22827290</u>
	587442020	491792506
Less: Provision for doubtful advances	17577290	22827290
<b>TOTAL &gt;</b>	<u><b>569864730</b></u>	<u><b>468965216</b></u>



## Ahluwalia Contracts (India) Limited

### 16 TRADE RECEIVABLES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good		
Retention Money	70323163	78868819
Against Running Bills	<u>502514932</u>	<u>21143137</u>
	572838095	100011956
Unsecured, considered doubtful		
Retention Money	1959499	2400502
Against Running Bills	<u>38644210</u>	<u>27639766</u>
	50603709	30040268
Less: Provision for doubtful debts	50603709	30040268
<b>TOTAL &gt;</b>	<b><u>572838095</u></b>	<b><u>100011956</u></b>

### 17 OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Deposits with maturity more than 12 months	494444928	442035886
Interest Receivable on deposits	34713093	28631502
Security Deposits	3382874	3825478
Prepaid Expenses	3398823	3541180
<b>TOTAL &gt;</b>	<b><u>535939718</u></b>	<b><u>478034046</u></b>

### 18 CURRENT INVESTMENTS

PARTICULARS	Balance AS AT 01.04.2011 (Rs.)	Additions During the Year (Rs.)	Sale/ Adjustment During the Year (Rs.)	Balance AS AT 31.03.2012 (Rs.)
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#### Non Trade-unquoted

(valued at the lower of cost and fair value)

(1) Punjab & Sind Bank Growth plan (9999.15 units purchased of Rs. 1000.07 each fully paid up) (P.Y. nil) (4999.55 units sold during the year) (P.Y. nil)	0	10000000	5000000	5000000
(2) Punjab & Sind Bank Dividend plan daily (8,05,723.862 units purchased of Rs. 18.6168 each fully paid up) (P.Y. nil)	0	15000000	0	15000000
	0	25000000	5000000	20000000

**Aggregate market value as on 31/3/2012**

**20290139**



## Ahluwalia Contracts (India) Limited

### 19 INVENTORIES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Work in Progress	1098894073	446599851
Raw Material (includes in transit Rs 1,15,99,340/-(P.Y.Rs.4,93,10,401/-)	1121932972	1253217332
<b>TOTAL &gt;</b>	<b><u>2220827045</u></b>	<b><u>1699817183</u></b>

### 20 TRADE RECEIVABLE

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
-------------	---------------------------	---------------------------

#### Receivables outstanding for a period exceeding six months from the date they are due for payment

##### Unsecured, considered good

Retention Money	1066075884		925830459
Against Running Bills	<u>693569826</u>	1759645711	<u>268277530</u> 1194107990

##### Others debts

##### ( Unsecured, considered good)

Retention Money	5943344		59010674
Against Running Bills	<u>2765429961*</u>	<u>2771373305</u>	<u>3895179780</u> 3954190455
<b>TOTAL &gt;</b>		<b><u>4531019016</u></b>	<b><u>5148298444</u></b>

\* Includes Rs. 84,90,574/- ( P.Y. Rs. 1,86,04,332/-) due from related party.

### 21 CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Cash-in-hand	117469010	90292301
Balance with banks		
In current accounts	352101649	853846369
In unpaid dividend accounts(1)	406072	371747
Deposits with maturity with less than 3 months	<u>20493607</u>	<u>35826867</u>
<b>Total (A)</b>	<b><u>490470338</u></b>	<b><u>980337284</u></b>
Other Bank Balance		
Deposits with maturity more than 3 months but less than 12 months	3631184	82518663
Deposits with maturity more than 12 months (2)	<u>494444928</u>	<u>442035886</u>
	<b><u>498076112</u></b>	<b><u>524554549</u></b>
Less : Amount disclosed under non current assets	<u>494444928</u>	<u>442035886</u>
<b>Total (B)</b>	<b><u>3631184</u></b>	<b><u>82518663</u></b>
<b>Total (A+B)</b>	<b><u>494101522</u></b>	<b><u>1062855947</u></b>

(1) These balances are not available for the use by the company as they represent corresponding unpaid dividend liabilities.

(2) Pledged with banks as margin for bank guarantees, letter of credit and deposited with the court for legal cases against the company.



## Ahluwalia Contracts (India) Limited

### 22 SHORT-TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Unsecured Considered Good		
Advances recoverable in cash or in kind or for value to be received		
i) Earnest Money Deposit	6680000	18471000
ii) Advance to companies in which Directors are interested	76492852	37960273
iii) Advance to Suppliers & Petty Contractors	150218899	157352775
iv) Advance to Staff	10883046	10266549
v) Others	33677305	20297475
<b>TOTAL</b>	<b><u>277952102</u></b>	<b><u>244348072</u></b>

### 23 OTHER CURRENT ASSETS

PARTICULARS	AS AT 31.03.2012 (RS.)	AS AT 31.03.2011 (RS.)
Interest Receivable on deposits	0	751125
Prepaid Expenses	38386981	34423009
<b>TOTAL &gt;</b>	<b><u>38386981</u></b>	<b><u>35174134</u></b>

### 24 REVENUE FROM OPERATIONS

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Contract Work Receipts	13486388301	16602439112
Sales Trading (Construction related Material )	109601089	62830714
Sale of Ready Mix Concrete (RMC)	822408699	634233823
Sale Real Estate Stock	0	210000000
Sale (Scrap)	40112956	20271460
<b>TOTAL &gt;</b>	<b><u>14458511045</u></b>	<b><u>17529775109</u></b>

### 25 OTHER INCOME

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Interest on deposits	52680979	37164266
Rent	4430025	7965768
Liabilities Written Back	51434774	7077110



## Ahluwalia Contracts (India) Limited

Profit on sale of Fixed Assets	0	0
Interest on Income Tax Refund	249731	443644
Profit on sale of long term investment ( Non Trade)	0	0
Professional Receipts	0	0
Commission	10663991	10996845
Other Receipts	0	4951766
Exchange Fluctuation gain (net)	319566	1521648
Provision for Doubtful Debts Written Back	1500000	4953471
Provision for doubtful advances Written Back	2000000	0
Bad Debts recovered	0	3500000
Dividend on Long Term Investment	37500	37500
<b>TOTAL &gt;</b>	<b>123316566</b>	<b>78612018</b>

### 26 OPERATING EXPENSES

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Cost of Goods Sold (Real Estate)	0	141474780
Sub-Contracts	2280840940	3097636159
Professional Charges	65535114	37330859
Power & Fuel	368016518	374099144
Machinery & Shuttering Hire Charges	358320253	383893868
Machinery Repair & Maintenance	123013466	146525982
Commercial Vehicle Running & Maintenance	11134216	28680418
Testing Expenses	11076962	11736488
Insurance Expenses	40124997	32154879
Watch & Ward Expenses	83345663	86722395
<b>TOTAL</b>	<b>3341408129</b>	<b>4340254972</b>

### 27 (INCREASE)/ DECREASE IN WORK IN PROGRESS & STOCK IN TRADE

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Work-in-Progress		
Opening Stock:	446599851	564835395
Closing Stock	1098894073	446599851
	<b>652294222</b>	<b>118235544</b>





## Ahluwalia Contracts (India) Limited

### 28 EMPLOYEE BENEFIT EXPENSES

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
<b>Staff Cost</b>		
Salaries and other benefits (Including Directors Remuneration Rs.2,32,15,613/- previous year Rs. 2,11,96,266/-)	914671775	798586783
Employees Welfare	36740725	44386228
Employer's Contribution to Provident and Other Funds. (Including Directors Provident Fund Rs.1,79,652/- previous year Rs. 1,63,320/-)	28899797	33703821
	980312297	876676832
<b>Labour Cost</b>		
Labour Wages & other benefits	1707236183	1838156846
Contribution to Provident & Other Funds	28642132	25744014
Hutment Expenses	10716725	8106746
Labour Welfare	71880509	84140231
	1818475549	1956147837
<b>TOTAL &gt;</b>	<b>2798787845</b>	<b>2832824669</b>

### 29 FINANCE COSTS

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Interest on Term Loans	38567587	26723928
Interest on Working Capital & Others	224754960	168319376
Interest on Income Tax	1294600	0
Upfront/Processing fee	6689593	9035628
Bank Charges	38216469	34691757
<b>TOTAL &gt;</b>	<b>309523208</b>	<b>238770690</b>

### 30 OTHER EXPENSES

PARTICULARS	YEAR ENDING 31/03/2012 (RS.)	YEAR ENDING 31/03/2011 (RS.)
Electricity & Water Charges	7452230	4886589
Rent	103731763	103544697
Travelling & Conveyance Expenses	43794274	42662728
Travelling & Conveyance (Directors)	4593630	5331000
Legal & Professional Charges	31436496	23111607
Repairs & Maintenance :-		
Building	2068479	1291076
Others	19154249	17100397
Vehicle Running & Maintenance	31050213	31015884
Postage, Telegram and Telephone Expenses	22803040	25357638
Printing and Stationery	16740958	19365093
Advertisement	3899768	4138659



**Ahluwalia Contracts (India) Limited**

Business Promotion	3354288	3517562
Charity & Donation (other than Political party)	1000768	1331740
Insurance Charges	6327107	5789551
Watch & Ward Expenses	6278209	4908716
Rates & Taxes	4607813	5734250
Workman Compensation	315838	3836946
Miscellaneous Expenses	8494699	10366244
Payment to Auditors	2799165	3080363
Loss on Sale of Fixed Assets(net of Profit of Rs 604601/-, P.Y Rs -nil-)	94648	2912903
Theft Loss	0	5000000
Bad Debts Written Off	0	1056260
Provision for doubtful debts	22414486	26177369
Provision for doubtful advances	0	0
Directors Sitting Fees	210000	155000
<b>TOTAL &gt;</b>	<b><u>3 42622121</u></b>	<b><u>351672272</u></b>



## AHLUWALIA CONTRACTS (INDIA) LIMITED

### SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS TO THE CONSOLIDATED FINANCIAL STATEMENTS OF AHLUWALIA CONTRACTS (INDIA) LIMITED AND ITS SUBSIDIARIES FOR THE FINANCIAL YEAR ENDED 31.03.2012

#### (I) PRINCIPLES OF CONSOLIDATION

- a) The consolidated financial statements relate to Ahluwalia Contracts (India) Limited and its wholly owned subsidiary companies. The consolidated financial statements have been prepared on the following basis :
- The financial statements of the Parent company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealized profits are eliminated in full as per Accounting Standard-21, Consolidated Financial Statements, as notified by Companies Accounting Standards Rules, 2006. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.
  - The financial statements of the Subsidiary Companies used in the consolidation are drawn for the same period as that of the Parent Company i.e. year ended March 31, 2012.
  - Any excess/deficit of cost to the Parent Company of its investment over the Parent Company's proportion of equity in the subsidiaries as at the date of investment is recognized in the consolidated financial statements as Goodwill/Capital Reserve.
- b) List of subsidiary companies which are considered in the consolidation and the Parent Company's holding therein are as under :

S.No.	Name of the Subsidiary Company	Country of Incorporation	Extent of holding (%) as on March 31, 2012
1.	Ahlcon Ready Mix Concrete Pvt. Ltd.	India	100
2.	Dipesh Mining Pvt. Ltd.	India	100
3.	Jiwan Jyoti Traders Pvt. Ltd.	India	100
4.	Paramount Dealcomm Pvt. Ltd.	India	100
5.	Premesagar Merchants Pvt. Ltd.	India	100
6.	Splendor Distributors Pvt. Ltd.	India	100

#### (2) SIGNIFICANT ACCOUNTING POLICIES

##### (A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- The Financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles, in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India from time to time and provisions of the Companies Act, 1956 as adopted consistently by the company, unless otherwise stated.
- The company generally follows Mercantile System of accounting and recognises items of Income and Expenditure on accrual basis except:-  
  
Works contract tax deducted at source including on advances by clients are charged to statement of profit and loss in the year of deduction and the refunds, if any, are accounted for in the year of receipt.
- Expenditure incurred in respect of additional costs/delays is accounted in the year in which they are incurred. Claims made in respect thereof are accounted as work receipts in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received from the client.



**(B) REVENUE RECOGNITION**

- (i) Revenue recognition and valuation of the contract WIP are as per Accounting Standard AS-7. Work receipts are taken on percentage completion method, stated on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto. The site mobilisation expenditure for site installation is apportioned over the period of contract in proportion to value of work done. Foreseeable losses are accounted for when they are determined except to the extent they are expected to be recovered through claims presented or to be presented to the customer or in arbitration.
- (ii) Sub contracts expenses are accounted on the basis of bills certified by principal. Cost of sub contract includes the cost of material wherever applicable.
- (iii) In respect of Real Estate projects the sales are accounted for at the time of handing over the possession of the flat / space to the buyers.
- (iv) Stage / percentage of completion is determined with reference to the certificates given by the Clients / Consultants appointed by Clients as well as on the billing schedule agreed with them for the value of work done during the year.
- (v) Dividend is recognized when the shareholders' right to receive payment is established by the balance sheet date.

**(C) FIXED ASSETS**

- (i) Fixed Assets are stated at Cost of acquisition. Fixed Assets acquired under Hire Purchase Schemes are capitalised at their principal value and hire (finance) charges are charged off as revenue expenditure.
- (ii) Company's Land & Buildings have been revalued as on 31-03-1992 by Government approved registered valuer on the basis of their prevailing day value. Difference between the total value of these assets on revaluation and written down value as on 31.03.1992 of Rs. 10,691,246/- had been credited to revaluation reserve account.

**(D) DEPRECIATION / AMORTISATION**

- (i) Depreciation on fixed assets (other than leasehold improvements) is provided on Straight Line Method as per Schedule XIV of the Companies Act, 1956 on pro-rata basis with reference to the days of addition/sale. The management of the company is of the view that this depreciation rate fairly represents the useful life of the assets. In the following cases, the depreciation rates are greater than the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956:

Name of Asset	Rate (SLM)charged	Schedule XIV Rate (SLM)
Transit Mixture	13.57%	11.31%

- (ii) Depreciation on shuttering material and on items costing below Rs. 5000/- have been provided @ 100% on prorata basis.
- (iii) Depreciation is charged on the historical cost of Fixed Assets (Except for Revalued Assets) including taxes, duties and installation costs.
- (iv) Depreciation on revalued amount of Fixed Assets is being charged to Revaluation Reserve Account.
- (v) Lease hold land is amortised over the period of lease.

**(E) INTANGIBLES**

Software costs relating to acquisition of initial software licence fee and installation cost are capitalized in the



year of purchase and amortized on straight line basis over its useful life, which is considered to be of a period of five years.

**(F) IMPAIRMENT OF ASSETS**

The company makes an assessment of any indicator that may lead to impairment of assets on an annual basis. An impairment loss is recognised wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing value in use valuation is done by the estimated future cash flows (discounted to their present value, based on an appropriate discounting factor) are used. Impairment losses are recognised in the statement of Profit and Loss.

**(G) BORROWING COSTS**

Borrowing Costs specifically related to acquisition of fixed assets are capitalized as part of the cost of fixed assets till the date ready to put to use. Other borrowing costs are charged to statement of Profit & Loss.

**(H) INVESTMENTS**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of such investments.

**(I) INVENTORIES**

- (i) Stocks are valued at cost or net realisable value whichever is lower.
- (ii) Work-in-progress is valued on the basis of expenditure attributed to project up to the date of Balance sheet.

**(J) EMPLOYEE BENEFITS**

**(a) Short-term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period.

**(b) Post-employment benefits:**

- (i) Retirement benefits in the form of the Company's contribution to Provident Fund etc. are charged to the statement of Profit & Loss of the year when the contributions to the respective funds are due.
- (ii) The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.  
The obligation is measured at the present value the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date.  
When the calculation results in a benefit to the company, the recognized asset is limited to the net total of any unrecognized actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.  
Actuarial gains and losses are recognized immediately in the statement of profit & loss.



**(K) FOREIGN EXCHANGE TRANSACTIONS**

- (i) Transactions arising in Foreign Currency are converted at the exchange rates prevailing as on date of transactions. Monetary Assets & Liabilities denominated in Foreign Currencies are restated at year end exchange rates. All exchange difference arising on conversion are charged to statement of Profit & Loss.
- (ii) Forward Exchange Contracts (Derivative Instruments) not intended for trading or speculation purposes  
The Company uses derivative financial instruments including forward exchange contracts to hedge its risk associated with foreign currency fluctuations. The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

**(L) CONCESSION ARRANGEMENT**

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Significant assumptions used in accounting for the intangible asset are given below:

The intangible assets are measured at cost, i.e. fair value of the construction service. The exchange of construction services for an intangible asset is regarded as a transaction that generates revenue and costs, which will be recognized by reference to the stage of completion of the Construction. The intangible asset is assumed to be received only upon completion of construction and recognized on such completion. Until then, the expenditure incurred on this project will be debited as "Capital Work in Progress" under the main head of "Fixed Assets". The value of the intangible asset shall be amortized over the estimated useful life. The carrying value of intangible asset is reviewed for impairment when events or changes in circumstances indicate that the carrying value may be recoverable.

**(M) TAXATION**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax resulting from timing differences between book & tax profits is accounted for under the liability method, at the substantively enacted rate of tax on the balance sheet date, to the extent that the timing differences are expected to crystallise/capable of reversal as deferred tax charge/benefit in the statement of profit & loss and as deferred tax liability/assets in the balance sheet.

**(N) PROVISIONS**

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current management estimates.

**(O) LEASES**

Where the Company is the lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.



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Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of Profit & Loss on a straight-line basis over the lease term.

### (P) SEGMENT REPORTING POLICIES

- (i) Identification of segments:  
The Company's operating businesses are organized and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets.
- (ii) Inter Segment Transfers:  
Inter segment transfers have been priced based on market prices charged to external customers for similar goods. These are then eliminated.
- (iii) Unallocated items:  
Common unallocable costs and corporate income and expenses are considered as a part of un-allocable income and expense, which are not identifiable to any business segment.

### (Q) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating Diluted Earnings per Share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential Equity shares.

### 31a. CONTINGENT LIABILITIES NOT PROVIDED FOR

S.No.	Particulars	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
a)	Counter guarantees given to bankers against Bank guarantees	498,71,41,271	473,24,73,185
b)	Indemnity Bonds/Performance Bonds/ Surety Bonds / Corporate guarantees given to clients	113,29,94,715	126,43,95,704
c)	Value Added Tax liability	151,21,36,263	150,70,38,998
d)	Demand of stamp duty on Real Estate Project	57,41,980	57,41,980
e)	Claims against the company not Acknowledged as debt	49,54,04,581	29,33,60,739
f)	Excise duty demand for F.Y. 1998-99 & 2000-2001	46,37,000	46,37,000
g)	Service tax demand on alleged wrong availment of abatement on account of free supply of material by the Client	315,76,01,821	196,11,49,906
h)	Income tax demand	-	5,02,111

Based on legal opinion taken by the Company, discussions with the advocates etc, the Company believes that there is fair chance of decisions in its favour in respect of all items listed in (c) to (g) above and hence no provision is considered necessary against the same. The reply/appeal have been filed before appropriate authority/Court. Disposal is awaited.

31b. Capital commitments :- Capital contracts remaining to be executed (net of payments) and not provided for Rs. 43,82,81,393/- (Previous Year Rs. 58,39,37,834/-)

32a. The company had executed Common Wealth Games Village Project and raised R.A. bills amounting to Rs. 638,87,67,898/- up to the March, 2011 which have been certified to the extent of Rs. 571,84,67,898/-. The



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company has further raised bills and lodged the claims of Rs. 418,02,86,608/- on the client with respect to additional works on account of deviations and other aspects which is disputed by the client. The client has in turn raised a counter claim on the company for Rs.250,92,91,002/-.

As per the terms of the agreement , both the parties have initiated process of arbitration and accordingly appointed arbitrators.

The company filed an application for the appointment of presiding arbitrator in High Court of Delhi which is pending before the Court. The management believes a favourable outcome of negotiations/ judicial proceedings and confirm recovery of dues.

- b. On 19th Jan, 2011 Sri Sumeru Realty Pvt. Ltd (SSRPL) Bangalore, a client invoked the Bank Guarantees amounting to Rs 500,44,760/- and terminated the Contract on 10.03.2011. The Company filed petition in the District and Sessions Court, Bangalore to restrain the Bank for release of Payment against these Bank Guarantees. The Court restrained the Bank to release the payment of Bank Guarantees. The Company has also filed petition in the District Court, Bangalore on 20.3.2011 to secure its claims of Rs. 22,74,79,303/-

The company appointed the arbitrator but Sumeru did not. The company filed an application for appointment of arbitrator in Bangalore High Court on behalf of Sumeru. Both the arbitrators have appointed presiding arbitrator. The matter is pending before the arbitrators. The management believes a favourable outcome of judicial proceedings / negotiations and confirm recovery of dues.

- c. The Construction of Festival City, Ludhiana was awarded on 10.03.2006 for a contract value of Rs 11,00,00,000/- to be completed in a period of 15 months. The project was delayed due to various reasons and under suspension since June 2009. During the course of the execution of the project, the Company had entered in to an agreement to create strategic account & agreement to sell in April 2007 for contiguous office space of 28744 sq ft for a total sale consideration of Rs 6,46,74,743/-.

The Client's bankers have taken over possession of the project (Building) under SARFESI Act and have filed a suit for securitization of space allotted under strategic account.

The recovery of the Company's dues are dependent upon decision of the judicial process. However, the management believes a favourable outcome of proceedings and confirm recovery of dues.

33. In the opinion of the Board, Current Assets, Loans and Advances are approximately of the value stated if realised in the ordinary course of business. The provisions for depreciation and for all known liabilities are adequate and not excess or short of the amount considered necessary.
34. The subsidiary of the parent company purchased raw material from the suppliers on the basis of purchase order for delivery at its plant of the company. The Company settles its obligation by making payment separately for material & cartage to the respective suppliers & provider of services against cartage. The company does not stipulate any service tax liability in view of the legal opinion taken by it.
35. The subsidiary of the parent company charged for loading and unloading from the customers on which no sales tax/ VAT is payable in view of the Management.
36. The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Company, the balance due to Micro & Small Enterprises as defined under the MSMED Act, 2006 is as under:





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No.	Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006	As at 31st Mar, 2012 (Rs.)	As at 31st Mar, 2011 (Rs.)
i	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end year.  Principal Amount Unpaid  Interest Due	  37,06,044  8,33,560	  65,72,969  4,52,257
ii	The amount of interest paid by the buyer in terms of section 16, of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year  Payment made beyond the Appointed Date  Interest Paid beyond the Appointed Date	  1,19,22,164  	  78,00,746  
iii	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act, 2006	-	-
iv	The amount of interest accrued and remaining unpaid at the end of the year; and	18,43,886	10,10,326
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprise Development Act, 2006	-	-

37(a) Sundry Debtors, Advances Recoverable and Sundry Creditors balances appearing in the Balance Sheet are subject to confirmation.

(b) Advance payments received towards contracts are secured by Bank Guarantees and/or indemnity bonds issued by the company.

38. Bus Terminal and Depot and Commercial Complex at Kota

i) The Company entered into an "Agreement to Develop" with Rajasthan State Road Transport Corporation (RSRTC), grantor, for Development/Construction of Bus Terminal and Depot and Commercial Complex at Kota, on 19th September, 2007. The project was to be completed within 18 months. Delay in approval of drawing by Statutory Authorities affected the progress of the project and delay in completion.

ii) The project cost has been estimated Rs. 72,00,00,000/- out of which Rs. 28,17,18,607/- have been spent till 31.03.2012. The expenditure incurred has been shown in Balance Sheet under the main head "Fixed Assets" and sub-head "Capital Work in Progress" as "Intangible Asset". The total expenditure will be amortized during the useful period taking into account the revenue receivable for remaining useful period.

iii) Right to Lease Commercial Complex: The period of lease of right of Commercial complex is 40 years (30 years + 10 years extended period) from the date of completion of the project. Thereafter, the Commercial Complex will be handed over to RSRTC.

iv) a) Revenue from advertisement, outside the building shall be shared 50% to RSRTC & 50% to the Licensee. No Revenue sharing from advertisement etc. inside the building.



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b) The revenue from commercial complex will be shared with RSRTC in the following manner :

Sr. NO.	Details of area/space to be used for shops/stalls or other occupants at Bus Stand Kota	License fee upto 36 months	License fee after 36 months upto the license period of 30 years	License fee after 30 years for a further period of 10 years
1)	For the space area 15 Sqm or more area	Rs. 10/- per Sqm per month	Rs 50/- per Sqm per month with 10% cumulative increase every year.	License fee effective as on Completion of 30 years and others terms & conditions will remain unchanged.
2)	For space less than 15 Sqm	Rs 150/- per month in each case.	Rs 750/- per month in each case with 10% cumulative increase every year.	License fee effective as on completion of 30 years and others terms & conditions will remain unchanged.

v) Maintenance Obligations: The maintenance of Bus Terminal and Depot is the responsibility of RSRTC. It will be Contractual obligations to maintain the commercial complex. The actual maintenance charges will be recovered from the occupants of the commercial complex.

During the year Company has received No objection certificate (NOC) from Airport Authority of India (AAI) Delhi in respect of permissible limit of height of 26.56 mtrs and submitted revised Drawings/ plans to Urban Improvement Trust (Kota) duly acknowledged/signed by RSRTC, Kota for approval, which is awaited. In case of the aforesaid agreement the delay in approval of drawings has automatically extended the completion date as the entire project is to be completed within 18 months from the last approval given by local authority/ government agency.

39. Employee Benefits:

a) Effective from 1st January'2007, the Company adopted Accounting Standard 15 (Revised 2005) on "Employee Benefits" issued by the Institute of Chartered Accountants of India.

b) The following table sets out the status of the gratuity scheme plan as at 31st March, 2012

Financial Assumptions:-	As on 31.03.2010	As on 31.03.2011	As on 31.03.2012
Discount Rate:	7.60%	7.90%	8.60%
Rate of increase in Compensation levels:	7.00%	7.00%	6.00%
Rate of Return on Plan Assets:	9.25%	9.25%	9.25%

### I. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS DURING THE PERIOD

Present Value of Obligation as at the beginning of the period	4,24,44,635	5,67,90,851	7,07,69,102
Acquisition adjustment	----	----	----
Interest Cost	29,72,414	43,19,557	55,93,529
Past Service Cost	----	24,000	----
Current Service Cost	84,94,523	95,27,588	97,81,034
Curtailment Cost / (Credit)	----	----	----
Settlement Cost / (Credit)	----	----	----



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Benefit Paid	(15,15,742)	(12,64,106)	(37,25,236)
Actuarial (gain)/ loss on obligations	43,95,021	13,71,160	(48,13,492)
Present Value of Obligation as at the end of the period	5,67,90,851	7,07,69,050	7,76,04,937

### I. TABLE SHOWING CHANGES IN THE FAIR VALUE OF PLAN ASSETS DURING THE PERIOD

Fair Value of Plan Assets at the beginning of the period	2,06,21,365	3,02,64,766	4,03,34,124
Acquisition Adjustments	----	----	----
Expected Return on Plan Assets	19,07,476	33,66,066	47,99,152
Contributions	86,69,356	79,67,398	1,57,02,619
Benefits Paid	(15,15,742)	(12,64,106)	(37,25,236)
Actuarial Gain /( loss) on Plan Assets	5,82,311	NIL	NIL
Fair Value of Plan Assets at the end of the period	3,02,64,766	4,03,34,124	5,71,10,659

### III. TABLES SHOWING FAIR VALUE OF PLAN ASSETS

Fair value of plan asset at the beginning of period	2,06,21,365	3,02,64,766	4,03,34,124
Acquisition Adjustments	----	----	----
Actual return on plan assets	24,89,787	33,66,066	47,99,152
Contributions	86,69,356	79,67,398	1,57,02,619
Benefits Paid	(15,15,742)	(12,64,106)	(37,25,236)
Fair value of plan assets at the end of period	3,02,64,766	4,03,34,124	5,71,10,659
Funded Status	(2,57,03,085)	(2,90,49,926)	(1,85,98,600)
Excess of actual over expected return on plan assets	5,82,311	NIL	NIL

### IV. ACTUARIAL GAIN / LOSS RECOGNIZED FOR THE PERIOD

Actuarial gain/(loss) for the period – Obligation	(43,78,021)	(13,90,160)	48,13,492
Actuarial (gain)/loss for the period - Plan Assets	(5,82,311)	NIL	NIL
Total (gain) / loss for the period	37,95,710	13,90,160	(48,13,492)
Actuarial (gain) / loss recognized in the period	37,95,710	13,90,160	(48,13,492)
Unrecognized actuarial (gains) / losses at the end of period	----	----	----

### V. THE AMOUNTS TO BE RECOGNIZED IN BALANCE SHEET AND STATEMENTS OF PROFIT AND LOSS

Present Value of Obligation as at the end of the period	5,67,90,851	7,07,69,050	7,76,04,937
Fair Value of Plan Assets as at the end of the period	3,02,64,766	4,03,34,124	5,71,10,659



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Funded Status	(2,57,03,085)	(2,90,49,926)	(2,04,94,278)
Unrecognized Actuarial (gains) / losses	----	----	----
Unrecognized Past Service Cost (Non Vested Benefits)	----	----	----
Net Liability Recognized in Balance Sheet	2,65,26,085	3,04,34,926	2,04,94,278

### VI. EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD

Current Service Cost	88,90,523	1,04,21,588	97,81,034
Past Service Cost	8,23,000	13,85,000	13,85,052
Interest Cost	29,46,414	42,53,557	55,93,529
Expected Return on Plan Assets	(19,07,476)	(33,66,066)	(47,99,152)
Curtailment Cost / (Credit)	----	----	----
Settlement Cost / (Credit)	----	----	----
Net actuarial (gain)/ loss recognized in the period	37,95,710	13,90,160	(48,13,492)
Expenses Recognized in the statement of Profit & Loss	1,29,02,171	1,13,14,239	71,46,971

VII. The Company's Gratuity fund is managed by Life Insurance Corporation of India. The plan assets under the fund are deposited under approved securities.

#### 40. AUDITORS' REMUNERATION

S.No.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
(i)	As Audit Fee	21,93,060	21,45,700
(ii)	Tax Audit Fee	5,53,560	4,96,350
(iii)	Certification & other matters	18,274	4,24,7113
(iv)	Out of pocket expenses	89,891	38,600
	Total	28,54,785	31,05,363

#### 41. MANAGERIAL REMUNERATION

Due to losses incurred during the year, the remuneration to managerial personnel have exceeded the limits prescribed under schedule XIII of Companies Act 1956 by Rs. 1,18,13,409/- (P.Y. Nil). The Company has passed a resolution in its Board of Directors meeting held on 30/05/2012 for waiver of the excess remuneration paid subject to approval of shareholders and Central Government as per the applicable provisions of the Act. The excess remuneration of Rs. 1,18,13,409/- has been charged to the statement of profit and loss as the Company proposes to seek Central Government approval for waiver of the excess remuneration .

42. The Company has taken various residential, office and warehouse premises under operating lease agreements. These are generally not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by Lease Agreement. There are no subleases.

Particulars	Lease Payments during 2011-12 (Rs.)	Lease Payments during 2010-11 (Rs.)
Total lease payment for the year (recognized in Profit & Loss statement)	10,22,51,715/-	10,26,16,664/-



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Minimum Lease Payments		
Not later than one year	374,26,075/-	6,16,85,665/-
Later than one year but not later than five years	1,30,96,909/-	5,28,75,886/-
Later than five years	-	-

### 43. Related Party Disclosure:

i) List of Related Parties (as ascertained by the management)

1. Parties under common control & Associates:

M/s Ahlcon Parenterals (India) Limited  
M/s Tidal Securities Private Ltd.  
M/s Ahlcons India Private Limited  
M/s. Capricon Industrials Ltd.  
M/s. Ahluwalia Builders & Development Group Pvt. Ltd.

2. Key Management Personnels:

Mr. Bikramjit Ahluwalia	Chairman & Managing Director
Mr. Shobhit Uppal	Dy. Managing Director
Mr. Vikaas Ahluwalia	Whole Time Director
Mrs. Sudershan Walia	Whole Time Director
Mr. Vinay Pal	Whole Time Director
Mr. Vivek Arora	Whole Time Director of subsidiary company

3. Relative of Key Management Personnels & Relationship:

Mrs. Rohini Ahluwalia	Daughter of Chairman & Managing Director
Mrs. Rachna Uppal	Daughter of Chairman & Managing Director
Mrs. Mukta Ahluwalia	Daughter of Chairman & Managing Director
Mrs. Pushpa Rani	Sister of Chairman & Managing Director
Mrs. Ram Piari	Sister of Chairman & Managing Director
Mrs. Raman Pal	Mother of whole time Director

4. Enterprises over which key managerial personnel is able to exercise significant influence.

Karam Chand Ahluwalia Hospital & Medical Research Society

ii) Transactions During the Year with Related Parties

Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Parties under common control & Associates	Non executive & independent Director	Total
Transactions during the year						
<b>Rent received</b>						
Ahlcon India Pvt. Ltd.	-	-	-	7,33,968.00		7,33,968.00
	-	-	-	(7,33,968.00)		(7,33,968.00)
Ahlcon Parenterals India Ltd.	-	-	-	2,70,000.00		2,70,000.00
	-	-	-	(2,70,000.00)		(2,70,000.00)
<b>Payment against Contract work</b>						
Ahlcon India Pvt. Ltd.	-	-	-	13,35,42,584.00		13,35,42,584.00
	-	-	-	30,21,62,130.00)		(30,21,62,130.00)
<b>Purchase of Material</b>						
Ahlcon India Pvt. Ltd.	-	-	-	-		-
	-	-	-	33,31,670.00)		3,31,670.00)



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Ahluwalia Construction Group	-	-	-	-	-	-
	-	-	(26,99,663)	-	-	(26,99,663)
<b>Service Availed</b>						
Ahlcon Material Testing Lab	-	-	10,29,735	-	-	10,29,735
	-	-	(3,00,000)	-	-	(3,00,000)
<b>Hire Charges Received</b>						
Ahluwalia Construction Group	-	-	5,56,500	-	-	5,56,500
	-	-	(44,71,203)	-	-	(44,71,203)
<b>Sale of Goods</b>						
Ahluwalia Construction Group	-	-	31,32,239			31,32,239
	-	-	(63,68,603)			(63,68,603)
<b>Rent paid</b>						
Sudershan Walia	36,00,000.00	-	-			36,00,000.00
	(50,40,000.00)	-	-			(50,40,000.00)
Rachna Uppal	-	12,00,000.00	-			12,00,000.00
	-	(12,00,000.00)	-			12,00,000.00
Rohini Ahluwalia	-	7,20,000.00	-			7,20,000.00
	-	(7,20,000.00)	-			(7,20,000.00)
Ahluwalia Construction Group	-	-	3,00,000.00			3,00,000.00
	-	-	(3,00,000.00)			(3,00,000.00)
<b>Managerial remuneration</b>						
Bikramjit Ahluwalia	79,49,311.00	-	-			79,49,311.00
	(78,80,872.00)	-	-			(78,80,872.00)
Shobhit Uppal	63,84,098.00	-	-			63,84,098.00
	63,48,938.00)	-	-			(63,48,938.00)
Sudershan Walia	8,01,672.00	-	-			8,01,672.00
	8,01,672.00)	-	-			(8,01,672.00)
Vikaas Ahluwalia	0,48,332.00	-	-			10,48,332.00
	10,48,332.00)	-	-			(10,48,332.00)
Vinay Pal	46,80,000.00	-	-			46,80,000.00
	29,56,452.00)	-	-			(29,56,452.00)
Vivek Arora	25,32,852	-	-			25,32,852
	(23,23,320)	-	-			(23,23,320)
<b>Dividend received</b>						
Ahlcon India Pvt. Ltd.	-	-	-	37,500.00		37,500.00
	-	-	-	(37,500.00)		(37,500.00)
<b>Dividend paid</b>						
Bikramjit Ahluwalia	20,72,479.00	-	-			20,72,479.00
	41,44,958.00)	-	-			(41,44,958.00)
Vikaas Ahluwalia	13,400.00	-	-			13,400.00
	(26,800.00)	-	-			(26,800.00)
Mukta Walia	-	13,400.00	-			13,400.00
	-	(26,800.00)	-			(26,800.00)
Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel	Enterprises owned or significantly influenced by key management personnel or their relatives	Parties under common control & Associates	Non executive & independent Director	Total



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Ram Piari	-	17,03,960.00	-			17,03,960.00
	-	(34,07,920.00)	-			(34,07,920.00)
Pushpa Rani	-	15,82,440.00	-			15,82,440.00
	-	(31,64,880.00)	-			(31,64,880.00)
Rachna Uppal	-	4,91,000.00	-			4,91,000.00
	-	(9,82,000.00)	-			(9,82,000.00)
Shobhit Uppal	17,23,200.00	-	-			17,23,200.00
	34,46,400.00)	-	-			(34,46,400.00)
Sudershan Walia	94,24,952.00	-	-			94,24,952.00
	(1,67,11,504.00)	-	-			(1,67,11,504.00)
Rohini Ahluwalia	-	11,92,736.00	-			11,92,736.00
	-	(23,85,472.00)	-			(23,85,472.00)
Raman Pal	-	-	-			-
	-	(21,38,400.00)	-			(21,38,400.00)
Tidal Securities Pvt. Ltd.	-	-	-	10,000.00		10,000.00
	-	-	-	(20,000.00)		(20,000.00)
<b>Payment against professional</b>						
Dr. Sushil Chandra	-	-	-	1,00,000.00		1,00,000.00
	-	-	-	-		-
Receipts against contract work						
Bikramjit Ahluwalia	47,89,171.00	-	-			47,89,171.00
	(1,37,70,293.00)	-	-			(1,37,70,293.00)
Ahluwalia Construction Group	-	-	2,17,81,939.00			2,17,81,939.00
	-	-	(1,22,45,429.00)			(1,22,45,429.00)
<b>Sale of Real Estate</b>						
Bikramjit Ahluwalia	-	-	-			-
	(21,00,00,000.00)	-	-			(21,00,00,000.00)
Enterprises over which key managerial personnel is able to exercise significant influence						
Karam Chand Ahluwalia Hospital & Medical Research Society	-	-	6,00,000.00			6,00,000.00
	-	-	(6,00,000.00)			(6,00,000.00)
Due from Related Parties (Sundry Debtors)						
Ahlcon Parenterals India Ltd.	-	-	-	1,21,500.00		1,21,500.00
	-	-	-	(3,03,750.00)		(3,03,750.00)
Ahluwalia Construction Group	-	-	88,36,625			88,36,625
	-	-	(1,83,00,582)			(1,83,00,582)
Advance recoverable in cash or kind or fo value to be received						
Ahlcon India Pvt. Ltd.	-	-	-	7,64,92,852.00		7,64,92,852.00
	-	-	-	(3,79,60,273.00)		(3,79,60,273.00)
<b>Investments</b>						



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Ahluwalia Builders & Development Group Pvt. Ltd.	-	-	-	1,66,200.00		1,66,200.00
	-	-	-	(1,66,200.00)		(1,66,200.00)
Ahlcons India Pvt. Ltd.	-	-	-	2,50,000.00		2,50,000.00
	-	-	-	(2,50,000.00)		(2,50,000.00)
Capricon Industri-als Ltd.	-	-	-	1,72,740.00		1,72,740.00
	-	-	-	(1,72,740.00)		(1,72,740.00)
<b>Due to related parties (Remuneration &amp; Rent)</b>						
Bikramjit Ahluwalia	34,52,115.96	-	-			34,52,115.96
	(15,29,379.17)	-	-			(15,29,379.17)
Sudershan Walia	2,31,019.89	-	-			2,31,019.89
	(22,34,737.22)	-	-			(22,34,737.22)
Shobhit Uppal	9,90,996.06	-	-			9,90,996.06
	(11,76,288.39)	-	-			(11,76,288.39)
Vikaas Ahluwalia	31,35,394.28	-	-			31,35,394.28
	(25,27,062.28)	-	-			(25,27,062.28)
Vinay Pal	4,96,000.00	-	-			4,96,000.00
	(1,94,700.00)	-	-			(1,94,700.00)
Vivek Arora	6,54,600	-	-			6,54,600
	(1,70,000)	-	-			(1,70,000)
Ahluwalia Con-struction Group	-	-	-	-	-	-
	-	-	(1,34,17,064)	-	-	(1,34,17,064)
Rachna Uppal		13,50,000.00	-			13,50,000.00
		(2,70,000.00)	-			(2,70,000.00)
Rohini Ahluwalia	-	6,83,205.00	-			6,83,205.00
	-	(2,16,000.00)	-			(2,16,000.00)
<b>Pledge of Shares</b>						
Bikramjit Ahluwalia	30,00,000 (30,00,000)					30,00,000 (30,00,000)
Sudershan Walia	2,05,42,760 (2,05,42,760)					2,05,42,760 (2,05,42,760)
- Previous year figures are given in brackets.						
- No amount has been written off or provided for in respect of transactions with the related parties.						

**44. Segment Reporting** :- The subsidiary of parent company operates in two segments – manufacturing of Ready Mix Concrete and Hiring of Construction Equipments. The Company has chosen the business segment as its primary segment considering the dominant source of revenue.

A) Information about the Primary Segments

(Amounts in Rs.)

Particulars	Ready Mix Concrete		Equipment Rentals		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
<b>REVENUE</b>						
External Turnover	790916157.87	654614370.00	87250540.00	132211529.00	878166697.87	786825899.00
Inter Segment Sales/Income	-	-	-	-	-	-
Other Operating Income	10663991.00	10996845.00	2850762.00	4881301.00	13514753.00	15878216.00
<b>Total</b>	801580148.87	665591765.00	90101302.00	137092830.00	891681450.87	802704115.00
<b>Expenses</b>	821378757.70	648630021.00	30649898.56	48296011.00	852028656.26	696926032.00
<b>RESULT</b>	-19798975.02	16961744.00	59451403.44	88796819.00	39652794.61	105778083.00





## Ahluwalia Contracts (India) Limited

Unallocated Corporate Expenses					41301755.05	56505215.00
Operating Profit					-1648960.44	49272868.00
Interest & Finance charges					45144469.50	38687007.00
Interest Income			-	-	599554.23	563882.00
Extra-ordinary Items	-	-	-	-	32094208.00	0.00
Unallocated Other Income					0.00	70535.00
Income Taxes					20429004.00	-1510758.00
Net Profit/(Loss)					-57859079.71	12731036.00
OTHER INFORMATION						
Segment assets (Total Assets)	577847528.94	527856728.00	182477406.68	270913001.00	760324935.62	798769729.00
Unallocated corporate assets		-	-	-	24288735.28	7828520.00
Total assets	577847528.94	527856728.00	182477406.68	270913001.00	784613670.90	806598249.00
Segment liabilities (Total Liabilities)	466174839.18	428591466.00	129455517.24	152226430.00	595630356.42	580817896.00
Unallocated corporate liabilities	-	-	-	-	138177272.23	151625231.00
Total liabilities	466174839.18	428591466.00	129455517.24	152226430.00	733807628.65	732443127.00
Capital expenditure	24311753.84	99747195.00	0.00	100183145.00	24311753.84	199930340.00
Sale of Assets	32610134.00	0.00	56048854.00	0.00	88658988.00	-
<b>Unallocated Capital expenditure</b>						
Net Capital expenditure	-8298380.16	99747195.00	-56048854.00	100183145.00	-64347234.16	199930340.00
<b>Depreciation/ Amortisation for the year</b>	32927018.70	23158941.77	9275366.00	8252326.00	42202384.70	31411267.77
Unallocated Depreciation / Amortisation	-	-	-	-	3670828.30	4664145.00
<b>Total Depreciation / Amortisation</b>	32927018.70	23158941.77	9275366.00	8252326.00	45873213.00	36075412.77
Non-cash expenses other than depreciation and amortisation	-	-	-	1577290.00	-	1577290.00
Unallocated Non-cash expenses other than depreciation and amortisation	-	-	-	-	-	-
<b>Total Non-cash expenses other than depreciation and amortisation</b>	-	-	-	1577290.00	-	1577290.00



## Ahluwalia Contracts (India) Limited

### 45. Earnings Per Share (EPS)

Particulars	31.03.2012	31.03.2011
Net profit / (loss) as per statement of profit & loss	(46,42,92,996)	72,05,27,388
Number of equity shares of Rs. 2/- each at the beginning of the year	6,27,62,560	6,27,62,560
Number of equity shares of Rs. 2/- each at the end of the year	6,27,62,560	6,27,62,560
Weighted average number of equity shares of Rs. 2/- each at the end of the year for calculation of basic and diluted EPS	6,27,62,560	6,27,62,560
Basic and diluted earnings per share (in Rs.) (Per share of Rs. 2/- each)	(7.40)	11.48

### 46. Disclosure in accordance with Accounting Standard –7 (Revised) amount due from/to customers on construction Contracts

	Current Year	Previous Year
Contract revenue recognized as revenue in the year	1393,82,62,200	1449,61,42,169
Contract costs incurred and recognised profits (less recognised losses) upto the reporting date	1341,73,95,814	1462,58,57,157
Advances received	248,58,64,828	246,23,63,498
Retention money	102,55,87,651	93,50,83,812
Gross amount due from customers for contract work	(1,23,15,869)	2,30,78,723
Gross amount due to customers for contract work	-	-

**Note:-** The above information is given only in respect of contracts entered into on or after 01.04.2003 and is in progress as on balance sheet date.

### 47. Figures relating to subsidiaries have been regrouped/ reclassified where ever considered necessary to bring them in line with the company's financial statements.



**Ahluwalia Contracts (India) Limited**

**48. PREVIOUS YEAR FIGURES**

Till the year ended 31st March, 2011, the Company was using pre-revised Schedule VI to the Companies Act 1956, for the preparation and presentation of its financial statements. During the year ended 31st March, 2012 the revised Schedule VI notified under the companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

The accompanying notes are an integral part of the financial statements.

As per our report of even date annexed

For **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President-F&A

Place: New Delhi  
Date: 30-05-2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

### Consolidated Cash Flow Statement for the Year ended on 31st March, 2012

	Year ended 31.03.2012	Year ended 31.03.2011
<b>A. Cash Flow from Operating Activities</b>		
Net Profit before Tax and extra ordinary items	(483,490,781)	1,086,230,979
<b>Adjustments to reconcile profit before tax to cash provided by Operating Activities</b>		
Depreciation	474,525,090	374,221,763
Interest Received	(52,680,979)	(37,164,266)
Interest Paid	263,322,547	195,043,304
Rent Received	(4,430,025)	(7,965,768)
Loss on Sale of Fixed Assets	32,188,856	2,912,903
<b>Operating Profit before working Capital Changes :</b>	<b>229,434,707</b>	<b>1,613,278,915</b>
<b>Movement in Working Capital</b>		
Trade Receivables	144,453,290	(1,796,614,457)
Inventories	(521,009,862)	(199,545,644)
Trade & Other Payables/Provisions	167,405,936	851,495,981
Loans and Advances & Other Receivables	92,297,086	(218,787,382)
<b>Cash generated from Operations :</b>	<b>112,581,157</b>	<b>249,827,413</b>
Direct Taxes Paid	(290,496,230)	(420,685,016)
<b>B. Net Cash Generated from Operating Activities (A)</b>	<b>(177,915,073)</b>	<b>(170,857,603)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(651,217,502)	(845,284,152)
Purchase of Shares	(20,000,000)	0
Sale of Fixed Assets	46,495,253	2,526,195
Interest Received	52,680,979	37,164,266
Rent Received	4,430,025	7,965,768
<b>Net Cash from Investing Activities (B)</b>	<b>(567,611,246)</b>	<b>(797,627,923)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from Long term borrowings	275,785,279	356,536,131
Repayment of Long term borrowings	(189,444,840)	(193,898,012)
Movement in Short term borrowings	353,754,002	374,742,483
Interest Paid	(263,322,547)	(195,043,304)
Dividend Paid ( Including dividend distribution tax)	0	(58,549,310)
<b>Net Cash from Financing Activities (C)</b>	<b>176,771,895</b>	<b>283,787,988</b>
<b>Net Increase/Decrease in Cash &amp; Cash Equivalents</b>	<b>(568,754,425)</b>	<b>(684,697,538)</b>
Cash & Cash equivalents (Opening)	<b>1,062,855,947</b>	<b>1,747,553,486</b>
Cash & Cash equivalents (Closing)	<b>494,101,522</b>	<b>1,062,855,947</b>
<b>Components of Cash and Cash Equivalents</b>		
<b>Cash in Hand</b>	<b>117,469,010</b>	<b>90,292,301</b>
Balance with Scheduled Banks - Current Accounts	<b>352,101,649</b>	<b>853,846,369</b>
Term Deposit	<b>518,569,719</b>	<b>560,381,416</b>
Unpaid Dividend Accounts *	<b>406,072</b>	<b>371,747</b>
<b>Cash And Bank Balances</b>	<b>988,546,450</b>	<b>1,504,891,833</b>
Less : Fixed Deposits not considered as cash and cash equivalents	<b>494,444,928</b>	<b>442,035,886</b>
	<b>494,101,522</b>	<b>1,062,855,947</b>

\* These Balances are not available for the use by the Company

As per our report of even date annexed.

On behalf of the board of Directors.

for **ARUN K. GUPTA & ASSOCIATES**  
Firm Registration No. 000605N  
CHARTERED ACCOUNTANTS

**BIKRAMJIT AHLUWALIA**  
Chairman & Managing Director  
(Chief Executive Officer)

**SHOBHIT UPPAL**  
Dy. Managing Director

**GIREESH KUMAR GOENKA**  
Partner  
M.No. 096655

**S.K. SACHDEVA**  
Executive Director - F&A  
(Chief Financial Officer)

**VIJAY KUMAR JAIN**  
Asstt. Vice President - F&A

Place : New Delhi  
Date :- 30th May, 2012

**VIPIN KUMAR TIWARI**  
G.M. (Corporate) & Company Secretary



## Ahluwalia Contracts (India) Limited

In terms of exemption granted by the Ministry of corporate Affairs (MCA) regarding the attachment of financial statements of its subsidiary companies vide its General Circular No. 2/2011 dated 8th. Feb. 2011 following information has been furnished as under:-

(Amount in Rs.)

PARTICULARS	ARMC	DM	JJT	PD	PM	SD
Capital (Including preference capital)	100,000,000 (65490000)	100,000 (100000)	100,000 (100000)	100,000 (100000)	100,000 (100000)	100,000 (100000)
Reserve & Surplus	(-49193959) (8665121)	(103648) -	(88122) -	(104913) -	(106601) -	(90213) -
Total Assets	784,613,670 (806598248)	11,206,607 (11353555)	9,512,209 (9573271)	9,841,167 (9919020)	10,660,202 (10683343)	10,154,034 (10090787)
Total Liabilities	784,613,670 (806598248)	11,206,607 (11353555)	9,512,209 (9573271)	9,841,167 (9919020)	10,660,202 (10683343)	10,154,034 (10090787)
Investments	-	-	-	-	-	-
Gross Turnover	892,281,005	-	-	-	-	-
(Including Other Income)	(803319766)	-	-	-	-	-
Profit before Tax	(78288084) (11220278)	(22622) (-12273)	(21604) (-12073)	(21604) (-12073)	(31175) (-15978)	(21604) (-12073)
Provision for Tax	(-20429004) (-1510758)	-	-	-	-	-
Profit after Tax	(57859080) (12731036)	(22622) (-12273)	(21604) (-12073)	(21604) (-12073)	(31175) (-15978)	(21604) (-12073)
Proposed Dividend and Tax thereon	-	-	-	-	-	-
Country	India	India	India	India	India	India

Figures in bracket are of Previous Year.

List of subsidiaries:-

1. Ahlcon Ready Mix Concrete Pvt. Ltd. (ARMC)
2. Dipesh Mining Pvt. Ltd. (DM)
3. Jiwan Jyoti Traders Pvt. Ltd. (JJT)
4. Paramount Dealcomm Pvt. Ltd. (PD)
5. Premsagar Merchants Pvt. Ltd. (PM)
6. Splendor Distributors Pvt. Ltd. (SD)



Ahluwalia Contracts (India) Limited

**Ahluwalia Contracts (India) Ltd.**

Registered Office: Ahluwalia House, 4, Community Centre, Saket, New Delhi-110017

**ATTENDANCE SLIP**

L.F. No. : .....	No. of Shares(s) held .....
DP ID. : .....	Client-ID. ....

I/We hereby record my/our presence at the 33rd Annual General Meeting of the Company to be held on Friday 28th September 2012, at Ahlcon Public School, Mayur Vihar, Phase-I, Delhi-110091 at 4.00 p.m.

Name of the Members/Proxy .....  
[In block letters]

Signature of Member / Proxy\*

**Notes:**

1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Admission Slip and hand it over at the entrance.
2. Name of the Proxy in Block letters(in case a Proxy attends the meeting).
3. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) Id. No.

**Ahluwalia Contracts (India) Ltd.**

Registered Office: Ahluwalia House, 4, Community Centre, Saket, New Delhi-110017

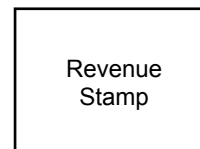
**PROXY FORM**

L.F. No. : .....	No. of Shares(s) held .....
DP ID. : .....	Client-ID. ....

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/members of the above named Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the 33rd Annual General Meeting of the Company to be held on Friday, 28th September, 2012 at 4.00 P.M. or at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature \_\_\_\_\_



**Notes:**

1. This form should be signed across the stamp as per specimen signature registered with the Company.
2. The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.
3. A Proxy need not be a member of the Company.
4. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) Id. No.

**REGISTERED OFFICE:**

AHLUWALIA HOUSE  
4, COMMUNITY CENTRE  
SAKET, NEW DELHI-110017  
PH. 26852036  
FAX 01140504553

**BOMBAY STOCK EXCHANGE LTD**

25<sup>TH</sup> FLOOR, P J TOWERS DALAL STREET  
MUMBAI-400001  
FAX: 022-22722082  
PH. : 022-22721233-34  
SCRIP CODE : 532811

**CORPORATE OFFICE:**

PLOT NO. 1,  
OKHLA INDUSTRIAL ESTATE, PHASE—III  
NEW DELHI-110020  
PH. : 011-49410500 & 517  
FAX : 011-49410553

**DELHI STOCK EXCHANGE LTD**

DSE HOUSE,3/2,ASAF ALI ROAD,  
NEW DELHI-110002  
PH. 011-46470033  
FAX: 011-46470053-54  
SCRIP CODE : 7526

**REGISTRAR & SHARE TRANSFER AGENTS:**

Link intime india pvt ltd.  
A-40, 2nd floor,  
Nariana Industrial Area,  
Phase-II, New Delhi-110028  
Tel.: +91-11-41410592-94  
Fax.: +91-11-41410591  
E-mail: delhi@linkintime.co.in

**JAIPUR STOCK EXCHANGE LTD**

STOCK EXCHANGE BUILDING  
JAWAHAR LAL NEHRU MARG  
MALVIYA NAGAR, JAIPUR-302017  
PH. : 0141-2729100  
FAX.: 0141-2729082  
SCRIP CODE : 922

**STOCK EXCHANGES:**

NATIONAL EXCHANGE PLAZA, C-1, BLOCK-G  
Exchange Plaza, C-1, Block-G  
Bandra Kurla Complex Bandra (EAST)  
Mumbai-400051  
Tel.: +91-22-26598190/191

**CALCUTTA STOCK EXCHANGE LTD**

7, LYONS RANGEKOLKATA-700001  
PH. : 033-22104470-77  
FAX : 033-22102223  
SCRIP CODE : 011134

**DEMATERIALISATION OF SHARES**

ISIN NO.: INE 758C01029

**BOOK - POST**



**Ahluwalia Contracts (India) Limited**

Ahluwalia House, 4, Community Centre, Saket, New Delhi - 110017

Tel : 91 - 11 -41664016, 91- 11 -65641895 Fax : 91 - 11 - 26852036

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