



# WAPCOS Limited

(A Govt. of India Undertaking)

BALANCE SHEET AS AT 31st March, 2009

(Rs. In lakhs)

SCHEDULE

31/03/2009

31/03/2008

## I. SOURCES OF FUNDS :

### (1)Share Holders' Funds :

(a)Share Capital	1	200.00		200.00	
(b)Reserve & Surplus	2	<u>7,320.86</u>	<u>7,520.86</u>	<u>6,354.16</u>	<u>6,554.16</u>
		<b>TOTAL</b>	<b><u>7,520.86</u></b>		<b><u>6,554.16</u></b>

## II. APPLICATION OF FUNDS :

### (1)Fixed Assets :

(a)Gross Block	3	1,483.62		1,405.20	
(b)Less: Depreciation		<u>637.06</u>		<u>551.30</u>	
(c)Net Block			846.56		853.90

### (2)Investments

(2)Investments	4		3.00		3.00
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### (3)Deferred Tax Assets(Net)

(3)Deferred Tax Assets(Net)	21(16)		519.44		300.66
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### (4)Current Assets, Loans and Advances :

(a)Interest Accrued on Deposits	5	38.70		83.25	
(b)Contract Work in Progress	6	2,143.43		4,027.32	
(c)Sundry Debtors	7	9,585.76		7,232.49	
(d)Cash & Bank Balances	8	5,558.86		9,535.29	
(e)Loans and Advances	9	<u>12,753.23</u>		<u>9,090.18</u>	
		<u>30,079.98</u>		<u>29,968.53</u>	

### Less :

### Current Liabilities & Provisions :

(a)Liabilities	10	18,616.34		21,004.30	
(b)Provisions	11	<u>5,311.78</u>		<u>3,567.63</u>	
		<u>23,928.12</u>		<u>24,571.93</u>	

### Net Current Assets :

			<u>6,151.86</u>		<u>5,396.60</u>
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**TOTAL**

**7,520.86**

**6,554.16**

### Significant Accounting Policies

### Contingent Liabilities &

### Notes on Accounts

Schedule '1' to '21' form an integral part of the Accounts

As per our report of even date attached

For and On behalf of Board of Directors

For MEGA & ASSOCIATES

Chartered Accountants

-sd-

-sd-

-sd-

(A K Sehgal)

(Sunil K Puri)

(Ramesh Nichani)

Company Secretary

General Manager(Fin. Operations)

General Manager(Corporate Fin.)

-sd-

(N.PARASU RAMAN)  
Partner

-sd-

-sd-

M.No. 83102

(Dr. A.G. Agarwal)

(D. Datta)

Director

Chairman-cum-Managing Director

Place :New Delhi

Dated : 03-07-2009



# WAPCOS Limited

(A Govt. of India Undertaking)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March, 2009

	SCHEDULE	31/03/2009	(Rs. In lakhs) 31/03/2008
<b>INCOME :</b>			
Consultancy Income	12	10,644.78	8,197.99
Contract Income	13	9,862.51	7,807.11
Other Misc. Income	14	<u>855.35</u>	<u>401.26</u>
<b>TOTAL INCOME :</b>		<b><u>21,362.64</u></b>	<b><u>16,406.36</u></b>
<b>EXPENDITURE :</b>			
Consultancy Expenses	15	7,582.72	5,156.49
Contract Expenses	16	9,663.99	7,466.66
Administrative and General Expenses	17	1,588.79	1,223.69
Depreciation	3	85.85	70.15
Provisions	18	304.77	207.83
Donation		<u>4.00</u>	<u>0.40</u>
<b>TOTAL EXPENSES :</b>		<b><u>19,230.12</u></b>	<b><u>14,125.22</u></b>
<b>PROFIT FOR THE YEAR</b>		<b>2,132.52</b>	<b>2,281.14</b>
Prior Period adjustments(net):Add/(Less)	19	<u>26.88</u>	<u>87.97</u>
<b>PROFIT BEFORE TAX</b>		<b>2,159.40</b>	<b>2,369.11</b>
-Provision for Taxation			
-Current Tax		951.30	893.79
-Deferred Tax Adj. (See Note 21(16))		(218.78)	(91.98)
-Fringe Benefit Tax		50.70	43.56
-Adjtt relating to earlier years		0.00	9.68
<b>PROFIT AFTER TAX</b>		<b><u>1,376.18</u></b>	<b><u>1,514.06</u></b>
<b>APPROPRIATIONS</b>			
- General reserve written back		0.00	(352.00)
- Provision for post retirement medical scheme for past services		0.00	352.00
- Proposed Dividend		350.00	310.00
- Dividend Tax		59.48	52.68
- Transfer to General Reserve		<u>966.70</u>	<u>1,151.38</u>
		<b><u>1,376.18</u></b>	<b><u>1,514.06</u></b>
Earning per share			
-Basic & Diluted( In Rupees)(See Note 21(15))		688.09	757.03
<b>Significant Accounting Policies</b>	20		
<b>Contingent Liabilities &amp; Notes on Accounts</b>	21		
<b>Schedule `1' to `21' form an integral part of the Accounts</b>			

As per our report of even date attached

For and On behalf of Board of Directors

For MEGA & ASSOCIATES

Chartered Accountants

-sd-

(A K Sehgal)

Company Secretary

-sd-

(Sunil K Puri)

General Manager(Fin.Operations)

-sd-

(Ramesh Nichani)

General Manager(Corporate Fin.)

-sd-

(N. PARASU RAMAN)

Partner

M.No. 83102

-sd-

(Dr. A.G. Agarwal)

Director

-sd-

(D. Datta)

Chairman-cum-Managing Director

Place : New Delhi

Dated :03-07-2009



**SCHEDULES FORMING PART OF THE BALANCE SHEET**

**SHARE CAPITAL**

**SCHEDULE '1'**

<b>Particulars</b>	<b>(Rs.in lakhs)</b>	
	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>Authorised :</b>		
2,00,000 Equity shares of Rs. 100/- each (Previous Year 2,00,000 Equity shares of Rs. 100/- each)	<u>200.00</u>	<u>200.00</u>
<b>Issued, Subscribed &amp; paid up :</b>		
2,00,000 Equity shares of Rs. 100/- each fully paid-up. (Previous year 2,00,000 Equity shares of Rs. 100/- each)	200.00	200.00
(Of the above, 1,70,000 equity shares (Previous year 1,70,000) issues as fully paid up bonus shares by capitalisation of reserves)		
<b>TOTAL</b>	<b>200.00</b>	<b>200.00</b>

**SCHEDULE '2'**

**RESERVES & SURPLUS**

<b>Particulars</b>	<b>(Rs.in lakhs)</b>	
	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>General Reserve :</b>		
As per last balance sheet	6,354.16	5,554.78
Less: Amount written back for provision for post retirement medical benefit scheme for past services	<u>0.00</u>	<u>352.00</u>
	6,354.16	5,202.78
Add: Transfer from P&L Account	<u>966.70</u>	<u>1,151.38</u>
	7,320.86	6,354.16
<b>TOTAL</b>	<b>7,320.86</b>	<b>6,354.16</b>



**SCHEDULE '3'**

**FIXED ASSETS**

(Rs. In Lakhs)

Sl. No.	Particulars	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK	
		As on 01.04.2008	Additions During the Year	Sales/Adj. During the Year	Total As on 31.03.2009	As on 01.04.2008	For the Year	Adjust. During the Year	Total as on 31.03.2009	As on 31.03.2009	As on 31.03.2008
1	2	3	4	5	6	7	8	9	10	11	12
A.	LAND (FREEHOLD) GURGAON	17.29	0.00	0.00	17.29	0.00	0.00	0.00	0.00	17.29	17.29
B.	BUILDINGS	479.95	0.00	0.00	479.95	52.81	7.82	0.00	60.63	419.32	427.14
C.	TEMPORARY WOODEN STRUCTURES	13.04	0.00	0.12	12.92	13.04	0.00	0.12	12.92	0.00	0.00
D.	ELECTRICAL WORKS	66.06	3.61	0.00	69.67	27.52	4.93	(0.14)	32.59	37.08	38.54
E.	VEHICLES	60.56	0.50	0.00	61.06	49.33	2.59	0.00	51.92	9.14	11.23
F.	COMPUTERS	359.62	43.19	50.40	352.41	220.92	36.00	46.74	210.18	142.23	138.70
G.	OFFICE EQUIPMENTS	286.86	15.25	9.02	293.09	120.93	13.91	3.90	130.94	162.15	165.93
H.	OFFICE FURNITURE AND FIXTURES	121.82	16.31	4.46	133.67	66.75	11.71	4.14	74.32	59.35	55.07
I.	DISPOSABLE ASSETS	0.00	63.56	0.00	63.56	0.00	8.89	(54.67)	63.56	0.00	0.00
	<b>TOTAL</b>	1,405.20	142.42	64.00	1,483.62	551.30	85.85	0.09	637.06	846.56	853.90
	PREVIOUS YEAR	1,282.69	133.20	10.69	1,405.20	488.98	70.15	7.83	551.30	853.90	793.71

Note: Depreciation for the year includes Rs.8.89 lakhs(Previous Year Nil) provided on account of adjustment of carrying cost of Diposable Assets.



## INVESTMENTS

### SCHEDULE '4'

(Rs. in Lakhs)

Particulars	31/03/2009	31/03/2008
<b>Investments :</b>		
Long Term (unquoted) - (at cost)		
(i) 30,000 Equity Shares of Rs. 10/- each (Fully paid up) of M/S.Global Procurement Consultants Ltd. (Previous Year 30,000 equity shares of Rs. 10/- each).	3.00	3.00
<b>TOTAL</b>	<b>3.00</b>	<b>3.00</b>

### SCHEDULE '5'

#### CURRENT ASSETS, LOANS & ADVANCES INTEREST ACCRUED ON DEPOSITS

(Rs in Lakhs)

Particulars	31/03/2009	31/03/2008
Interest Accrued on Deposit with Banks (Including accrued but not due)	38.70	83.25
<b>TOTAL</b>	<b>38.70</b>	<b>83.25</b>

### SCHEDULE '6'

#### CURRENT ASSETS, LOANS & ADVANCES CONTRACT WORK IN PRGRESS

(at cost or realisable value whichever is lower and certified by the management)

(Rs in Lakhs)

Particulars	31/03/2009	31/03/2008
As per Last Year Balance Sheet	4027.32	3703.83
Accretion/(Decretion) during the year	(1883.89)	323.49
Closing work in Progress	2,143.43	4027.32
<b>TOTAL</b>	<b>2,143.43</b>	<b>4,027.32</b>



**CURRENT ASSETS, LOANS & ADVANCES  
SUNDRY DEBTORS**

**SCHEDULE '7'**

(Rs in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>Sundry Debtors :</b>		
<b>Unsecured:</b>		
i) Debts outstanding for a period of more than six months:		
Considered Good	3,774.67	2,797.98
Considered Doubtful	1,094.94	821.27
ii) Other Debts-considered good	<u>5,811.09</u>	<u>4,434.51</u>
	10,680.70	8,053.76
Less: Provision for doubtful debts		
As per last year Balance Sheet	821.27	629.77
Add for the year	<u>281.38</u>	<u>201.56</u>
	1,102.65	831.33
Less : adjusted during the year	<u>7.71</u>	<u>10.06</u>
	1,094.94	821.27
<b>TOTAL</b>	<b>9,585.76</b>	<b>7,232.49</b>



**CURRENT ASSETS, LOANS & ADVANCES  
CASH AND BANK BALANCES**

**SCHEDULE '8'**

<b>Particulars</b>	<b>Currency</b>	<b>(Rs.in Lakhs)</b>	
		<b>31/03/2009</b>	<b>31/03/2008</b>
Cash in hand	INR	3.19	2.30
Value of Postage Stamps in hand	INR	0.06	0.00
Remittance in transit	INR	1,395.54	0.78
Cheque in hand	INR	72.94	94.65
<b>With Scheduled Banks(India)</b>			
Current Accounts	INR	832.24	2,193.79
Term Deposits	INR	2,759.72	7,167.08
<b>With other than Scheduled Banks(Foreign)</b>			
<b>In Current Account</b>			
Myanmar Foreign Trade Bank, Myanmar			
- RWS Contract	USD480.53	0.24 *	0.19 *
- Sedawgi Irrigation Project	USD5559.10	2.83 *	2.22 *
The Bank of Kuwait and Middle East			
- Kifil Shinafiya		0.00	0.18 *
- Bakme Dam		0.00	0.18 *
Banke Millie Afghan	USD 913.11	0.47	0.37
National Bank of Yemen	YER-8540	0.03 *	0.03
Bank of Bhutan			
- Phuentsholing	NU 419.50 lakhs	419.50	21.00
- Wangdi	NU 35.64 lakhs	35.64	21.28
Commercial Bank of Ethiopia			
- Addis Ababa	ETB 44148.80	2.32	2.32
- Mekelle	ETB 8059.09	0.46	0.46
DA Afghanistan Bank	USD 41979	21.39	18.72
Standard Bank Namibia, Ltd., -Account-I	NAD 560.20	0.03 *	0.03 *
-Account-II	NAD 6015.78	0.42 *	0.42 *
<b>In Term Deposits:</b>			
Central Bank of Nigeria	USD 23244	11.84	9.29
<b>TOTAL</b>		<b>5,558.86</b>	<b>9,535.29</b>

\*Subject to Confirmation

Note: 1. For Maximum balances outstanding at any time during the year, please refer to Note No. 5 of Schedule '21'

2. Bank balance as on 31st March, 2009 includes non-repatriable amount of Rs. 3.26 lakhs (Previous year Rs. 3.46 lakhs).

3. Term deposits with Scheduled Banks includes Rs. 319.45 lakhs (previous year Rs. 217.17 lakhs) pledged with bank towards margin money.



**CURRENT ASSETS, LOANS & ADVANCES**  
**LOANS AND ADVANCES**

**SCHEDULE '9'**

(Rs.in Lakhs)

Particulars	31/03/2009		31/03/2008	
Advances recoverable in cash or in kind or value to be received				
<b>A.UNSECURED</b>				
<b>- Considered Good :</b>				
Staff		67.30		31.31
Advance for Turnkey Contracts		1,400.94		44.95
Retention Money		2,391.80		1,319.32
Amount Recoverable- Service Tax		939.06		808.77
Others		430.48		339.28
		<u>5,229.58</u>		<u>2,543.63</u>
<b>- Considered Doubtful:</b>				
Retention Money	82.39		60.11	
Less: Provision as per last Balance sheet	60.11		54.14	
Add:For the year	<u>23.39</u>		<u>6.27</u>	
	83.50		60.41	
Less:Adjusted during the year	<u>1.11</u>	<u>82.39</u>	<u>0.00</u>	5229.58
			<u>0.30</u>	60.11
				<u>0.00</u>
				2543.63
<b>B. SECURED</b>				
<b>- Considered Good :</b>				
Staff		0.00		0.45
Advance for Turnkey Contracts		3,968.80		4,326.58
Others		3.12	<u>3,971.92</u>	26.66
			9,201.50	<u>4,353.69</u>
				6,897.32
Interest Accrued on advances to Employees			8.41	11.16
<b>Advance Income tax :</b>				
As per last balance sheet		2,032.28		1,176.55
Add: Deposited /TDS during the year		<u>1,310.00</u>		<u>855.73</u>
		3,342.28		2,032.28
Less: Adjusted during the year		<u>0.00</u>	3,342.28	<u>0.00</u>
				2,032.28
Advance Fringe Benefit Tax			194.11	142.47
Prepaid Expenses			6.93	6.95
<b>TOTAL</b>			<b>12,753.23</b>	<b>9,090.18</b>



**CURRENT LIABILITIES & PROVISIONS**  
**CURRENT LIABILITIES**

**SCHEDULE '10'**

(Rs.in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
Advances from Clients		
-Tunkey Projects	5,665.50	9,291.26
-Others	1,453.55	292.39
Sundry Creditors-Suppliers & Others:-		
Others(other than SME)	10,421.62	10,873.68
Other Liabilities	1,075.67	546.97
<b>TOTAL</b>	<b>18,616.34</b>	<b>21,004.30</b>

**SCHEDULE '11'**

**PROVISIONS**

(Rs.in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>Provision for Corporate Income Tax :</b>		
As per last Balance Sheet	2,126.27	1,232.48
Add: For the year	951.30	893.79
	<u>3,077.57</u>	<u>2,126.27</u>
Less: Paid/adjusted during the year	<u>0.00</u>	<u>0.00</u>
	3,077.57	2,126.27
Provision for Fringe Benefit Tax	187.00	136.30
Provision for Corporate Dividend Tax	59.48	52.68
Provision for Gratuity	466.25	121.52
Provision for Leave Encashment	633.02	436.86
Provision for Dividend	350.00	310.00
Provision for Post retirement medical benefit		
As per last Balance Sheet	384.00	0.00
Add: For the year	168.26	384.00
	<u>552.26</u>	<u>384.00</u>
Less: Paid/adjusted during the year	<u>13.80</u>	<u>0.00</u>
	538.46	384.00
<b>TOTAL</b>	<b>5,311.78</b>	<b>3,567.63</b>



**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

**SCHEDULE '12'**

**FEE FROM SERVICES RENDERED (CONSULTANCY)**

(Rs.in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>Consultancy Fee :</b>		
Domestic	7515.03	6656.13
International	<u>3129.75</u>	<u>1520.51</u>
Other Services Rendered :		
Grant-in-Aid Projects	0.00	21.35
<b>TOTAL</b>	<b>10,644.78</b>	<b>8,197.99</b>

**SCHEDULE '13'**

**FEE FROM SERVICES RENDERED (CONTRACT)**

(Rs.in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>Turnkey Projects:</b>		
International	11,746.40	7,483.62
Accretion/Decretion to work in progress		
Closing Work in Progress	2,143.43	4,027.32
Less : Opening Work in Progress	<u>4,027.32</u>	<u>3,703.83</u>
<b>TOTAL</b>	<b>9,862.51</b>	<b>7,807.11</b>



## MISCELLANEOUS INCOME

## SCHEDULE '14'

(Rs.in Lakhs)

<b>Particulars</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
Dividend Income (Gross)	0.67	0.00
Profit on sale of assets	0.03	0.22
Exchange Variation (Net)	190.91	0.00
Interest Earned (Gross):		
-Term Deposits	399.20	165.60
-Employee Advance	0.08	0.38
- Others	241.60	207.71
Misc. Receipts	22.86	27.35
<b>TOTAL</b>	<b>855.35</b>	<b>401.26</b>

Note :- Tax deducted at source from interest income is Rs. 51.62 lakhs (Previous Year Rs. 21.83 lakhs)



## CONSULTANCY EXPENSES

SCHEDULE '15'

Particulars	(Rs.in lakhs)	
	31/03/2009	31/03/2008
<b>Institutional Charges</b>		
Fee for services obtained	2352.75	1579.92
<b>Establishment Expenses</b>		
Salaries and Allowances to staff :		
Experts/staff assigned on projects	2911.81	2028.00
Contribution to PF & Others	198.47	135.00
Bonus	0.00	2.78
Rent Residential(Net)	25.44	52.17
Leave Encashment	109.73	0.00
Gratuity	204.00	0.00
Provision for Post retirement medical scheme	115.97	0.00
Staff Welfare	49.89	41.51
Group Insurance	1.07	0.89
<b>Travelling Expenses</b>		
Travelling - India	307.05	249.05
-Abroad	61.57	61.69
Expenditure on Vehicle & Conveyance	59.16	46.23
Hiring of Vehicle	213.15	150.44
Rent	121.62	88.69
Rates and Taxes	4.09	1.20
Electricity & Water Charges	30.11	24.23
Equipment Charges	51.21	9.78
Communication Expenses	67.79	57.52
Printing and Stationery	141.02	115.79
Entertainment/Promotional Expenses	25.01	19.50
<b>Other Misc. Expenses</b>		
Repairs & Maintenance :		
(i) Equipment, Plant & Machinery	12.05	10.72
(ii) Office-Premises	8.36	9.54
(iii) Furniture, Fixture & Others	0.89	0.49
(iv) DG Set	13.89	13.06
Bank Charges/Bank Guarantee Charges	36.98	13.06
Insurance	3.41	2.36
Computer Charges	5.43	29.17
Publicity & Seminar Expenses	28.90	25.71
Advertising of Tender Expenses	0.12	1.11
Reimbursable Meeting Expenses	0.68	1.17
Survey Expenses	231.62	188.78
Exchange Variation (Net)	0.00	29.78
Project Training/Seminars	1.81	0.25
Legal & Professional	0.26	0.21
Service Tax Expenditure	144.89	110.18
Other Office Expenditure	41.34	35.35
Discount Paid	1.18	21.16
<b>TOTAL</b>	<b>7582.72</b>	<b>5156.49</b>



## CONTRACT EXPENSES

SCHEDULE '16'

(Rs.in Lakhs)

Particulars	31/03/2009	31/03/2008
<b>Institutional Charges</b>		
Fee for Services obtained	482.28	1,410.63
<b>Establishment Expenses</b>		
Salaries & Allowances to Staff :		
Experts/Staff assigned on Projects	440.48	346.22
Contribution to PF and others	22.98	17.87
Bonus	0.00	0.12
Rent - Residential(Net)	1.42	4.62
Leave Encashment	11.99	0.00
Gratuity	21.87	0.00
Provision for Post retirement medical scheme	12.36	0.00
Staff Welfare	3.45	3.98
Group Insurance	0.14	0.17
<b>Travelling Expenses</b>		
Travelling - India	2.37	2.24
- Abroad	35.96	32.56
Expenditure on Vehicle & Conveyance	9.52	5.63
Hiring of Vehicle	35.03	19.32
Rent	55.92	40.51
Electricity & Water Charges	2.24	2.52
Equipment Charges	0.00	0.16
Construction Material & Equipment	8,459.05	5,489.69
Communication Expenses	17.43	17.84
Printing & Stationery	5.37	3.54
Entertainment/Promotional Expenses	11.17	5.06
<b>Other Misc. Expenses</b>		
Repair & Maintenance:		
(i) Equipment, Plant & Machinery	1.56	1.46
(ii) Office Premises	0.45	0.55
(iii)Furniture, Fixtures & Others	0.31	0.58
(iv)DG Set	1.03	1.22
Bank Charges/Bank Guarantee Charges	20.43	21.36
Insurance	6.66	8.42
Computer Charges	0.20	0.47
Publicity & Seminar Expenses	0.55	0.00
Advertising of Tender Expenses	0.00	0.47
Exchange Variation	0.00	21.25
Project Training/Seminars	0.00	0.05
Other Office Expenditure	1.77	8.15
<b>TOTAL</b>	<b>9,663.99</b>	<b>7,466.66</b>

**SCHEDULE '17'****ADMINISTRATIVE AND GENERAL EXPENSES**

	(Rs.in lakhs)	
<b>PARTICULARS</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
<b>HEAD OFFICE (INDIRECT) EXPENSES:</b>		
<b>Chairman &amp; Managing Director</b>		
Salaries & Allowances	17.18	7.65
Medical	1.32	1.15
Leave Encashment	1.11	0.47
Leave Travel Concession	0.38	0.00
Staff Welfare	0.20	0.22
Computer Maintenance	0.15	0.15
Transport/Conveyance	0.15	0.15
Liveries	0.26	0.29
Productivity Linked Bonus	0.56	0.34
Conveyance	0.00	0.01
Rent residential ( Net)	0.94	2.03
CPF Contribution	1.78	0.83
Insurance - Personal Risk	0.03	0.03
Leave Encashment ( Provision )	4.03	1.29
<b>Travelling Expenses</b>		
Directors - India	7.27	7.47
- Abroad	14.42	15.54
<b>Sitting Fee</b>		
Directors	0.85	0.50
<b>Other Officers and Staff :</b>		
<b>Establishment Expenses</b>		
Salaries & Allowances	738.49	525.73
CPF Contribution	59.10	37.81
Bonus	0.01	0.39
Rent residential ( Net )	3.26	10.59
Gratuity	244.39	124.02
Staff Welfare	20.98	18.75
Group Insurance	1.79	1.88
Contribution to Benevolent Fund	0.20	0.21
Leave Salary & Pension Contribution	0.36	4.57
Leave Encashment Provision	70.41	68.80
Provision for Post retirement medical scheme	39.92	32.00
<b>Travelling Expenses</b>		
- India	34.93	35.69
- Abroad	25.86	27.59
Expenses on Vehicles & Conveyance	44.50	46.55
<b>balance c/d</b>	<b>1,334.83</b>	<b>972.70</b>

(Rs.in lakhs)

<b>PARTICULARS</b>	<b>31/03/2009</b>	<b>31/03/2008</b>
balance b/f	1,334.83	972.70
Rent,Electricity & Water Charges	45.07	36.82
Communication Expenses	23.54	26.18
Printing and Stationery	33.66	28.63
Entertainment/Promotional Expenses	44.97	39.07
Publicity & Seminar Subscription	11.62	13.83
<b>Other Misc. Expenses :</b>		
Repairs & Maintenance :		
( i ) Equipments, Plant & Machinery	6.68	4.23
( ii ) Office Premises	14.87	12.31
( iii ) Furniture, Fixtures & Others	0.55	0.36
( iv ) DG Set	3.64	3.87
Tenders/Proposals Expenses	7.83	8.18
Bank Charges/Bank Guarantee Charges	18.77	23.93
Professional Charges	5.96	19.13
Loss on Sale of Assets	0.00	1.45
Insurance	6.82	7.54
Bank Interest/Penalty	1.09	7.86
Recruitment Expenses	0.21	0.04
Staff Training and Seminars	8.03	5.87
Other Office Expenses	16.81	8.48
Audit Fee	1.70	1.70
Tax Matters	0.50	0.50
Travel & Out of Pocket Expenses	1.64	1.01
<b>TOTAL</b>	<b>1,588.79</b>	<b>1,223.69</b>



## PROVISIONS

## SCHEDULE '18'

(Rs.in Lakhs)

PARTICULARS	31/03/2009		31/03/2008	
Provision for Bad & Doubtful Debts required as on 31/03/2009	1094.94		821.27	
Add : Bad Debts during the year	7.71		10.06	
	<u>1102.65</u>		<u>831.33</u>	
Less : Provision for doubtful Debts as on 31/03/2008	<u>821.27</u>	281.38	<u>629.77</u>	201.56
Provision for Retention Money required as on 31/03/2009	82.39		60.11	
Add: Write off during the year	1.11		0.30	
	<u>83.50</u>		<u>60.41</u>	
Less: Provison for retention money as on 31/03/2008	<u>60.11</u>	23.39	<u>54.14</u>	6.27
<b>TOTAL</b>	<b>304.77</b>		<b>207.83</b>	

## SCHEDULE '19'

### PRIOR PERIOD ADJUSTMENT/PROVISIONS WRITTEN BACK

(Rs.in lakhs)

PARTICULARS	31/03/2009		31/03/2008	
	DR.	CR.	DR.	CR.
<b>PRIOR PERIOD ADJUSTMENT</b>				
Bank guarntee charges/bank charges	0.00	0.00	0.00	2.45
Postage/Tel/telex/Water & Elect	0.23	0.00	0.02	0.00
Repairs & Maintainance	0.00	0.00	0.27	0.00
Consultancy Fee	0.06	0.00	1.40	0.00
Survey Expenses	0.00	0.00	0.11	0.00
Salary/Medical/OTA/PF/S-Welfare/Bonus	0.35	0.00	0.00	0.00
Travelling/Conveyance	0.00	0.00	0.02	0.00
Other Expenses	0.00	0.09	0.23	0.00
<b>PROVISIONS/LIABILITIES WRITTEN BACK</b>				
Employees/MISC/Medical etc	0.00	5.31	0.00	1.11
Adveretisement/Others	0.00	7.67	0.00	0.00
T A Expenses	0.00	1.21	0.00	0.00
Fee for Services Obtained	0.00	12.27	0.00	0.00
Printing/Stationery/Computer Charges	0.00	0.96	0.00	0.00
Other Liabilities	0.00	0.01	0.00	86.46
	<b>0.64</b>	<b>27.52</b>	<b>2.05</b>	<b>90.02</b>
<b>NET</b>		<b>26.88</b>		<b>87.97</b>

**SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Preparation of Financial Statements**

- (a) The Financial Statements have been prepared on the basis of going concern under historical cost convention, in accordance with the generally accepted accounting principles as adopted consistently by the Company and the provisions of the Companies Act, 1956.
- (b) The Company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

**2. Employees’ Benefits**

- a) The Company’s contribution to the Provident Fund is remitted to separate trusts established for this purpose based on a fixed percentage of the eligible employee’s salary and charged to Profit and Loss Account. Shortfall, if any, in the fund assets, based on the Government specified minimum rate of return, will be made good by the Company and charged to profit and loss account.
- b) The company operates defined benefit plans for gratuity. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year and is administered through a fund maintained by Insurance Company. Actuarial gains/losses are charged to profit and loss account.
- c) The company operates defined benefit plans for compensated absences. The cost of providing such defined benefits is determined using the projected unit credit method of actuarial valuation made at the end of the year. Actuarial gains/losses are charged to profit and loss account.
- d) Obligations on Post Retirement Medical Benefits are provided using the projected unit credit method of actuarial valuation made at the end of the year.
- e) Other short-term benefits are accounted in the period during which the services have been rendered and accordingly charged to Profit and Loss Account.

### **3. Fixed Assets and Depreciation**

- a) Fixed Assets are capitalized at cost. Depreciation on fixed assets is provided on Straight Line Method at the rates specified in Schedule XIV of the Companies Act, 1956.
- b) The assets held for disposal are stated at net book value or net realizable value whichever is lower and are shown separately in the schedule of fixed assets.

### **4. Foreign Currency Transactions**

The accounting records for the Overseas Projects are maintained at the Head Office in India in the currency in which the Statement of Accounts are received from the foreign project/site offices.

For the Financial Statements of the Company, foreign currencies are translated as under:

- (a) (i) Income and expenses in repatriable convertible foreign currency of the projects abroad are recorded at an exchange rate prevalent at the beginning of each month.  
(ii) In case of back to back contract not involving conversion income, expenditure and transactions are recorded at uniform exchange rate since there is no profit/loss of exchange involved in such transactions. The exchange rate adopted is the rate of currency prevalent on the date of billing by the sub-contractor.
- (b) Monetary items including outstandings discussed in clause (a)(ii) given above are translated at closing rates as on 31<sup>st</sup> March of the relevant year. The resultant exchange variation arising on foreign currency transactions is recognised as income/expense in the period in which they arise.
- (c) Non repatriable local currency balances with Banks abroad at the end of the year are being translated into Rupees at the conversion rates adopted in the Contracts/Bids. The same rates are also being adopted for evaluation of income/expenses/assets/ liabilities in local currency.

### **5. Investments**

Investments are intended for long term and provision is made for diminution, other than temporary, in the value of investments and such determination shall be made for each investment individually.

### **6. REVENUE :**

#### **(A) Consultancy Contracts**

Income from services rendered commensurating with the progress of work under the contract, is accounted for:

- a) In the case of cost plus contracts, on the basis of amount billable.

b) In case of lump sum contracts :

- (i) as per invoice (bill) raised in accordance with the contractual stipulations.
- (ii) Where payments are received in advance irrespective of the progress of the work, consultancy income is accounted for as proportion of actual direct cost of the work, to estimated direct cost of work as reviewed on yearly basis, bears to contract value.
- (iii) The recoverable mobilisation advance is adjusted against running bills amount whereas invoice for non-adjustable mobilisation advance is recognised as income upon raising of subsequent invoice in terms of the agreement, considering all connected activities against the advance have been carried out during the intervening period in terms of the contract.

c) In the case of contracts having a percentage fee on project cost, on the basis of physical progress.

d) In the case of additional items of work(s) not covered under the contract, income from such services is accounted for on mutual settlement.

e) No income is accounted for on the basis of Work-in-Progress, due to existence of significant uncertainty with regard to the amount of consideration that could be derived from rendering such services in the intervening period of completion of one activity and that of the other.

f) Income includes service tax in cases where consultancy agreements are of composite value inclusive of service tax.

**(B). Turnkey Projects**

A. Consultancy fees is recognized as per terms of contract, in cases where such fee is stipulated as a separate item and included in consultancy fees.

B. In other cases : The income is recognized on the basis of the percentage completion method.

- (i) The stage of completion is determined as the proportion of cost incurred on work performed as to total estimated cost of the contract.
- (ii) Unbilled expenditure incurred on contract is recognized as work in progress excluding attributable profits.
- (iii) Costs include all direct costs including depreciation on plants, equipments utilized in site and direct borrowing cost specific to contract incurred by the company or sub-contractor.
- (iv) At any stage, expected loss are recognized immediately.

## **7. Grant in Aid**

Grant-in-aid received by the Company for carrying out specific schemes of the Govt. has been treated as fee from other services rendered and expenditure incurred has been charged to natural heads of account. Balance grant unutilised if any, on completion of the project is surrendered unless otherwise stipulated.

8. The reimbursable revenue / capital expenses in terms of the Contract are charged as “expenditure” under the natural heads and necessary recovery thereof is credited under the head “Fee for Consultancy Services Rendered” as per past practice being followed consistently by the Company.
9. Expenditure on software is recognized as expenditure in the year of incurrance.
10. Camp expenses inclusive of equipment / loose tools and tents etc. purchased to discharge contractual obligations are charged to revenue.

## **11. Taxation**

- (a) Provision for current tax is made considering the applicable tax rules, and admissibility of benefits under Income Tax Act. Any tax refund relating to earlier years due/receivable upon completion of assessment in India/Abroad is accounted for on determination/receipt Basis.
- (b) Wealth Tax is accounted for on Due basis.
- (c) Deffered tax is recognised on timing differences between the accounting income & taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deffered tax assets are recognised and carried forward to the extent there is a virtual certainty that sufficient future taxable income will be available against which such deffered tax assets can be realised.

## **12. Liquidated Damages/ Claims:**

Liquidated damages / Claims are considered on admittance basis and are accounted for in miscellaneous Expenses/Income on crystallization.

**SCHEDULE – ‘21’**

**CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS**

**A. CONTINGENT LIABILITIES EXISTS :**

(Rs. in lakhs)

Description	As on 31.03.2009		As on 31.03.2008	
Claims against the company not acknowledged as debts				
- For Turnkey Projects	2631.57		1689.93	
- Others	<u>230.02</u>	2861.59	<u>84.63</u>	1774.56
Liquidated damages/Penalties				
a) Non completion/deficiency of work		253.35		253.35
b) Contractual stipulations		343.70		355.65
Bank Guarantee to clients against which counter guarantee given by company to bank		7086.37		7270.71
<b>Total</b>		10545.01		9654.27

**B. NOTES ON ACCOUNTS:**

1. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. Nil ( Previous Year Nil ).
2. Event Subsequent to Balance Sheet date:

In terms of Accounting Standard- 4 issued by the Institute of Chartered Accountants of India and order No: 3/16/2008-PSU/573 dated 01/05/2009 in respect of pay revision as recommended by the Second Pay Revision Committee issued by the Ministry of Water Resources following liabilities have been determined and have been accounted for:

(Rs. in lakhs )

S.NO	Particulars	Total
<b>A</b>	Arrears of pay	
	Administrative & General Expenses	126.57
	Contract & Consultancy Expenses	710.82
<b>B</b>	Gratuity	466.25
<b>C</b>	Leave Encashment	196.16
<b>D</b>	Post Retirement Medical Scheme	168.25
	<b>Total</b>	<b>1668.05</b>

3. Earnings in Foreign currency during the year:

	(Rs. in lakhs)	
	2008-2009	2007-2008
Earnings:		
i) Consultancy	1020.98	282.06
ii) Contract	7203.90	3140.25
iii) Interest includes interest accrued Rs. 147.96 lakhs (Previous year Rs. 166.51 lakhs)	250.42	209.13
Total	8475.30	3631.44

4. Expenditure in Foreign currency during the year for servicing various assignments

	(Rs. in lakhs)	
	2008-2009	2007-2008
Expenditure:		
i) Consultancy	942.80	259.81
ii) Contract	7342.51	3283.83
Total	8285.31	3543.64

5. Maximum Balances held on any day during the year with Banks other than Scheduled Banks :-

	(Rs. in lakhs)	
	During 2008-2009	During 2007-2008
Myanmar Foreign Trade Bank	0.24	0.21
-do-	2.83	2.41
Bank of Kuwait & Middle East		
-Kilfil Shinafiya	0.18	0.20
-Bakme Dam	0.18	0.19
Banke Millie Afgan	0.47	0.40
National Bank of Yemen	0.03	0.03
Bank of Bhutan		
-Phutensholing	401.47	42.12
-Wangdi	42.34	23.58
Commercial Bank of Ethiopia		
-Addis Ababa	2.32	2.45
-Mekelle	0.45	0.46
DA Afghanistan Bank	38.60	29.94
Standard Bank Namibia Ltd.	0.03	0.03
-do-	0.42	0.42
<b>In Term Deposits:</b>		
Central Bank of Nigeria	11.84	10.07

6 (a). Balances shown under Claims recoverable, Sundry debtors, Advances to contractors, Sundry creditors and Security deposits/Earnest money from contractors are subject to confirmation and respective consequential adjustments.

- (b).In the opinion of the management, the value of Current assets, Loans and Advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet
7. The Consultancy Income includes Rs. 114.17 lakhs (Previous year Rs. 104.58 lakhs) as Service Tax in respect of Consultancy Agreements having composite value.
  8. The Outstanding balance of Sundry Debtors are reviewed by the management periodically with a view to determine whether a particular debt is good or bad or doubtful as to their realization after taking into various aspects and in pursuance of other prudent financial considerations, projected business prospects etc. Provision is made for Doubtful Debts when the same becomes doubtful of recovery, but chances of recovery subsist. The Management has considered generally for making of provision for doubtful debts outstanding for more than 5 years except where Arbitration award has been awarded in favour of the company. On a review of old debts outstanding as on 31<sup>st</sup> March 2009 an additional provision of Rs. 281.38 lakhs (previous year Rs. 201.56 lakhs) has been considered adequate by the Management. The accumulated provision for total debt as on 31.3.2009 is Rs. 1094.94 lakhs (previous year Rs. 821.27 lakhs).
  9. Work in progress represents utilisation of equipments/materials, design and drawing, works done at site and stock held at the site of sub-contractors as certified by them valued at Rs. 1780.11 lakhs (Previous year Rs. 237.00 lakhs).
  10. The Company is holding fixed assets/loose tools (not forming part of the company's assets) amounting to Rs.100.82 lakhs (Previous year Rs. 85.42 lakhs) on behalf of the clients. The same shall be adjusted at mutually accepted values on completion of the respective projects.
  11. In terms of Accounting Standard- 10 issued by the Institute of Chartered Accountants of India in respect of Fixed Assets, assets held for disposal have been identified during the year and shown separately in the schedule of Fixed Assets, Schedule-3. Accordingly assets with net book value worth Rs 8.89 lakhs have been shown at nil value and the difference in carrying cost has been written off as depreciation. As the result of this adjustment profit for the year is understated by Rs 8.17 lakhs and net block of fixed assets has been similarly understated by Rs 8.17 lakhs as compared to the previous year.
  12. Disclosure in compliance with Accounting Standard-15(Revised 2005) issued by the Institute of Chartered Accountants of India on "Employee Benefits" for the year ended 31<sup>st</sup>-March,2009

(a)Provident Fund

Guidance issued by the Accounting Standards Board(ASB) on implementing Accounting Standard-15, Employee Benefits(revised 2005) states that provident funds set up by employers, which requires interest shortfall to be met by employer, needs to be treated as defined benefit plan. The Fund does not have any existing deficit or interest shortfall. Accordingly, other related disclosures in respect of Provident Fund have not been made. During the year, the company had recognized Rs. 282.33 Lakhs (Previous year Rs. 191.51 lakhs) as Employer's contribution provident fund in the Profit and Loss A/C (included in contribution to PF & Others in schedules 15, 16 and 17).

## (b) Reconciliation of balance of Defined Benefit Obligation

(Rs. in lakhs)

	Gratuity		PRMS	
	Funded		Non-funded	
	2008-2009	2007-2008	2008-2009	2007-2008
Defined Obligations at the beginning	489.66	266.72	384.00	-
Add: Arrears of past period service				
Current Service Cost	112.45	16.77	0.54	-
Interest Cost	38.69	27.55	-	-
Benefits Paid	(40.81)	(50.53)	(13.80)	-
Actuarial(gain)/loss on obligation	355.94	107.64	167.71	384.00
Defined Benefit Obligation at the end of the year	955.93	368.15	538.45	384.00

## (c) Details of Fair Value of Plan assets

(Rs. in lakhs)

	Gratuity		PRMS	
	Funded		Non-Funded	
	2008-2009	2007-2008	2008-2009	2007-2008
Fair value of plan assets at the beginning of the year	368.15	266.72	-	-
Expected return on plan assets	38.69	27.55	-	-
Contribution by employer	125.75	124.41	13.80	-
Benefit Paid	(40.81)	(50.53)	(13.80)	-
Actuarial gain/(losses)	-	-	-	-
Fair value of plan assets at the end of year	491.78	368.15	-	-

## (d) Movement in net liability and amount recognized in Balance Sheet

(Rs. in lakhs)

	Gratuity		PRMS	
	Funded		Non-Funded	
	2008-2009	2007-2008	2008-2009	2007-2008
Present Value of funded obligation	955.93	368.15	538.45	384.00
Fair value of plan assets	491.78	368.15		
Amount recognized in the Balance Sheet	466.25	-	538.45	384.00

## (e) Amount recognized in Profit and Loss Account

(Rs. in lakhs)

	Gratuity		PRMS	
	Funded		Non-Funded	
	2008-2009	2007-2008	2008-2009	2007-2008
Current service cost	112.45	16.77	0.54	-
Interest Cost	38.69	27.55	-	-
Expected(return)/loss on plan asset	(38.69)	(27.55)	-	-
Actuarial gain/(losses)	355.94	107.64	167.71	384.00
Amount adjusted from the opening General Reserve on account of past services	-	-		352.00
Expenses for the year	470.27	124.41	168.25	32.00
Less Service tax included in above expenses charged to Profit and Loss A/C	1.88	00.39	-	-
Total	468.39	124.02	168.25	384.00

## (f) Major Actuarial assumptions

	Gratuity		PRMS	
	Funded		Non-Funded	
	2008-2009	2007-2008	2008-2009	2007-2008
Discount rate	8.00%	8.00 %	8.00%	8.15%
Expected return on plan assets *	9.25%	9.25%	-	-
Salary escalation #	5.00%	5.00%	5.00%	5.00%
Inflation	-	-	4.00%	4.00%

\*Expected rate of return on plan assets is based on market expectation, at the beginning of the year, for return over the entire life of the related obligation.

#Estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors.

Note: Actuarial assumptions as given by the Actuaries have been relied upon by the Auditors.

## (g) Actual Return on Plan Assets:

(Rs. in lakhs)

	Gratuity	
	Funded	
	2008-2009	2007-2008
Actual return on plan assets	38.69	27.55

## (h) Investment Details

(Rs. in lakhs)

	Gratuity	
	Funded	
	2008-2009	2007-2008
Investment with insurer(LIC of India)	491.78	368.15

The entire investments are with administered fund operated by the Life Insurance Corporation of India.

13. **Segment Reporting:-** In line with Accounting Standard-17 issued by the Institute of Chartered Accountants of India, the company has identified its business activity into two business segment i.e. Consultancy & Engineering projects and Lump Sum Turnkey projects, taking into account the organizational structure, different risk and rewards of these segments. Geographical segments considered for disclosure is Revenue within India and Revenue from outside India based on the location of the clients.

**(A) Business Segment**

**Segment Revenue**

**(Rs. in lakhs)**

	<b>2008-2009</b>	<b>2007-2008</b>
Consultancy & Engineering Projects	10644.78	8197.99
Lump sum Turnkey projects	9862.51	7807.11
<b>Total</b>	<b>20507.29</b>	<b>16005.10</b>

**Segment Profit**

**(Rs. in lakhs)**

	<b>2008-2009</b>	<b>2007-2008</b>
Consultancy & Engineering Projects	3062.06	3041.50
Lump sum Turnkey projects	198.52	340.45
<b>Total</b>	<b>3260.58</b>	<b>3381.95</b>
<b>Less:</b> other indirect expenses	1983.41	1502.07
<b>Add:</b> other income	855.35	401.26
Net profit before prior period adjtt.	2132.52	2281.14

**(B) Geographical Segment:**

Revenue attributable to location of customers:-

**(Rs. in lakhs)**

	<b>2008-2009</b>	<b>2007-2008</b>
India	7515.03	6677.48
Abroad	12992.26	9327.62
<b>Total</b>	<b>20507.29</b>	<b>16005.10</b>

**Profit from Operation:**

**( Rs. in lakhs )**

	<b>2008-2009</b>	<b>2007-2008</b>
India	2199.17	2620.48
Abroad	1061.41	761.47
<b>Total</b>	<b>3260.58</b>	<b>3381.95</b>
<b>Less:</b> other indirect expenses	1983.41	1502.07
<b>Add:</b> other income	855.35	401.26
Net profit before prior period adjtt.	2132.52	2281.14

- (C) Fixed assets used in the Company's business or liabilities contracted are common in nature for all and can not be attributed to a specific segment. The Company believes that it is not practical to provide segmental disclosure of capital employed since segregation of the available data could be erroneous.

14. **Related Party Disclosure**

(A) Following is the list of the related parties as identified in accordance with provisions of the Accounting Standard-18 issued by the Institute of Chartered Accountants of India on "Related Party Disclosure":-

Sr. No.	Name of the Related Party	Name of the Relationship
	2008-2009	2007-2008
1.	Mr. D Datta	Mr. D Datta
		Key Mgt personnel
2.	Mr. Alok Kr Datta	Mr. Alok Kr Datta
		Relative of Key Mgt Personnel

(B) Related Party Transactions

During the year ended 31-03-2009, the company had following transactions with related party.

**( Rs.in lakhs)**

S No	Name of the Transaction	Key Mgt Personnel For 2008-2009	Relative of Mgt Personnel For 2008-2009	Key Mgt Personnel For 2007-2008	Relative of Mgt Personnel For 2007-2008
1	Remuneration	20.94	3.91	10.42	2.28
2	Rent paid for Residential Accommodation	0.94	Nil	2.03	Nil

15. Earning per share (Basic and diluted) as per Accounting Standard-20 issued by the Institute of Chartered Accountants of India :-

The elements considered for calculation of Earning per share are as under :-

**(Rs. in lakhs)**

	Current Year	Previous Year
Net Profit After Tax used as numerator	1376.18	1514.06
Number of equity shares used as denominator	2,00,000	2,00,000
Earnings per share( Rupees )	688.09	757.03
Face Value per share	100	100

16. In compliance to the Accounting Standard- 22 on “Accounting for taxes on income”, issued by the Institute of Chartered Accountants of India, Deferred Tax Assets amounting to Rs. 218.78 lakhs (Previous year Rs. 91.98 lakhs) has been recognised during the current year. The item-wise details of cumulative Deferred Tax Assets are as under:-

(Rs. in lakhs)

	As on 31-03-2009	As on 31-03-2008
<b>I. <u>Deferred Tax Assets:</u></b>		
a. Leave Encashment Provision	176.87	110.19
b. Provision for post retirement medical benefit scheme for past services	68.07	10.88
c. Provision for doubtful debts / Retention Money.	400.17	299.58
	645.11	420.65
<b>II. <u>Deferred Tax Liabilities:</u></b>		
a. Depreciation	<u>125.67</u>	<u>119.99</u>
<b>Net Deferred Tax Assets/ (Liability)</b>	519.44	300.66
<b>Net Deferred tax adjustment</b>	<u>218.78</u>	<u>91.98</u>
<b>III The tax expenses for the period Comprises of:</b>		
Income tax		
- Current tax	951.30	893.79
- FBT	<u>50.70</u>	<u>43.56</u>
<b>Total</b>	<b><u>1002.00</u></b>	<b><u>937.35</u></b>

Deferred Tax Assets(Net) has been recognized as there is no unabsorbed depreciation\losses as per Taxation Laws.

17. The Management is of the opinion that no case of impairment exists under the provision of Accounting Standard-28 issued by the Institute of Chartered Accountants of India on impairment of Assets.
18. Pending issuance of notification under section 441A of the Companies Act , 1956,no provision has been made towards cess on the turnover of the company.
19. Expenditure on software incurred during the year is Rs. 0.29 lakhs(previous year Rs. 25.80 lakhs).
20. The Chairman – cum - Managing Director’s remuneration has been shown in Schedule –17. The Chairman – cum - Managing Director is allowed the use of staff car including private journeys up to a ceiling of 1000 Kms. per month on payment of Rs.520/- per month.

21. Advances due from Directors & other Officers of the Company:

(Rs. in lakhs)

Designation Category Officer	As on 31.03.2009	Maximum Amt. During 2008-09	As on 31.03.2008	Maximum Amt. During 2007-08
Chairman - cum- Managing Director	NIL	3.35	NIL	3.86
Secretary (Corp. & LA)	NIL	0.08	NIL	0.06

22. The Company has not received any information from any of the suppliers of their being a small scale industrial unit. Hence amounts due to small industrial units are not determinable

23. The dues to Micro, Small and medium enterprises as required under the MICRO Small and Medium Enterprises Development Act, 2006 is given below:

(Rs. In lakhs)

Amount overdue and payable as on 31 <sup>st</sup> March,2009	
-Principal	NIL
-Interest	NIL
Payments made during the 2008-09 after the due date	
-Principal	NIL
-Interest	NIL
Interest accrued and unpaid as on 31 <sup>st</sup> March 2009	NIL

The above information is given to the extent available with the Company and relied upon by the Auditors.

24. The Previous year figure have been regrouped/recast/rearranged, wherever necessary.

As per our report of even date attached  
For MEGA & ASSOCIATES  
Chartered Accountants

For and on behalf of Board of Directors

-sd- (A. K. Sehgal) Company Secretary	-sd- (Sunil K. Puri) General Manager(Fin. Operations)	-sd- (Ramesh Nichani) General Manager(Corporate Fin.)
-sd- (N. PARASU RAMAN) Partner M No. 83102	-sd- ( Dr. A G. Agarwal) Director	-sd- (D. Datta) Chairman-cum-Managing Director

Place : New Delhi  
Dated :03-07-2009

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009**

PARTICULARS		SCHEDULE	2008-09		2007-08	
<b>A)</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>					
	NET PROFIT BEFORE TAX AS PER P & L A/c			2,159.40		2,369.11
i)	<b>Adjustment for:</b>					
	DEPRECIATION	3	85.85		70.15	
	PROVISION FOR GRATUITY	11	470.25		124.02	
	PROVISION FOR LEAVE ENCASHMENT	11	196.16		70.09	
	PROVISION FOR PRMS	11	168.26		32.00	
	LOSS / PROFIT ON SALE OF FIXED ASSETS	14,17	(0.03)		1.23	
	LOSS/PROFIT ON ACCOUNT OF EXCHANGE VARIATION		(696.98)		-	
	INTEREST ON DEPOSITS / ADVANCES TO EMPLOYEES ETC.	14	(640.88)		(373.69)	
	DIVIDEND INCOME	14	(0.67)	(418.04)	-	(76.20)
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>			<b>1,741.36</b>		<b>2,292.91</b>
ii)	<b>ADJUSTMENT FOR INCREASE/DECREASE IN CURRENT ASSETS / LIABILITIES</b>					
	SUNDRY DEBTORS	7	(2,353.27)		(700.08)	
	CONTRACT WORK IN PROGRESS	6	1,883.89		(323.49)	
	OTHER CURRENT ASSETS	5	44.55		(61.41)	
	LOANS AND ADVANCES EXCEPT ADVANCE TAX AND FBT	9	(2,301.41)		(1,592.29)	
	CURRENT LIABILITIES EXCEPT PROVISIONS	10	(2,387.96)	(5,114.20)	7,690.47	5,013.20
	<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>			<b>(3,372.84)</b>		<b>7,306.11</b>
	LESS: CORPORATE TAX PAID (INCLUDING FBT)	9	(1,361.64)		(904.58)	
	LESS: CORPORATE TAX PAID / ADJUSTED FOR EARLIER YEARS	P&L	-		(9.68)	
	LESS: PAYMENT TOWARDS PRMS	11	(13.80)		-	
	LESS: PAYMENT TO GRATUITY FUND	11	(125.52)	(1,500.96)	(126.13)	(1,040.39)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>			<b>(4,873.80)</b>		<b>6,265.72</b>
<b>B)</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
	PURCHASE OF FIXED ASSETS	3	(78.85)		(133.20)	
	CAPITAL WORK IN PROGRESS	3	-		-	
	SALE OF FIXED ASSETS	3,17	0.38		45.47	
	INTEREST ON DEPOSITS / ADVANCES TO EMPLOYEES ETC.	14	640.88		373.69	
	DIVIDEND INCOME	14	0.67	563.08	-	<b>285.96</b>
	<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>			<b>(4,310.73)</b>		<b>6,551.68</b>
<b>C)</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>					

DIVIDEND PAYMENT (INCLUDING DIVIDEND TAX)	11	(362.68)	(362.68)	(273.66)	(273.66)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>			<b>(4,673.41)</b>		<b>6,278.02</b>
<b>INCREASE / DECREASE IN CASH &amp; CASH EQUIVALENTS</b>					
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8	9,535.29		3,257.27	
(see Note 1) CASH & CASH EQUIVALENTS AT THE CLOSING OF THE YEAR	8	4,861.88		9,535.29	
(see Note 1) <b>INCREASE / DECREASE IN CASH &amp; CASH EQUIVALENTS</b>			<b>(4,673.41)</b>		<b>6,278.02</b>

**Notes to the Cash Flow Statement**

1	Cash in hand and balances with Banks	2,787.30	2,358.92
	Short Term Investments	<u>2,771.56</u>	<u>7,176.37</u>
	Cash and Cash Equivalents	5,558.86	9,535.29
	Effect of exchange rate changes	<u>(696.98)</u>	<u>-</u>
	Cash and Cash Equivalents as restated	<u>4,861.88</u>	<u>9,535.29</u>

As per our report of even date attached  
For MEGA & ASSOCIATES  
Chartered Accountants

For and on behalf of Board of Directors

-sd-  
A K Sehgal)  
Company Secretary

-sd-  
(N. PARASU RAMAN)  
Partner  
M No. 83102

-sd-  
(Sunil K Puri)  
General Manager(Fin. Operation)

-sd-  
(Ramesh Nichani)  
General Manager (Corporate Fin.)

-sd-  
(Dr. A.G. Agarwal)  
Director

-sd-  
(D Datta)  
Chairman -cum-Managing Director

Place: New Delhi  
Dated: 03-07-2009

