

**AUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE YEAR ENDED 31ST DECEMBER, 2011**

(Rupees in Lakhs)

Sr. No.	Particulars	Quarter ended			Year ended	
		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010
		(Audited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	a) Total Turnover / Income from Operations	43,322.67	39,072.51	41,186.49	1,71,218.57	1,46,215.67
	b) Other Operating Income	-	-	-	-	-
		43,322.67	39,072.51	41,186.49	1,71,218.57	1,46,215.67
2	Expenditure					
	a) Consumption of raw materials	14,324.05	13,718.81	17,875.85	59,379.41	59,184.62
	b) Staff cost	4,645.92	4,360.00	4,126.44	17,365.30	14,819.94
	c) Sub-contracts charges	8,322.14	7,304.86	5,182.20	32,483.46	18,593.89
	d) Depreciation	1,094.23	1,178.87	994.99	4,203.61	4,184.30
	e) Other expenditure	11,684.37	9,422.56	10,299.68	45,339.03	39,579.41
	Total	40,070.71	35,985.10	38,479.16	1,58,770.81	1,36,362.16
3	Profit from Operations before Other Income, Interest & Finance Charges and Exceptional Items (1-2)	3,251.96	3,087.41	2,707.33	12,447.76	9,853.51
4	Other Income	230.43	101.91	186.84	965.20	1,397.96
5	Profit before Interest & Finance Charges and Exceptional Items (3+4)	3,482.39	3,189.32	2,894.17	13,412.96	11,251.47
6	Interest & Finance Charges	2,843.45	2,825.63	2,376.89	10,595.96	9,176.87
7	Profit after Interest & Finance Charges but before Exceptional Items (5-6)	638.94	363.69	517.28	2,817.00	2,074.60
8	Exceptional Items	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7+8)	638.94	363.69	517.28	2,817.00	2,074.60
10	Tax Expense / (Credit)	(598.92)	202.02	127.50	559.47	1,136.09
11	Net Profit from Ordinary Activities after Tax (9-10)	1,237.86	161.67	389.78	2,257.53	938.51
12	Extraordinary Items (Net of Tax Expense)	-	-	-	-	-
13	Net Profit for the period (11-12)	1,237.86	161.67	389.78	2,257.53	938.51
14	Paid-up Equity Share Capital (Face Value: Rs. 10/- per share)	1,151.58	1,151.58	1,151.58	1,151.58	1,151.58
15	Reserves excluding Revaluation Reserves as per Balance				36,965.35	34,974.84
16	Earnings per share - (Rs.)					
	a) Basic and diluted EPS before extraordinary items for the year and for the previous year	10.75	1.40	3.38	19.60	8.15
	b) Basic and diluted EPS after extraordinary items for the year and for the previous year	10.75	1.40	3.38	19.60	8.15
17	Public Shareholding					
	Number of Shares	35,04,472	35,04,472	35,04,472	35,04,472	35,04,472
	Percentage of Shareholding	30.43%	30.43%	30.43%	30.43%	30.43%
18	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	- Number of shares	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL	NIL
	- Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL	NIL
	b) Non-encumbered					
	- Number of shares	80,11,318	80,11,318	80,11,318	80,11,318	80,11,318
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	69.57%	69.57%	69.57%	69.57%	69.57%



**SIGNED FOR IDENTIFICATION  
BY**  
  
**S.R. BATLIBOI & ASSOCIATES  
MUMBAI**



**Notes:**

- 1) The above statement of audited consolidated financial results was reviewed by the Audit Committee at its Meeting held on February 29, 2012 and on recommendation of Audit Committee has been approved by the Board of Directors of the Company at its meeting held on February 29, 2012.
- 2) The Company operates in one segment viz. Construction.
- 3) There were no investor complaints at the beginning of the quarter. Six complaints were received and duly attended during the quarter ended December 31, 2011. No complaints remain unresolved at the end of the quarter.
- 4) The Board of Directors of the Company have, at its meeting held on February 29, 2012 recommended dividend of Rs. 2/- per share for the year ended December 31, 2011.
- 5) In respect of qualifications (*italics*) in the auditors report, it is clarified that:
  - a) *Sundry debtors at December 31, 2011 include variation claims of Rs. 3,455 lakhs recognised upto December 31, 2011, which are disputed by the customer. Out of this, claims amounting to Rs. 2,346 lakhs are a subject matter of arbitration. The Company has received arbitration award in its favour in respect of the balance amount of Rs. 1,109 lakhs which have since been challenged by the customer. Considering the legal advice from Company's counsel in the matter, the management is reasonably confident of recovery of the amounts awarded.*
  - b) *Sundry debtors as at December 31, 2011 include Rs.3,384 lakhs representing interim work bills for work done which have not been certified by customers beyond normal periods of certification. The management is reasonably confident of the certification and recovery of the same progressively on these contracts based on past experience of the Company, assessment of work done and the fact that these amounts are not disputed by the customer.*

The matters listed in 5 (a) and 5 (b) above were also the subject matter of audit qualifications in the Audited Accounts of the previous accounting year ended December 31, 2010.

- 6) Sundry debtors at December 31, 2011 include Rs. 1,140 lakhs relating to price escalation claims which are disputed by the customer. The Company has received favourable verdicts from the Dispute Redressal Board and also thereafter in Arbitration in respect of these claims. The Customer has appealed against the Arbitration Award. Management is reasonably confident of recovery of these amounts based on the above and independent legal advice from eminent counsel in the matter.
- 7) Sundry debtors at December 31, 2011 include Rs. 309 lakhs for which the Company had received an arbitration award in its favour which has subsequently been upheld by the District Court. The customer has challenged this Court Order. However, based on the above arbitration award and Court Order, management is reasonably confident of recovery of these amounts.
- 8) Work-in-progress at December 31, 2011 includes Rs. 2,757 lakhs, in respect of a contract which has been rescinded by the Company and Rs. 5,929 lakhs in respect of another contract where the Company has received a notice from the customer withdrawing from the Company the balance works to be executed under the contract; besides the Company has also issued guarantees aggregating Rs. 616 lakhs and Rs. 2,227 lakhs respectively. During the year, the Company has made claims against the customer to recover these amounts and intends to pursue these matters, if necessary, through legal action. Based upon legal advice received, management is reasonably confident of recovery of these amounts of work in progress and consequently no changes have been made to the values and classification of these amounts in the financial statements.
- 9) The audited standalone financial results of the Company for the year ended December 31, 2011 are available on the Company's website (<http://www.itdcm.co.in>) and on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).
- 10) The figures of last quarter are the balancing figures between audited figures in respect of the full financial year ended December 31, 2011 and the unaudited published year-to-date figures upto September 30, 2011 being the date of the end of the third quarter of the financial year.
- 11) Previous period's figures have been rearranged/regrouped wherever necessary, to confirm to the figures of the current year.

12) Standalone audited financial results

Particulars	( Rupees in Lakhs )				
	31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010
a) Total Turnover / Income from Operations	32,656.82	29,205.12	30,441.54	1,29,744.76	1,07,193.42
b) Profit before tax	701.95	250.92	271.36	2,202.67	1,223.49
c) Profit after tax	1,237.95	161.59	389.66	2,257.59	938.51

By Order of the Board

Adun Saraban

Managing Director

Place : Mumbai

Dated : February 29, 2012

**FoI ITD CEMENTATION INDIA LIMITED**

*Adun Saraban*  
Managing Director

SIGNED FOR IDENTIFICATION  
BY  
*Prajimuday*  
S.R. BATLIBOI & ASSOCIATES  
MUMBAI

## STATEMENT OF CONSOLIDATED ASSETS &amp; LIABILITIES AS AT DECEMBER 31, 2011

Particulars	Year ended	
	31.12.2011	31.12.2010
	Audited	Audited
<b>SOURCES OF FUNDS</b>		
<b>Shareholders' Funds:</b>		
Capital	1,151.58	1,151.58
Reserves and Surplus	36,965.35	34,974.84
	38,116.93	36,126.42
<b>Loan Funds:</b>		
Secured Loans	49,942.00	52,715.85
Unsecured Loans	15,228.99	1,967.72
	65,170.99	54,683.57
<b>TOTAL FUNDS</b>	<b>1,03,287.92</b>	<b>90,809.99</b>
<b>APPLICATION OF FUNDS</b>		
Fixed Assets {(including Capital Work-in-Progress Rs. 2,393.35 Lakhs (Previous Year - Rs. 3,123.34 Lakhs)}	25,265.54	22,213.89
<b>INVESTMENTS</b>	0.26	0.26
Deferred tax assets, (net)	1,263.59	497.60
<b>Current Assets , Loans and Advances</b>		
Inventories	20,504.00	16,221.59
Sundry Debtors	66,492.42	57,817.72
Cash and Bank balances	3,802.65	4,906.06
Unbilled work-in-progress	31,654.30	31,058.52
Loans and Advances	15,023.96	10,981.52
	1,37,477.33	1,20,985.41
<b>Less: Current Liabilities and Provisions</b>		
Current Liabilities	59,409.68	52,012.50
Provisions	1,309.76	875.31
	60,719.44	52,887.81
<b>Miscellaneous Expenditure</b> (to the extent not written off or adjusted)	0.64	0.64
<b>TOTAL ASSETS</b>	<b>1,03,287.92</b>	<b>90,809.99</b>

For ITD CEMENTATION INDIA LIMITED



Managing Director

SIGNED FOR IDENTIFICATION  
BY   
S.R. BATLIBOI & ASSOCIATES  
MUMBAI



## INDEPENDENT AUDITOR'S REPORT

To The Members of ITD Cementation India Limited

### Report on the Financial Results

1. We have audited the accompanying consolidated financial results of ITD Group comprising ITD Cementation India Limited ("the Company") for the year ended December 31, 2011, ('the Statement') and its subsidiary and joint ventures (together 'the Group') attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. Attention is drawn to the fact that the figures for the quarter ended December 31, 2011 as reported in the accompanying consolidated financial results are the derived figures between the audited figures in respect of the current full financial year ended December 31, 2011 and the published year-to-date figures up to September 31, 2011, being the date of the end of the third quarter of the current financial year, as required under Clause 41(I)(d) of the Listing Agreement. Further, the figures up to the end of the third quarter of the current year and the corresponding period for the previous year have only been reviewed by us and have not been subjected to an audit.

### Management's Responsibility for the Financial Results

2. These consolidated financial results have been prepared on the basis of the audited consolidated financial statements of the Company for the year ended December 31, 2011 and reviewed quarterly consolidated financial results up to September 31, 2011, being the date of the end of the third quarter of the current financial year. Management is responsible for the preparation of these consolidated financial results that give a true and fair view of the net profit and other consolidated financial information in accordance with the recognition and measurement principles set out in the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and other accounting principles generally accepted in India, and in compliance with Clause 41 of the Listing Agreement. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended).

### Auditor's Responsibility

4. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial results for the year ended December 31, 2011. 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 results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



**Basis for qualified opinion**

5. a. As described in Note 4(a) of the Statement, sundry debtors at December 31, 2011 include variation claims of Rs. 3,455 lakhs (previous year Rs. 3,910 lakhs) which are disputed by the customer. Out of this, claims amounting to Rs. 2,346 lakhs (previous year Rs. 2,346 lakhs) are a subject matter of arbitration. The Company has received arbitration awards in its favour in respect of the balance amount of Rs. 1,109 lakhs (previous year Rs. 1,564 lakhs) which have since been challenged by the customer (previous year Rs. 1,109 lakhs challenged by the customer). Our audit report on the consolidated financial statements for the year ended December 31, 2010 was also qualified in respect of this matter;
- b. As described in Note 4(b) to the Statement, sundry debtors at December 31, 2011 include Rs. 3,384 lakhs (previous year Rs. 3,384 lakhs) representing interim work bills for work done which have not been certified by customers beyond normal periods of certification. Our audit report on the consolidated financial statements for the year ended December 31, 2010 was also qualified in respect of this matter;
- c. In our view there is an uncertainty in respect of realisability of the claims and receivables described in paragraphs 5 (a) and (b) above. Accordingly, pending the ultimate outcome of these disputes, arbitration and related matters and certification, we are unable to comment on the adjustments, if any, that may be necessary to revenue, sundry debtors, the profit before tax, reserves and earnings per share reported in the consolidated financial statements for the years ended December 31, 2011 and December 31, 2010.

**Opinion**

6. In our opinion and to the best of our information and according to the explanations given to us, except for the matters described in the Basis for Qualified Opinion paragraph 5 (a) to (c) above, the accompanying consolidated financial results:
- a. are presented in accordance with the requirements of Clause 41 of the Listing Agreement in this regard; and
- b. give a true and fair view of the net profit and other consolidated financial results for the year ended December 31, 2011.

**Emphasis of Matter**

7. We draw attention to
- a. Note 5 and 6(b) of the Statement which states that sundry debtors at December 31, 2011 include Rs. 1,449 lakhs (previous year Rs. 2,964 lakhs) relating to price escalation and variation claims which are disputed by the customer. These claims are in various stages of litigation and the realisability of these amounts is dependent upon these matters being finally resolved in favour of the Company.
- b. Note 7 of the Statement which states that work-in-progress at December 31, 2011 includes Rs 2,757 lakhs (previous year Rs 2,757 lakhs) in respect of a contract which has been rescinded by the Company and Rs 5,929 lakhs (previous year Rs 5,929 lakhs) in respect of another contract where the Company has received a notice from the customer withdrawing from the Company the balance works to be executed under the contract; besides the Company has also issued guarantees aggregating Rs. 616 lakhs (previous year Rs 616 lakhs) and Rs. 2,227 lakhs (previous year Rs. 2,227 lakhs) for these contracts respectively. The Company has made claims against the customer to recover these amounts and intends to pursue these matters, if necessary, through legal action. Based upon legal advice received, management is reasonably confident of recovery of these amounts of work in progress and consequently no changes have been made to the values and classification of these amounts in the consolidated financial statements. The recovery of these amounts is dependent upon these matters ultimately being resolved in favour of the Company.

Our opinion is not qualified in respect of these matters.



# **S.R. BATLIBOI & ASSOCIATES**

Chartered Accountants

## **Report on Other Legal and Regulatory Requirements**

8. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

*S.R. Batliboi & Associates*

For S.R. Batliboi & Associates

Firm Registration No. 101049W

Chartered Accountants

*Amit Majmudar*

per Amit Majmudar

Partner

Membership No.: 36656



Place: Mumbai

Date: February 29, 2012