SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

Corporate Information

Central Railside Warehouse Company Limited is a Public Company in India and incorporated under the provisions of the Companies Act, 1956. It came into existence on 10.07.2007 by a mandate of Central Government to give effect to the MOU dated 20.10.2003 between the Ministry of Railways and Central Warehousing Corporation for development of 22 Railside Warehousing Complex. The Company is engaged in the business of Warehousing and Handling and Transportation and allied work in India.

Basis of Preparation

The Financial Statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these Financial Statements to comply in all material respects, with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy, if any explained below.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Change in Accounting Policy

During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI has significant impact on presentation and disclosures made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year. For further Details, Refer Note. 2.22 -12

1.2. Uses of Estimates

The preparation of the Financial Statements in conformity with Indian GAAP requires Management to make Judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosures relating to contingent assets and liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in material or immaterial adjustments to the carrying amounts of assets or liabilities in future periods.

1.3. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenues from Warehousing Services, Handling Services and Documentation and Insurance Services are recognized on due basis, as and when the services are rendered, based on the agreements/arrangements with the concerned parties. Unbilled revenue is recognized to the extent not billed at the year end. The company collects service tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from Revenue.

Rental Income is recognized on time proportionate basis over the period of the rent.

Claims for damages etc. against the contractors/service providers are recognized on due basis, as and when the certainty to receive the claim is ascertained.

Interest is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

1.4. Material at Site

Chemicals and construction materials, steel and cement are valued at cost or net realizable value, whichever is less. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

1.5. Tangible Fixed Assets

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any subsidy/ reimbursement/ contribution received for installation and acquisition of any fixed assets is shown as deduction in the year of receipt. Capital work- in progress is stated at cost.

The cost of engineering division being construction overhead is proportionately allocated to the building repairs and cost of construction of building. The amount allocated to building construction cost is capitalized and the amount allocated to building repairs is charged to revenue as expenses.

Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repairs and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Gains or losses arising from derocognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets derecognized.

1.6. Depreciation

Depreciation on assets is provided on straight line method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher.

Depreciation on fixed assets added/disposed off during the year/period is provided on pro-rata basis with reference to the date of addition/disposal. Individual assets costing upto ₹ 5000 are depreciated in full in the year of purchase.

1.7. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, are not capitalized and expensed off in the Statement of Profit and Loss in the year in which the expenditure is incurred.

Intangible assets are amortized on a straight line basis over the estimated useful economic life.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

1.8. Borrowing Cost

Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

1.9. Foreign Exchange Transactions/Translation

Foreign currency transactions and balances

Initial Recognition
Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion
Foreign Currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

Exchange Differences
Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset. The exchange

differences on other foreign currency monetary items are accumulated in 'Foreign Currency Monetary Item Translation Difference Account' and amortized over the remaining life of the concerned monetary item.

All other exchange differences are recognized as income or as expenses in the period in which they arise.

1.10. Taxes on Income

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax Laws used to compute the amounts are those that are enacted, at the reporting date.

Deferred Taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets including the unrecognized deferred tax assets, if any, at each reporting date, are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date and are adjusted for its appropriateness.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax (MAT) paid in a year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT Credit is allowed to be carried forward. In the year in which the Company recognizes MAT Credit as an asset in accordance with the *Guidance Note on Accounting for Credit Available in respect of Minimum Alternate Tax under the Income Tax Act, 1961,* the said asset is created by way of credit to the statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the sufficient period.

1.11. Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered.

Defined contribution plan: Company's contributions due / payable during the year towards provident fund is recognized in the profit and loss account. The Company has no obligation other than the contribution payable to the contribution payable to the provident fund.

Defined Benefit Plan: The liability in respect of the defined benefits in the form of gratuity, leave encashment, post retirement medical scheme is provided based on the percentages notified by Government Guidelines and/or notified by Central Warehousing Corporation (Holding Enterprise).

1.12. Investment

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements 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 values is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.13. Earning Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all diluting potential equity shares.

1.14. Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, an impairment loss is recognized wherever the carrying amount of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.15. Provisions, Contingent Liabilities & Contingent Assets

a. Provisions

A provision is recognized when the company has present obligations as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made of amount of the obligation. Provisions are not discounted at their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

b. Contingent Liabilities

A Contingent liability is a possible obligation that arises from the past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

1.16. Leases

Where the company is Lessee

Assets taken on lease, under which the lessor effectively retains all the risks and rewards of ownership, are classified as operating lease. Operating lease payments are recognized as expense in the profit and loss account on a straight-line basis over the lease term.

Assets acquired under leases where all the risks and rewards of ownership are substantially transferred to company are classified as finance leases. Such leases are capitalized at the inception of the lease at the lower of fair value or the present value of minimum lease payments and liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Where the company is Lessor

Leases in which the company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognized as a receivable at an amount equal to the net investment in the lease. After initial recognition, the company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognized in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

Leases in which the company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2012

2.1 Share Capital

Amount in (₹)

Particulars	As at 31.03.2012	As at 31.03.2011
Authorised		
15,00,00,000 (Previous year 15,00,00,000) Equity Shares of ₹ 10/- each	1,50,00,00,000	1,50,00,00,000
TOTAL	**1,50,00,00,000**	**1,50,00,00,000**
Issued, subscribed & fully paid-up		
4,05,60,000 (Previous year 4,05,60,000) Equity Shares of ₹ 10/- each	40,56,00,000	40,56,00,000
TOTAL	**40,56,00,000**	**40,56,00,000**

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

	31.03.2012		31.03.2011	
Particulars	**No of Shares**	**₹**	**No of Shares**	**₹**
Equity Shares				
At the beginning of the period	4,05,60,000	40,56,00,000	4,05,60,000	40,56,00,000
Issued during the period	-	-	-	-
Bought back during the period	-	-	-	-
Outstanding at the end of the period	**4,05,60,000**	**40,56,00,000**	**4,05,60,000**	**40,56,00,000**

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2012, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.50 (March 31, 2011: ₹ 0.30). The total dividend appropriation for the year ended March 31, 2012 accounted to ₹ 2,02,80,000 (March 31, 2011: ₹ 1,21,68,000) corporate dividend tax of ₹ 33,68,225).
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) **Details of shares held by the Holding Enterprises / shareholders holding more than 5% shares in the company**

Particulars	As at 31.03.2012		As at 31.03.2011	
	No of Shares Held	% holding	No of Shares Held	% holding
Equity shares of ₹10 each fully paid				
Central Warehousing Corporation (including shares held by individuals as nominees of Central Warehousing Corporation)	4,05,60,000	100 *	4,05,60,000	100 *

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

2.2 Reserves and Surplus

(Amount in ₹)

Particulars	As at 31.03.2012	As at 31.03.2011
Surplus in the statement of profit and loss		
Balance as per the last financial statements	19,61,20,239	13,81,04,001
Add: Amount transferred from statement of profit and loss	13,,30,92,734	7,22,05,191
Appropriations:		
Proposed dividend	2,02,80,000	1,21,68,000
Tax on dividend	33,68,255	20,20,953
CLOSING BALANCE	**30,55,64,718**	**19,61,20,239**

2.3 Long Term Borrowings

(Amount in ₹)

Particulars	Non-current Portion		Current Maturities	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Term loans				
Loan from Union Bank (Secured)	14,51,75,143	19,87,50,761	6,50,00,004	5,45,45,023
Loan from Central Warehousing Corporation (Secured)	63,91,32,539	63,91,32,539	-	-
TOTAL	**78,43,07,682**	**83,78,83,300**	**6,50,00,004**	**5,45,45,023**
The above amount includes				
Secured borrowings	78,43,07,682	83,78,83,300	-	-
Unsecured borrowings	-	-	-	-
Amount disclosed under the head "Other current liabilities" (Refer Note 2.6)	-	-	6,50,00,004	5,45,45,023
Net Amount	**78,43,07,682**	**83,78,83,300**	**6,50,00,004**	**5,45,45,023**

a) Loan from Union Bank carries interest @ 9% p.a. The loan is repayable in 60 monthly installments of ₹ 54,16,667 each, along with interest, starting from October, 2011. The loan is secured by the corporate guarantee of Central Warehousing Corporation, the Holding Enterprise.

b) Loan from Central Warehousing Corporation, the Holding Enterprise comprises of (i) Loan of ₹ 18,00,00,000 by way of cash infusion which carries interest @ 9% p.a. This loan is repayable in 20 monthly installments of ₹ 90,00,000 each, along with interest, starting from April, 2013; (ii) Loan of ₹ 45,91,32,539 by way of transfer of assets, fixed and moveable both, which carries interest @ 7.63% p.a. This loan is repayable in 20 monthly installments of ₹ 2,29,56,627 each, along with interest, starting from April, 2013. The loan is to be secured by first charge, by way of hypothecation of all the book debts and other moveable assets including moveable machinery, machinery spares, tools and accessories of the company both present and future.

2.4 Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	Opening as at 31.03.2011 (₹)	Movement during the year (₹)	Closing as at 31.03.2012 (₹)
Deferred Tax Liability	10,04,10,404	2,86,23,863	12,90,34,266
Net Deferred Tax Liability/ (Assets)	10,04,10,404	2,86,23,863	12,90,34,266

Components of Deferred Tax are as under:

(Amount in ₹)

Particulars	As at 31.03.12	As at 31.03.11
Deferred Tax Liabilities recognised for timing difference due to:		
Difference between Written Down Value of fixed assets as per Books and Tax	39,82,91,263	30,25,65,897
Deferred Tax Liabilities	**(12,92,25,600)**	**(10,05,04,827)**
Deferred Tax Assets recognised for timing difference due to:		
Provision for Bad & Doubtful Debts	5,89,717	2,84,257
Deferred Tax Assets	**1,91,334**	**94,423**
Net Deferred Tax (Liabilities)	**(12,90,34,266)**	**(10,04,10,404)**

2.5 Trade Payables

(Amount in ₹)

Particulars	As at 31.03.2012	As at 31.03.2011
Trade payables (Refer Note 2.22.3 – For dues to micro and small enterprises)	5,55,56,890	5,23,32,875
TOTAL	**5,55,56,890**	**5,23,32,875**

Above amount includes ₹ 2,16,59,800 due to Central Warehousing Corporation (Holding Enterprise).

2.6 Other Current Liabilities

(Amount in ₹)

Particulars	As at 31.03.2012	As at 31.03.2011

Current maturities of long term borrowings (Note No. 2.3)	6,50,00,004	5,45,45,023
Interest accrued and due on borrowings	3,71,476	18,57,014
Advance from customers	9,16,245	9,59,048
Interest free earnest money deposits from contractors	10,70,200	14,12,780
Claims payable to customers	12,08,394	13,52,472
Provision for direct and other expenses	2,13,84,944	1,73,72,578
Other Liabilities		
- Retention monies	3,60,04,218	3,82,68,364
- Withholding and other taxes payable	40,76,531	77,80,079
- Employee provident fund payable	338,988	2,76,516
TOTAL	**13,03,71,000**	**12,38,23,874**

2.7 Provisions

(Amount in ₹)

Particulars	Non–current Portions		Current Maturities	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Provision for Income Tax (including Minimum Alternate Tax)	-	-	9,01,90,839	5,14,21,693
Proposed equity dividend	-	-	20,280,000	12,168,000
Provision for Tax on dividend	-	-	33,68,255	20,20,953
TOTAL	-	-	**11,38,39,094**	**6,56,10,646**

2.8. (i) Tangible assets

(Amount in ₹)

Particulars	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Gross Block							
At 1 April 2010	1,21,04,31,046	5,85,36,365	4,24,967	1,39,87,980	69,57,724	26,15,024	1,29,29,53,106
Additions	25,42,59,596	2,18,29,038	74,068	1,64,599	-	1,98,131	27,65,25,432
Other adjustments – Reversal	53,261	-	-	-	-	1,10,500	1,63,761
At 31 March 2011	**1,46,46,37,381**	**8,03,65,403**	**4,99,035**	**1,41,52,579**	**69,57,724**	**27,02,655**	**1,56,93,14,777**
Additions	9,51,04,575	1,26,03,578	61,310	1,43,711	5,96,405	1,63,234	10,86,72,813
Other adjustments – Reversal	(66,411)	-	-	-	-	-	(66,411)
At 31 March 2012 (A)	**1,55,96,75,545**	**9,29,68,981**	**5,60,345**	**1,42,96,290**	**75,54,129**	**28,65,889**	**1,67,79,21,179**
Depreciation							
Rate of depreciation	**1.63%**	**4.75%**	**4.75%**	**6.33%**	**9.50%**	**16.21%**	
At 1 April 2010	3,68,48,248	51,32,367	1,03,758	24,54,415	14,02,774	7,72,960	4,67,14,522
Charge for the year	2,15,98,045	31,81,354	49,149	9,31,766	6,60,984	4,36,037	2,68,57,335

Particulars	Buildings	Plant & Equipment	Office Equipment	Furniture & Fixtures	Vehicles	Computers	Total
Other adjustments – Reversal	54,265	-	4,950	-	-	(62,864)	(3,649)
At 31 March 2011	**5,85,00,558**	**83,13,721**	**1,57,857**	**33,86,181**	**20,63,758**	**11,46,133**	**7,35,68,208**
Charge for the year	2,41,15,248	38,30,662	43,710	9,28,019	7,15,780	4,48,631	3,00,82,050
Other adjustments – Reversal	(340)	-	-	-	-	-	(340)
At 31 March 2012 (B)	**8,26,15,466**	**1,21,44,383**	**2,01,567**	**43,14,200**	**27,79,538**	**15,94,764**	**10,36,49,918**
Net Block							
At 31 March 2012	**1,47,70,60,079**	**8,08,24,598**	**3,58,778**	**99,82,090**	**47,74,591**	**12,71,125**	**1,57,42,71,262**
At 31 March 2011	**1,40,61,36,823**	**7,20,51,682**	**3,41,178**	**1,07,66,398**	**48,93,966**	**15,56,522**	**1,49,57,46,569**

(a) Most of the tangible assets reflected above are erected / installed at the Railside Warehousing Complexes developed on the land leased by Indian Railways for 30 years. The ownership rights to the land leased by Indian Railways on which railside warehouses have been developed by the Company (CRWC) rests with the Central Warehousing Corporation. The assignment of the rights from CWC to CRWC is pending with the Indian Railways.

(b) Additions to fixed assets include borrowing cost of ₹ 28,87,266/- (March 31, 2011 ₹ 21,91,383/-) capitalized during the year. The company capitalized borrowing cost of ₹ 30,94,427/- (March 31, 2011 ₹ 82,80,298) to capital work in progress apportioned / allocated to the cost of construction carried forward with respect to the construction not completed at the year end.

(ii) Intangible Assets

(Amount in ₹)

Particulars	Gross Block	Total
Gross Block		
At 1 April 2011		
Additions	31,870	31,870
Other adjustments – Reversal	-	-
At 31 March 2012 (A)	**31.870**	**31,870**
Charge for the year	2,387	2,387
Other adjustments – Reversal	-	-
At 31 March 2012 (B)	**2,387**	**2,387**
Net Block		
	29,483	**29,483**

(a) Intangible assets has been amortized over the period of 3 years.

(b) The intangibles of previous years being integral part of the hardware purchased by the company are not ascertainable separately and hence not disclosed in intangible assets above.

2.9 Loans & Advances

(Amount in ₹)

Particulars	Non-current Portions		Current Maturities	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Unsecured, considered good unless stated otherwise				
Security deposit	32,74,048	30,82,448	-	-
Advances recoverable in cash or kind	27,267	80,054	16,06,849	31,68,438
MAT credit entitlement	4,05,34,878	3,31,96,043	-	-
Other loans and advances				
- Unbilled revenue	-	-	96,25,273	1,22,31,868
- Prepaid expenses	-	-	1,27,751	1,39,331
- Balances with statutory / government authorities	-	-	17,82,898	-
- Advance tax & tax deducted at source	-	-	9,93,17,354	7,07,23,191
TOTAL	**4,38,36,193**	**3,63,58,545**	**11,24,60,125**	**8,62,62,829**

2.10 Trade Receivables

(Amount in ₹)

Particulars	Non-current Portions		Current Maturities	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months				
- Unsecured, considered good	42,61,869	-	12,74,827	96,46,652
- Doubtful	11,90,830	-	-	-
	54,52,699		**12,74,827**	**96,46,652**
Provision for doubtful receivables	(11,90,830)	-	-	(6,01,113)
Other receivables				
- Unsecured, considered good	-	-	6,06,08,245	3,34,91,231
TOTAL	**42,61,869**	**-**	**6,18,83,072**	**4,25,36,770**

Trade receivables, outstanding for a period exceeding six months from the date they are due for payment, considered doubtful, include ₹ 11,90,830/- (Previous year ₹ Nil) where the buyers have withheld payments on account of claims. Necessary provisions for these claims have been made pending final settlement.

2.11 Cash and Cash Equivalents

(Amount in ₹)

Particulars	Non-current	Current

	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Cash and cash equivalents				
Balances with banks				
On savings account	-	-	6,35,36,397	3,27,44,152
On dividend account	-	-	22,660	-
Cash in hand	-	-	24,74,829	2,30,099
TOTAL	**-**	**-**	**6,60,33,886**	**3,29,74,251**

2.12 Other Current assets

(Amount in ₹)

Particulars	Non-current Portions		Current Maturities	
	As at 31.03.2012	As at 31.03.2011	As at 31.03.2012	As at 31.03.2011
Material –at-Site (valued at lower of cost and net realizable value)				
- Cement	-	-	45,732	45,732
- Steel	-	-	-	2,37,585
TOTAL	**-**	**-**	**45,732**	**2,83,317**

2.13 Revenue from operations

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Revenue from		
- Warehousing services	33,84,09,283	23,41,06,202
- Handling services	36,70,04,700	24,95,09,866
- Documentation and insurance services	2,96,63,278	1,94,39,750
Other operating revenue		
- Rental income	18,99,487	13,25,772
- Income from hiring of vehicles	18,28,290	37,50,996
TOTAL	**73,88,05,038**	**50,81,32,586**

2.14 Other income

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Interest income on deposits with banks	22,00,725	6,75,498
Other non operating income		
- Forfeiture of earnest money / security deposit	1,24,280	-
- Excess liabilities written back	1,79,949	-
- Miscellaneous income	6,53,469	20,34,803
TOTAL	**31,58,423**	**27,10,301**

2.15 Direct Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Cartage	1,970	14,577
Electricity	54,89,747	47,59,001
Diesel	3,40,536	4,13,201
Hiring of generator	35,000	91,000
Handling and transport	32,66,79,659	21,28,17,411
Railway share	2,01,83,434	1,42,41,410
Security	2,68,53,222	1,98,40,785
TOTAL	**37,95,83,568**	**25,21,77,385**

2.16 Employee benefit expense

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Salary, wages and bonus	3,51,59,665	3,07,57,482
Employers contribution of provident fund	22,49,873	19,55,351
Gratuity contribution	5,97,847	6,56,129
TOTAL	**3,80,07,385**	**3,33,68,962**

2.17 Other Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Rent	60,94,807	56,86,574

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Rates and taxes	2,64,257	7,41,804
Insurance	19,20,906	15,48,064
Repair and maintenance		
- Building	81,71,469	36,52,284
- Plant and machinery	5,42,743	5,22,128
- Others	7,71,103	7,79,462
Advertisement	5,45,916	7,78,112
Conveyance	11,34,417	16,30,296
Printing and stationery	10,46,344	9,48,591
Legal and Professional	15,36,072	14,56,660
Payment to auditors	1,15,000	90,000
Staff welfare	6,97,783	6,95,407
Communication	8,42,740	8,88,991
Provision for bad and doubtful debts	5,89,717	2,84,257
Arbitration award	4,65,606	-
Travelling	19,96,900	21,77,311
Miscellaneous	27,35,101	15,54,976
TOTAL	**2,94,70,881**	**2,34,34,917**

The detail of payment to auditors is as follows:

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Payment to auditor		
- Statutory audit fee	75,000	50,000
- Tax audit fee	40,000	40,000
TOTAL	**1,15,000**	**90,000**

2.18 Depreciation and Amortization Expense

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Depreciation of tangible assets	3,00,81,710	2,68,57,335
Amortization of intangible assets	2,387	-
TOTAL	**3,00,84,097**	**2,68,57,335**

2.19 Finance costs

(Amount in ₹)

Particulars	Year Ended	Year Ended

	31.03.2012	31.03.2011
Interest on term loan		
- From bank	1,95,83,291	85,33,401
- From others	5,12,31,812	5,25,85,511
TOTAL	**7,08,15,103**	**6,11,18,912**

2.20 Prior Period

(Amount in ₹)

Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
Income		
Warehousing services	1,87,500	2,02,544
Handling services	43,061	22,690
Documentation and insurance services	-	2,364
Interest on deposits	-	3,647
Sub-Total	**2,30,561**	**2,31,245**
Expenditure		
Railway share	-	6,067
Electricity	89,547	-
Security	2,77,865	-
Salary	40,213	24,769
Contribution to provident fund	-	1,84,877
Rent	52,661	7,000
Repairs and maintenance – Plant and Machinery	84,293	10,714
Audit fee	34,270	-
Advertisement	7,092	-
Depreciation	-	59,215
Miscellaneous	5,000	-
Sub-Total	**5,90,941**	**2,92,642**
TOTAL	**8,21,502**	**5,23,887**

2.21 Earning Per Share

Particulars	Year ended 31.03.2012	Year ended 31.03.2011
Net profit after tax (₹)	**13,30,92,734**	**7,22,05,191**
Weighted average number of equity Shares outstanding during the year	4,05,60,000	4,05,60,000
Basic earnings per share (₹)	3.28	1.78
Diluted earnings per share (₹)	3.28	1.78

2.22. 1. Contingent Liabilities

	As at 31.03.2012 (₹)	As at 31.03.2011 (₹)
Claims against the company not acknowledged as debts:		
Customer's	10,97,077	15,47,071

2. The company has civil contracts on capital account remaining to be executed for an estimated amount of ₹ 303.03 lacs as at March 31, 2012 (₹ 741.80 lacs as at March 31, 2011).

3. As per the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify the Micro, Small and Medium Enterprises and pay them interest on amounts overdue beyond the specified year irrespective of the terms agreed with them. However, management is of opinion that in view of supplier profile of the Company, the liability in any case will be insignificant. The management has rolled out letters for the confirmation from the parties for confirming their registration under the said Act.

4. The balances of creditors and debtors appearing in the balance sheet are subject to balance confirmation/ reconciliation at the year end. The management is in the process of obtaining the respective confirmations in the due course. However, the reconciliation of these balances is not expected to result in any material adjustments in the stated balances.

5. In respect of the liability for defined benefits provided as per the accounting policy no. 1.10, the contribution of Central Railside Warehouse Company Limited is restricted to the amounts calculated as per the Government Guidelines/ Central Warehousing Corporation circulars. Accordingly, no actuarial valuation as per Accounting Standard 15 on 'Accounting for Retirement Benefits' is done as all the employees working are on deputation from Central Warehouse Corporation (Holding Enterprise) except Managing Director, whose employment terms and conditions to the extent of retirement benefits is pending with the Ministry of Consumer Affairs and Public Distribution.

6. Taxation

Minimum Alternate Tax (MAT)

The Company has during the year, provided the current year tax liability of ₹ 3,87,69,146(previous year ₹ 2,25,93,512) calculated in accordance with the provisions of Section 115JAA of the Income Tax Act, 1961. The MAT credit entitlement in respect of MAT liability for the current and earlier years has been assessed / re – assessed as at March 31, 2012 and is disclosed under 'Loans and advances'.

7. Related Party Disclosure

I. Name of related parties and description of relationship:

1. Holding Enterprise — Central Warehousing Corporation
2. Subsidiaries — NIL

3. Fellow Subsidiaries NIL
4. Associates NIL
5. Key Management Personnel:
   Board of Directors:
   Mr. B.K.Saha, Chairman
   Mr. B.B.Pattanaik, Director
   Mr. Naveen Prakash, Director
   Mr. Virendra Singh, Director
   Mr. Girish Shankar, Director
   Mr. Vinod Asthana, Managing Director
   Mr. G.N. Nair, Ex. Managing Director
   Mr. Ashok Chowdhry, Ex. Managing Director

6. Relatives of Key Management Personnel: NIL

II. Transaction carried out with related parties in the ordinary course of business is as follows:

Holding Enterprise: Central Warehousing Corporation

	₹ In Lakhs	
	As at 31.3.2012	**As at 31.03.11**
i) Subscription to Share Capital	4056.00	4056.00
ii) Secured Loan (Cash)	1800.00	1800.00
iii) Secured Loan	4591.33	4591.33
iv) Value of Fixed Assets Transferred	8575.54	8575.54
v) Pay & Allowances Debited	108.61	-
vi) Amount Payable	216.60	223.26

Key Management Personnel

	₹ In Lakhs	
	As at 31.3.2012	**As at 31.03.11**
Salary to MD		
- to Mr. Vinod Asthana	2.80	
- to Mr. Ashok Chowdhry		0.65

The above does not include retirement benefits.

8. Segment Reporting

As the Company's business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided in terms of Accounting Standard – 17 Segment Reporting.

9. The Railside Warehousing Complexes have been developed on the land leased by Indian Railways for 30 years in terms of MOU signed at a rate of ₹1 per square meter p.a. except for Whitefield, Bangalore being pilot project. The ownership rights to the land leased by Indian Railways on which railside warehouses have been developed by the Company (CRWC) rests with the Central Warehousing Corporation. The assignment of the rights from CWC to CRWC is pending with the Indian Railways.

10. Provisions (AS 29 Disclosure)

(Amount in ₹)

Particulars	Balance as on 31st March 2011	Provision during the year	Utilise/Adjustment during the year	Reversal / Adjustment during the year	Balance as on 31st March 2012
Audit fees	80,073	1,16,293	89,343	9,270	1,16,293
Productivity enhanced incentive	1,86,000	1,82,700	1,92,927	6,927	1,82,700
Earlier year tax	2,92,81,055	-	4,52,874	-	2,88,28,181
Current year tax	2,25,93,512	3,87,69,146	-	-	6,13,62,568
Proposed dividend	1,21,68,000	2,02,80,000	1,21,68,000	-	2,02,80,000
Corporate dividend tax	20,20,953	33,68,255	20,20,953	-	33,68,255
Total	**6,63,29,593**	**6,27,25,262**	**1,49,24,097**	**-**	**11,41,37,997**

11. The Company has proposed a dividend @ ₹ 0.50 per share for the year ended March 31, 2012. The total dividend declared aggregates to ₹ 2,02,80,000 for the paid up capital of ₹ 40,56,00,000. The rate of dividend declared being 5%, transfer of specified percentage of distributable profits to the reserves, as desired by Sec 205 (2A) of the Companies Act, 1956 is not necessary and hence not made.

12. Previous year figures were audited by another firm of Chartered Accountants.

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 adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements.

Signed for Identification Notes 1-12.

In terms of our report of even date

For Mukesh Raj & Company
Chartered Accountants
FRN NO.: 016693N

(Vinod Kumar Asthana)
Managing Director

(R.K.Sadhwani)
GM (F & A)

Mukesh Goel
Partner
Membership No.: 94837
New Delhi
Date:

(B.B. Pattanaik)
Director