



ATLANTA LIMITED

An ISO 9001 : 2008 Company



Gathering Momentum

Annual Report
2012-13

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Corporate Information

BOARD OF DIRECTORS

Mr. Rajhoo Bbarot <i>(re-designated as Chairman & Managing Director w.e.f. 14th August, 2013)</i>	Chairman & Managing Director
Mr. Rikiin Bbarot <i>(re-designated as Joint Managing Director w.e.f. 18th July, 2013)</i>	Joint Managing Director
Dr. Samir Degan	Director
Mr. Arpan Brahmbhatt	Director
Mr. Vipul Desai <i>(appointed w.e.f. 18th July, 2013)</i>	Additional Director
Mr. G. Viswanathan <i>(resigned w.e.f. 25th July, 2013)</i>	Former Chairman

CHIEF FINANCIAL OFFICER

Mr. Bakul Desai
(appointed w.e.f. 21st March, 2013)

COMPANY SECRETARY

Mr. Narayan R. Joshi

STATUTORY AUDITORS

M/s. Suresh C. Maniar & Co.
Chartered Accountants
87, Arcadia, 195, Nariman Point,
Mumbai – 400 021 *(till 15th July, 2013)*

M/s. Yardi Prabhu & Associates
Chartered Accountants
2, Samadhan, Agarkar Chowk,
Opp. Rly Station, Andheri (E),
Mumbai – 400 069
(w.e.f. 12th August, 2013)

REGISTRARS AND SHARE TRANSFER AGENTS

Karvy Computershare Private Limited
Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad – 500 081.
Tel No.: +91-40-2342 0818-28
Fax No.: +91-40-2342 0814
E-mail id: einward.ris@karvy.com
Website : www.karvycomputershare.com

REGISTERED OFFICE

101, Shree Amba Shanti Chambers,
Opposite Hotel Leela,
Andheri-Kurla Road,
Andheri (E), Mumbai- 400 059
Tel No.: +91-22-2925 2929
Fax No.: +91-22-2925 2900
Email id: investors@atlantainfra.com
Website : www.atlantainfra.co.in

BANKERS:

Allahabad Bank
Central Bank of India
Corporation Bank
Dena Bank
State Bank of India
State Bank of Patiala
Union Bank of India

Letter from the Chairman & Managing Director

Dear Shareholders,

It is with immense pleasure and satisfaction that I present the Annual Report for the year 2012-13.

In the current year, we have already started work, on two high value Build-Operate-Transfer (BOT) projects – one at Bihar and another at Punjab, putting us on a higher growth trajectory. Further, strategic foray into the new vertical – Tourism Infrastructure, a new ever green entertainment segment, will help the Company gain momentum for long term growth on a sustainable basis.

The Government of India has very rightly identified Infrastructure sector as the priority sector and engine for the country's long term economic growth on a sustainable basis. Infrastructure sector is estimated to achieve over 8% annual growth rate in the next five years. Construction of Roads – especially projects of national highways are of paramount importance for transportation of goods and passengers. Of the ₹ 50,00,000 crore of planned infra spending in the 12th Five Year Plan, 50% is expected to come from the private sector. As such private sector is poised to play an increasingly important role in the development. The Infrastructure industry including the Road sector, is at an inflection point and is poised to play a role of catalyst for overall economic growth of our country.

NHAI has set a target of awarding 9,500 k.m. of road projects. Out of which about 3,000 k.m. would be awarded on Engineering, Procurement and Construction (EPC) basis. Around 5,000-6,000 k.m. (50-55 projects) of the total will be awarded on Build -Operate-Transfer (BOT) toll or BOT annuity basis. Government has launched a major initiative to upgrade and strengthen National Highways (NH), to widen and upgrade 54,000 k.m. of road with an investment of ₹ 3,00,000 crore. All these will offer sustained growth opportunities for your Company.

The Company's management has been following a very prudent policy of focussing on bottom line rather than top line. Hence, the Company has not gone overboard in bidding irrationally for winning projects for increasing its top line alone. The Company has successfully bagged two high value Road Projects – viz. ₹ 1,200 crore project in Bihar involving widening of the Mohania-Ara section of NH 30 for a length of 117 k.m. and ₹ 200 crore project in Punjab involving rehabilitation, up-gradation and widening of the existing carriageway of Ropar – Chamkaur Sahib - Neelon section of 45.175 k.m. to two lane standard with paved shoulders and from Neelon - Doraha upto NH – 1 of 9.625 k.m. to four lane standard with construction of new carriageway. These 2 projects collectively contribute to over 77% to the EPC order book, which stood at ₹ 1,800 crore. This would give strong visibility to the EPC business in near term and higher toll cash flows leading to higher profitability in long term.

Your Company has been one of the early entrants in the BOT roads space and demonstrated superior execution skills with execution of Udaipur By-pass, India's first Greenfield BOT project in 1996, completing the project ahead of the scheduled time.

“Your Company is well placed to take advantage of favourable policy changes in road sector and also plan for strategic foray into the new Tourism Infra vertical.”

CCEA has approved a proposal to allow concessionaires in ongoing and completed NH projects, to completely divest the stake. This is positive for sector, which is facing difficulties in raising equity.

Planning Commission has also called for constituting an independent regulator for road sector, which will help resolve the litigation which are hampering growth of the sector.

The company has been following a prudent policy of investments in land parcels near BOT project sites, which later on offer immense value unlocking possibilities. Construction has been commenced on the large residential project, Atlanta Enclave, near its Mumbra project. Your Company is also developing various commercial and residential projects in Mumbai as well as in other parts of India, in joint ventures (JV) with third-party developers with over 1 million sq.ft. of saleable area under various stages of development. This asset light model helps us to effectively use our capital while boosting our bottom line.

We have forayed into the new domain of infrastructure - “Tourism Infrastructure” by signing a Memorandum of Understanding (MOU) to set up an entertainment city - “Atlanta City” with the Government of Gujarat on the outskirts of Surat with an estimated investment of ₹ 9,500 crore. The project would be spread over appx. 3,000 acres of land with 6 k.m. waterfront and includes plethora of activities – Nature, Amusement & Water Park, Beach Fronts, Water & Adventure Sports, Ice skating and Ski Dome etc. The project once implemented will take company in to new growth orbit and re-classify it in to an Entertainment behemoth from an Engineering & Construction / Infra Company. This new project would drive growth momentum of Company for a much longer period and transform Surat (Gujarat) to emerge as one of the fastest-growing travel and tourism destination in the world.

Going forward, your Company is optimistic of playing a vital role in nation building, through quality infrastructure development as well as an entertainment enterprise. For shouldering new growth opportunities, in existing as well as in new segments, we are fully preparing ourselves to improve both – human resources as well as financial resources, well in advance. Our project management and execution expertise, combined with disciplined bidding and in-house equipment bank, would continue to work in our favour in infra segment. For new Entertainment segment also, we are planning to hire the required expertise to facilitate faster and efficient execution.

I would like to take this opportunity to thank all our stakeholders for reposing confidence in our abilities and endeavours and expect to receive their full support in augmenting our future plans and strategy.

Yours Sincerely,

Rajhoo Bbarot
Chairman & Managing Director

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the Members of **ATLANTA LIMITED** will be held on Friday, September 27, 2013 at 3.00 p.m. at 101, Shree Amba Shanti Chambers, Opp. Hotel Leela, Andheri – Kurla Road, Andheri (East), Mumbai – 400 059 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013, the Statement of Profit and Loss of the Company for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To declare final dividend on preference shares.
3. To appoint a Director in place of Dr. Samir Degan, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** M/s. Yardi Prabhu & Associates, Chartered Accountants, Mumbai (Firm Registration no. 111727W), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:
“**RESOLVED THAT** Mr. Vipul Amul Desai, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 18th July, 2013 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 260 of the Companies Act, 1956 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 257 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, whose appointment shall be liable to retirement by rotation.”
6. To consider and if thought fit, to pass, with or without modification(s), the following resolution, as a Special Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals as may be required, the consent of the members be and is hereby accorded to substitute Article no. 229 of the Articles of Association of the Company with the following new Article;
229. Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by atleast one Director or any other person appointed by the Board for the purpose provided that, in respect of the Share Certificate the Seal shall be affixed in accordance with “Article no. 24(a).”

By Order of the Board of Directors

Place: Mumbai
Date: August 14, 2013

Narayan R. Joshi
Company Secretary

Registered Office:
101, Shree Amba Shanti Chambers,
Opp. Hotel Leela, Andheri-Kurla Road,
Andheri (East), Mumbai – 400 059

NOTES:

1. **A member entitled to attend and vote at the annual general meeting (the “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of business referred to under item No. 5 & 6 is annexed hereto.
3. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for the payment of dividend. The Company or its Registrars and Share Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be communicated only to the Depository Participant of the members.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. Members are requested to bring their attendance slip along with the annual report to the meeting.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. The Board of Directors at their meeting held on May 21, 2013 declared dividend of ₹ 2.50 per share on 25,00,000 25% Cumulative Redeemable Non Convertible Preference shares of ₹ 10/- each for the year ended March 31, 2013. The said dividend is recommended as final dividend on the preference shares for the financial year ended March 31, 2013.
8. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2013 to 27th September, 2013 (both days inclusive).
9. Members are requested to note that pursuant to provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company is required to transfer to the Investor Education and Protection Fund (IEPF) the dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account. After transfer of the said amount to IEPF, no claims in this respect shall lie against the Fund or the Company. Members whose dividend for the years 2006-07, 2007-08, 2009-10 and 2010-11 is unencashed or unclaimed are requested to make their claims by writing to the Company's Registrars and Share Transfer Agents.
10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change of address immediately to the Company or its Registrars and Share Transfer Agents.

11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN details to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrars and Share Transfer Agents, Karvy Computershare Private Limited.
12. Non-Resident Indian Members are requested to inform Karvy Computershare Private Limited, immediately of:
- a) change in their residential status on return to India for permanent settlement, if any;
 - b) particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
13. Atlanta Limited is concerned about the environment and utilises natural resources in a sustainable way. The Ministry of Corporate Affairs (MCA), Government of India, has by its circular nos.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively, permitted companies to send official documents to their shareholders electronically as part of its green initiative in corporate governance.

Recognising the spirit of the circular issued by the MCA, we are sending the Annual Report comprising of Notice convening the annual general meeting, financial statements, Directors' Report, Auditors' Report, etc. to the email address provided by you with your depositories.

We request you to update your email address with your depository participant to ensure that the annual report reaches you on your preferred email address.

By Order of the Board of Directors

Place: Mumbai
Date: August 14, 2013

Narayan R. Joshi
Company Secretary

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No. 5

The Board of Directors at the Board meeting held on 18th July, 2013 appointed Mr. Vipul Amul Desai as an Additional Director of the Company. In accordance with the provisions of Section 260 of the Companies Act, 1956, ("Act") the terms of appointment of Mr. Vipul Amul Desai effective from 18th July, 2013 as an Additional Director would expire at the forthcoming Annual General Meeting of the Company and he is eligible for appointment as a Director. A notice under Section 257 of the Companies Act, 1956 alongwith deposit of ₹ 500/- has been received from a member signifying his intention to propose Mr. Vipul Amul Desai as a candidate for the office of the Director of the Company.

Mr. Vipul Amul Desai holds a bachelor's Degree in Commerce, Management and Law supplemented with professional qualifications of Company Secretaryship and Cost Accountancy. He is having

experience of more than 35 years and has worked in various organisations. His main responsibility included Financial & Corporate Restructuring and Consolidation, Credit Rating, International Resource Mobilisation, Governance, Legal & Compliance, Strategic Advisory Services for acquisitions, alliances and partnership of Global scale, lead manager functions and resources and team head to deliver value for money and optimum asset and risks management.

The Board feels that the Company will immensely benefit from the vast experience of Mr. Vipul Amul Desai in various fields.

Mr. Vipul Amul Desai, is not disqualified from being appointed as director in terms of Section 274(1) (g) of the Act. The Company has received the requisite Form 'DD - A' from Mr. Vipul Amul Desai, in terms of the Companies (Disqualification of Directors under Section 274 (1) (g) of the Companies Act, 1956) Rules, 2003, confirming his eligibility for such appointment.

The Board of Directors recommends the passing of the ordinary resolution set out in item no. 5 of the accompanying notice.

None of the Directors except Mr. Vipul Amul Desai may be deemed to be concerned or interested in passing the said resolution.

Item No. 6

The present Article no. 229 for Common Seal in the Articles of Association of the Company requires that the Common Seal of the Company be affixed in the presence of at least two Directors or one Director and Secretary or any other authorised person who shall sign the same.

Considering the growth of the Company's business and the number of documents that require Common Seal to be affixed, it becomes very difficult to ensure the availability of two Directors or Director and Company Secretary of the Company, every time the documents are to be executed.

The Board of Directors at their meeting held on August 14, 2013 has proposed to amend the said Article no. 229 suitably so that the Common Seal can be affixed in the presence of atleast one Director or any other person authorized by the Board for the purpose.

The Board of Directors recommends the passing of the special resolution set out in item no. 6 of the accompanying notice.

None of the Directors may be deemed to be concerned or interested in passing the said resolution.

By Order of the Board of Directors

Place: Mumbai
Date: August 14, 2013

Narayan R. Joshi
Company Secretary

Registered Office:

101, Shree Amba Shanti Chambers,
Opp. Hotel Leela, Andheri-Kurla Road,
Andheri (East), Mumbai – 400 059

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 30th Annual Report and Audited Financial Statements for the Financial Year ended March 31, 2013.

FINANCIAL RESULTS

(₹ in Lacs)

Particulars	2012-13	2011-12
Revenue from operations	24,589.35	17,022.12
Profit before prior period adjustments, extraordinary items and tax	3,419.84	615.45
Less: Prior period adjustments (interest income of prior years written back)	1,191.05	-
Add: Extraordinary items	-	1563.70
Less: Provision for taxation	468.05	291.17
Profit after tax for the year	1,760.74	1,887.98
Add: Balance brought forward	8,642.47	8,133.24
Profit available for appropriation	10,403.21	10,021.22

Appropriation

(₹ in Lacs)

Particulars	2012-13	2011-12
Proposed dividend on preference shares	62.50	62.50
Proposed dividend on equity shares	-	163.00
Tax on proposed dividend on preference shares	10.62	36.58
Proposed Dividend on equity shares & Tax thereon reversed (2011-12)	(189.44)	-
Transfer to Capital Redemption Reserve	116.67	116.67
Transfer to General Reserve	1,000.00	1,000.00
Balance of profit carried forward	9,402.86	8,642.47

BUSINESS OPERATION

During the year under review, the Company has achieved total income from operations amounting to ₹ 24,589.35 lacs as compared to ₹17,022.12 lacs registering a growth of around 45% over that of last year. The Profit after Tax for the year was ₹ 1,760.74 lacs as compared to ₹1,887.98 lacs over that of last year.

During the year under consideration, the major contracts under execution by the Company were:-

- Development and operation/ maintenance of the Mohania-Ara Section of NH-30 (Km.0.000 to Km.116.760), total length 117.000 Km through PPP on DBFOT basis
- Development and operation & maintenance of "Ropar – Chamkaur Sahib – Neelon – Doraha (up to NH - 1) Road" in the state of Punjab – length 54.735 Km.
- Construction of 12 Nos. major bridges having total 35 Nos. spans with 1200 mm diameter cast in situ bored piles & PSC girder super structure of 18.30 m between Dausa and Gangapur City section in connection with Dausa - Gangapur City new broad gauge line project at Jaipur

- Construction of broad gauge formation & minor bridges from chainage 41000 to 45000 between Dausa & Gangapur City sections of 18.30 m between Dausa-Gangapur City new broad gauge line projects
- Gauge conversion works from Tirunelveli to Tenkasi in Quilon – Tenkasi – Tirunelveli – Tiruchendur – Tenkasi – Virudhunagar, proposed earthwork in forming bank, cutting, re-grading, construction of major and minor bridges, construction of platforms, station buildings, passenger amenities, platform shelters, improvements to level crossings, providing lifting barriers and other miscellaneous works between Tirunelveli and Tenkasi junction stations
- Construction of new 2 lane highway from Km 38/00 to Km 71/00 in Mizoram to support Kaladan Multi Model Transit Transport Project in Phase A of SARDP-NE-Package No. MM-II
- Widening and strengthening of existing intermediate lane to two lane carriage way in Km 159.0 to Km 184.260 of National Highway 224, Orissa.

The Company is currently involved in developing the following real estate projects:

- Construction of residential township "Atlanta Enclave" at Shilphata, Thane
- Construction of commercial/residential building "ABT Apartment" at Malad (E), Mumbai
- Construction of residential buildings "Olympics Heights" at Jodhpur, Rajasthan
- Construction of residential building "Atlanta House" at Dwarka, Delhi

DIVIDEND

a) Preference Shares

The Board has declared dividend of ₹2.50 per share on 25,00,000 25% Cumulative Redeemable Non Convertible Preference Shares of ₹10/- each amounting to ₹62.50 lacs (Rupees sixty two lacs fifty thousand only) for the year ended March 31, 2013.

b) Equity Shares

With a view to conserve resources for our business needs, your Directors have not recommended any dividend on equity shares for the year ended March 31, 2013.

FIXED DEPOSIT

During the year under review, the Company has accepted deposits under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975 within the prescribed limit.

The outstanding deposits at the beginning of the year i.e. on April 01, 2012 were ₹ 363.00 lacs. As on March 31, 2013, the outstanding deposits from public were ₹ 440.10 lacs.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standards AS-21 on Consolidated Financial Statements read with Accounting Standard AS-27 on financial reporting of interest in Joint Venture and AS-23 on accounting for Investments in Associates, the audited Consolidated Financial Statements are provided in the Annual Report.

SUBSIDIARIES

In accordance with the General Circular no. 2/2011 dated February 08, 2011 issued by the Ministry of Corporate Affairs, the Board of Directors of your Company had passed a Resolution for giving its consent for not attaching the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies to the Balance Sheet of the Company for the year ended March 31, 2013. However, the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular.

The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the Subsidiary Companies will also be kept open for inspection at the registered office of the Company and that of the respective Subsidiary Company. The Consolidated Financial Statements presented by the Company include the financial results of its Subsidiary Companies.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Dr. Samir Degan, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. You are requested to re-appoint him.

The Board appointed Mr. Vipul Amul Desai as an Additional Director under Section 260 of the Companies Act, 1956 with effect from 18th July, 2013. He will hold office, till the conclusion of the forthcoming Annual General Meeting of the Company.

Consequent upon the induction of Mr. Vipul Desai, the Board of Directors at their meeting held on 18th July, 2013 reconstituted its various committees.

Mr. Rikiin Bbarot has been re-designated from Executive Director to Joint Managing Director w.e.f. 18th July, 2013.

Mr. G. Viswanathan has resigned from the Directorship of the Company with effect from 25th July, 2013. The Board places on record its appreciation for the valuable contribution made by Mr. G. Viswanathan as an Independent Director.

The Board of Directors at its meeting held on 14th August, 2013 has re-designated Mr. Rajhoo Bbarot from Managing Director to Chairman & Managing Director.

None of the Directors are disqualified from being appointed/reappointed as Directors as specified in Section 274(1)(g) of the Companies Act, 1956.

As required under clause 49 of the Listing Agreement, particulars of Directors seeking appointment, re-appointment at the ensuing Annual General Meeting have been given under Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (i) that in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under revised Schedule VI to the Companies Act, 1956 have been followed along with the proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profits of the Company for the year ended on that date;
- (iii) that the Directors had taken proper and sufficient care, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a 'going concern' basis.

RECONCILIATION OF SHARE CAPITAL AUDIT

As directed by the Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit has been carried out at the specified period, by a Practicing Company Secretary.

AUDITORS

Pursuant to the provision of Clause 139 (2) of the proposed Companies Bill, 2013 regarding appointment and re-appointment of auditors, M/s. Suresh C. Maniar & Co., have conveyed their unwillingness to continue as Statutory Auditor of the Company w.e.f. 15th July, 2013. At the Extraordinary General Meeting held on 12th August, 2013, the casual vacancy created in the office of Auditor was filled by appointing M/s. Yardi Prabhu & Associates, Chartered Accountants, as new Statutory Auditor of the Company.

M/s. Yardi Prabhu & Associates, Chartered Accountants, Mumbai, Statutory Auditors of the Company holds office until the conclusion of the ensuing Annual General Meeting of the Company and are eligible for re-appointment.

The Company has received a letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of section 226 of the Companies Act, 1956.

Based on the recommendations of the Audit Committee, the Board of Directors of the Company proposes re-appointment of M/s. Yardi Prabhu & Associates, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting subsequent to the ensuing Annual General Meeting.

INDEPENDENT AUDITORS' REPORT

Your Directors invite your attention to paragraph 5 of the Independent Auditors' Report and paragraph 11 of Annexure to Independent Auditors' Report issued by M/s. Suresh C. Maniar & Co. for F.Y. 2012-13 and clarify as under:-

Paragraph 5 of Independent Auditors' Report:-

The Government of Maharashtra, Public Works Department (PWD) vide agreement dated 12.07.2000 originally awarded a contract of construction of Mumbra – Kausha By-pass Project on NH – 4, Mumbai Pune Road on Build, Operate & Transfer (BOT) basis for a concession period of 6 years and 9 months (including construction period)

which was subsequently revised vide notification dated 27.12.2007 authorising the Company to collect the toll from the vehicles passing through the said road effective from 28.12.2007 to 11.09.2010 as per the supplementary agreement.

However, the Company made a representation before the Contracting Authority for enhancement of the concession period for various reasons including change in scope of work. Based on such representations, the Chief Engineer, PWD has recommended to the concerned authority for the enhancement of concession period from 10 years, 4 months and 25 days to 24 years, 1 month and 17 days.

In the previous year, the Company invoked arbitration before the Arbitral Tribunal to resolve the issue. In the mean time the Government of Maharashtra issued an interim notification extending the concession period from 11.09.2010 to 21.09.2014. Considering the interim notification and recommendation of the Chief Engineer, (PWD), Mumbai Region and also relying upon the legal opinion of a counsel, the management is reasonably certain about the enhancement of concession period as stated above.

In view of above, the concession assets / tolling rights are amortised in the manner whereby the total cost is written off over the proposed enhanced concession period of 24 years, 1 month and 17 days. The Company, therefore, amortised the toll collection rights at ₹ 6.24 crores, as against the amortisation of ₹ 32.33 crores based on the concession period notified by the Government of Maharashtra.

Paragraph 11 of Annexure to Independent Auditors' Report:-

The Company's request to lenders for reduction in interest rate from retrospective date and for reversal of such excess interest charged is pending. Pending such reversal of interest, higher rate has been charged. If interest at lower rate were considered, there would have been no overdues of interest and hence no delays in respect of interest. Similarly, in such cases our payment towards such excess interest charged would have got adjusted towards principal dues and there would have been no overdues of Principal and hence no delays in respect of Principal.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities & Exchange Board of India. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to the Report.

PARTICULARS OF EMPLOYEES

During the year under review, no employee was drawing remuneration within the meaning of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 in relation to conservation of energy and technology absorption are currently not applicable to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were neither foreign exchange earnings nor foreign exchange outgo.

ACKNOWLEDGEMENT

Your Directors would like to acknowledge and place on record their sincere appreciation for the overwhelming co-operation and assistance received from investors, members, creditors, customers, business associates, bankers, vendors, regulatory and government authorities. Your Directors recognise and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 14, 2013

Rajhoo Bbarot
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

➤ INDUSTRY STRUCTURE, DEVELOPMENTS AND OUTLOOK

Atlanta Limited is engaged in the business of infrastructure development, Public Private Partnership (PPP) model and Engineering, Procurement and Construction (EPC) contracts. Infrastructure development activities inter alia include construction of Roads, Highways, Bridges and Runways. The Company is also involved in Real Estate development and mining of coal, lime stone etc.

National Highways has the second largest road network in the world which stretches across 3.3 mn kms. The road network carries about 65% of freight and 80% of the passenger traffic in India. The National Highways in India constitute only about 1.7% of the road network, but account for about 40% of the total road traffic.

National Highways Authority of India (NHAI) awarded about 4,375 km of roads in first 9 months of 2012, which can be compared against 4,553 km during 2011, 3,338 km during 2010, and 643 km in 2009. Q3 of 2012 saw 1,898 km of projects awarded. Projects for road construction sector were awarded under public-private partnership programs and Indian construction industry is surging via flow of funds and EPC contracts in 2012.

However, the economic slowdown has affected the pace of road development. Ministry of Road Transport and Highways (MORTH) has missed the target set for fiscal year 2012-13. Despite the slowdown, the sector maintains a base level activity with measures like awarding road projects on EPC contracts and OMT (Operation, Maintenance and Tolling Contracts).

INFRASTRUCTURE

Opportunities

Construction, the second largest economic activity in the country, plays a pivotal role in the country's economic growth. The construction sector comprises of roads, highways, residential buildings, commercial complexes, airports, SEZs and IT parks. The construction sector is mainly driven by growing urbanization, GoIs investments on infrastructure, industrialization and development of real estate sector.

The construction sector is the second largest employer in the country directly employing 41 mn people. In past few years, there has been a shift in employment from agriculture and manufacturing to construction. According to the RBI annual report FY 11-12, employment in the construction sector grew by 62% from FY 04-05 to FY 09-10, contributing to most of the employment generated during the period.

According to the outcome budget FY 12-13, ministry of road transport and highways; during FY 12-13 around 6,088 kms of the national highways are to be improved along with construction/rehabilitation of 130 nos. of bridges and 7 nos. of by-passes at an estimated cost of ₹ 226 bn. MORTH has taken up the Special Accelerated Road Development Programme in the North Eastern Region (SARDP-NE) involving widening of 10,141 km of national highways and other roads in three phases ensuring connectivity of 88 district headquarters in the north eastern region to the national highways. An outlay of ₹ 20 bn has been proposed for SARDP-NE for FY 12-13.

India's road network comprises of expressways, state and national highways, major district, rural and other smaller roads, with national highways constituting 71,772 kms across various states and union territories of the country. Since the national highways cater to 40% of the total road traffic and with this share expected to increase in the near future, GoI has initiated the National Highways Development Project (NHDP), via the NHAI, to expand, upgrade and build new national highways.

NHDP is being implemented in 4 phases I, II, III & V at present. The present phases under Phase I, II & III envisages improving more than 32,754 km of arterial routes of NH Network to international standards.

According to the planning commission, construction sector is estimated to achieve 9-10% annual growth rate in the next five years. The Twelfth Five Year Plan envisages over 8% growth p.a., with capital infusion of over ₹ 50,000 bn to develop the nation's physical infrastructure. The total market size of the construction sector for 2011 to 2016 is estimated to reach ₹ 52,309 bn. Around USD 1 trillion is to be invested on infrastructure in the coming five years as the government has identified infrastructure as a priority sector to bolster the GDP growth rate.

NHAI has set a target of awarding 9,500 kilometers of road projects. Out of which about 3,000 kilometers would be awarded on EPC basis. Around 5,000-6,000 kilometers (50-55 projects) of the total will be awarded on build -operate-transfer (BOT) toll or BOT annuity basis.

Having good road infrastructure can make the roadways better and transport system would become faster, because roads and transport are interrelated for the development

The 12th Plan projects an investment of ₹ 55 lakh crore (\$1 trillion) in infrastructure with private sector contributing about 47 per cent.

Government Initiatives

In the Budget speech of 2013-14, the Finance Minister has announced the appointment of a regulatory authority for the road sector.

Bottlenecks stalling road projects have been addressed and 3,000 kms of road projects in Gujarat, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh will be awarded in the first six months of 2013-14.

The Government of India has allowed the issue of tax-free bonds to fund infrastructure sectors once again in 2013-14 up to a total limit of ₹ 50,000 crore. This is expected to provide additional funds to NHAI for executing national highway projects.

Given the subdued response to BOT toll projects, MORTH now plans to award more than 50% of the projects through the Engineering, Procurement and Construction mode.

The Government of India aims to complete construction of 4,500 km of roads this year under schemes of NHDP, Special Accelerated Road Development Programme for the North-East and Left Wing Extremism affected regions.

The Government of India has ambitious target of achieving 20 km of road construction per day.

Risks and concerns

The Road Infrastructure Industry has a few major concerns as follows which hamper its growth with a consequential effect on overall economic growth.

- Tough macro economic conditions
- Higher interest rates
- Fuel supply concerns
- Environmental issues
- Land acquisitions
- Funding from banks
- Sectoral lending caps of the banks
- limitations of the concessionaires like availability of equity and other resources

The Government of India through concerned ministries has been working on the above concerns but is likely to take time.

COAL MINING

Opportunities

India has the one of the richest coal reserves in the world and the country should have shown significant progress and gained the position of a