



# J. KUMAR INFRAPROJECTS LIMITED

*We Dream ....  
So We Achieve ....*

**ANNUAL REPORT  
2012 - 2013**

# PROJECTS



**Alwar**



**DMRC**



**Grant Road**



**Hadapsar**



**Kharghar Metro**



**Milan ROB**

# PROJECTS



**Panjarpol Flyover**



**Sion Panvel**



**Jogeshwari, Flyover**



**Mono Rail, Wadala**



**Ahemadabad BRTS**



**Kapurbavadi Flyover**

# CONTENTS

Board of Directors .....	2
AGM Notice .....	3-5
Directors' Report .....	6-9
Management Discussion and Analysis Report .....	10-13
Report on Corporate Governance .....	14-23
Annual declaration by CMD pursuant to clause 49(I)(D)(II) of the Listing Agreement .....	23
Corporate Governance Compliance Certificate.....	24
CEO/CFO Certificate.....	24
Independent Auditors Report to the Members.....	25-28
Balance Sheet.....	29
Statement of Profit and Loss Account.....	30
Cash Flow Statement .....	31
Notes to Statement of Accounts .....	32-48
Notice to Shareholders .....	49

## **J. KUMAR INFRAPROJECTS LIMITED**

### **BOARD OF DIRECTORS**

Directors

**Mr. Jagdishkumar M. Gupta**  
**Mr. Kamal J. Gupta**  
**Mr. Nalin J. Gupta**  
**Mr. P.P.Vora**  
**Dr. R. Srinivasan**  
**Mr. Ashwani Kumar**

### **AUDIT COMMITTEE**

Chairman

Members

**Dr. R. Srinivasan**  
**Mr. Jagdishkumar M. Gupta**  
**Mr. P.P.Vora**

### **SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE**

Chairman

Members

**Mr. Ashwani Kumar**  
**Mr. Kamal J. Gupta**  
**Mr. Nalin J. Gupta**

### **REMUNERATION COMMITTEE**

Chairman

Members

**Dr. R. Srinivasan**  
**Mr. P. P. Vora**  
**Mr. Ashwani Kumar**

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

**Mrs. Poornima Reddy**

### **AUDITORS**

**Gupta Saharia & Co.**  
Chartered Accountants

### **BANKERS**

**Bank of India, Bank of Baroda,  
Allahabad Bank, Yes Bank,  
Citi Bank, Standard Chartered Bank,  
Bank of Maharashtra, IDBI Bank,  
Oriental Bank of Commerce, Axis Bank  
Central Bank of India**

### **REGISTERED OFFICE**

**16-A, Andheri Industrial Estate,  
Veera Desai Road, Andheri (West),  
Mumbai 400 053  
Tel: (91-22) 67743555  
Fax: (91-22) 2673 0814  
Website: [www.jkumar.com](http://www.jkumar.com)**

### **REGISTRAR & SHARE TRANSFER AGENT**

**Karvy Computershare Private Ltd.**

## Notice

Notice is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of **J. Kumar Infraprojects Limited** will be held at **GMS Community Hall, Sitladevi Complex, 1<sup>st</sup> Floor, D.N. Nagar, Opp Indian Oil Nagar on link Road, Andheri (W), Mumbai 400 053**, Maharashtra on Monday, the 26<sup>th</sup> August, 2013 at 11.00 a.m. to transact the following business:

### Ordinary Business:

1. To receive, consider and adopt the Directors Report, the Audited Statement of Profit and Loss and the Cash Flow statement for the year ended 31<sup>st</sup> March 2013, and the Balance Sheet as at that date.
2. To Declare Dividend
3. To appoint a Director in place of Shri Kamal J. Gupta who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Nalin J. Gupta, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint M/s. Gupta Saharia & Co, Chartered Accountants, bearing registration number of the firm 103446W with the Institute of Chartered Accountants of India as Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company until conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or without modification the following as **Ordinary Resolution**

“**RESOLVED THAT** in supersession of all earlier resolutions to the effect, consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the Board of Directors of the Company be and is hereby authorized to create such mortgages, charges and hypothecations, created/to be created by the Company in such form and manner as the Board may direct on such of the Company's movable and immovable properties, both present and future, and in such manner as the Board may direct of the Company in certain events in favour of Lender(s)/ Agents(s)/ Trustee(s)/ Financial Institutions/ Bank(s) and other investing agencies to secure Rupee/Foreign currency loans, bonds securities (Comprising full/partly Convertible Debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rate notes/bonds) or other debt instruments of an equivalent aggregate value not exceeding Rs. 3,500 Crore (Rupees Three Thousand Five Hundred Crores only) together with interest thereon at the respective agreed rates, compounded rates, additional interest, liquidated damages, commitment charges, remuneration of Agents(s), Trustee(s), premium on pre-payment or on redemption, costs, charges, expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company to the Lender(s) / Agent(s) / Trustee(s) / Financial Institutions / Banks / other investing agencies under the arrangements entered into/to be entered by the Company in respect of the said loans, bonds, securities or other instruments.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to finalize the terms and conditions of the above mentioned loans, bonds securities, instruments and documents for creating the aforesaid mortgages, charges and hypothecations and to do all such acts and things and execute such documents or writings as may be necessary for giving effect to the above resolution.”

7. To consider and if thought fit to pass with or without modification the following as **Ordinary Resolution**.

“**RESOLVED THAT** in supersession of all earlier resolutions to the effect, the consent of the Company under the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 the Board of Directors of the Company be and is hereby authorized to borrow, from time to time, any sum or sums of monies, on such terms and conditions as the Board may deem fit, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed by the Board shall not at any time exceed the limit of Rs. 3,500 crores (Rupees Three Thousand Five Hundred Crores Only)”.

By Order of the Board  
For J. Kumar Infraprojects Limited

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

Poornima Reddy  
Company Secretary

## J. KUMAR INFRAPROJECTS LIMITED

### Notes:

- I. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.** Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of Meeting.
- II. As per Clause 49 of the Listing Agreement with Stock Exchanges, the brief resume and functional expertise of the directors proposed for reappointment/appointment are furnished below along with the details of Companies in which they are directors and the Board Committees of which they are members.
  - i) **Mr. Kamal J. Gupta**  

Mr. Kamal J. Gupta, 40 years, has done his Bachelors in Civil Engineering. He is associated with us since 1996 and carries with him an experience of more than 17 years in construction field. He plays a vital role in execution of flyovers and civil construction within the stipulated time frame. To his credit is successful completion of many flyovers, swimming pool and rail over bridges. Presently he is looking after the construction of flyover projects in Mumbai.

Details of Shares held by Shri Kamal J. Gupta in J. Kumar Infraprojects Ltd.

No. of Shares – 14,22,500 equity shares of Rs. 10/- each.

Details of other Directorships/Committee memberships held by him in other listed companies: NIL
  - ii) **Mr. Nalin J. Gupta**  

Mr. Nalin J. Gupta, Executive Director, 38 years. He is a commerce graduate and a member of Indian Institution of Bridge Engineers. He is associated with us since 1997 and carries with him an experience of over 15 years. He is instrumental in construction work related to roads and its widening, construction of subway, railway buildings, flyovers and rail over bridges. He has played a vital role in guiding our company in setting and developing the piling business.

Details of Shares held by Shri Nalin J. Gupta in J. Kumar Infraprojects Ltd.

No. of Shares – 14,07,000 equity shares of Rs. 10/- each

Details of other Directorships/Committee memberships held by him in other listed companies: NIL
- III. The Register of Members and Share transfer Books of the Company will remain closed from Tuesday, 13<sup>th</sup> August, 2013 to Monday 26<sup>th</sup> August, 2013 (Both days inclusive).
- IV. Dividend as recommended by the Directors, if declared at the Annual General Meeting will be paid on or after 26<sup>th</sup> August, 2013, to the members whose names appear in the Company's Register of Members as on 26<sup>th</sup> August, 2013 (In respect of shares held in physical form) and to those "deemed members" whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as of the close of Business hours of Monday, 12<sup>th</sup> August, 2013 (in respect of shares held in electronic form).
- V. Members desirous of obtaining any information concerning the accounts and operations of the Company are request to the address their questions in writing to the Company Secretary at least seven days before the date of the meeting , so that the information required may be made available at the Meeting.
- VI. Members are requested to bring their attendance slip and copy of the Annual Report to the Meeting.
- VII. Members holding shares in physical form are requested to notify /send the following to the Company's Registrar and Share Transfer Agent to facilitate better service:
  - (i) Any change in their address/mandate/bank details.
  - (ii) Particulars of their bank account, for printing on the dividend warrants (to help prevent fraudulent encashment ), in case the same have not been sent earlier, and

- (iii) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
- VIII. Members holding shares in electronic form are advised that address/ bank details as furnished to the Company by the respective depositories, viz. NSDL and CDSL, will be printed on the dividend warrants. Members are requested to inform their respective Depository Participants of any change in address, bank details etc.
- IX. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as provided under section 190A of the Companies Act, 1956, are requested to submit the details to the Company's Registrar and Share Transfer Agent.
- X. Members, who have not encashed the dividend warrants for the financial year 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 are requested to write forthwith to the Company's Share Transfer Agent giving necessary details.
- Karvy Computershare Private Limited  
Plot Nos 17 to 24, Vittalrao Nagar, madhapur,  
Hyderabad-500081  
Telephone No: 040-23420815 to 24  
Fax No: 040-23420814  
Email: [krishnan@karvy.com](mailto:krishnan@karvy.com)
- Members are requested to quote their folio numbers /DPID and Client ID numbers in all correspondence with the Company and the Registrar and Share Transfer Agent.
- XI. Pursuant to the SEBI Circular No. MIRDS/DPS III/Cir -01/07 dated January 22, 2007; the Company has designated an exclusive e-mail ID viz [investor.grievances@jkumar.com](mailto:investor.grievances@jkumar.com) on which the investors would be able to register their complaints, if any.

## **EXPLANATORY STATEMENT:**

Pursuant to Section 173(2) of the Companies Act, 1956:-

### **Item No: 6&7**

Sections 293(1) (d) of the Companies Act, 1956, stipulates that Board of Directors of the Company cannot, except with the consent of the members in the General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, i.e to say, reserves not set apart for any specific purpose. The shareholders at the 13<sup>th</sup> Annual General Meeting of the company held on 26<sup>th</sup> September 2012, has accorded their consent to the Board of Directors for borrowing up to Rs. 2,500 Crores ( Rupees Two Thousand Five Hundred Crores Only)

Taking into consideration the requirements of the additional funds to meet the cost of Company's capital expenditure and also additional working capital requirements of the company, it is expected that the limit of Rs. 2,500 Crores sanctioned by the shareholders is likely to be exceeded.

The consent of the shareholders is therefore sought in accordance with the provisions of Section 293 (1) (d) of the Act to enable the directors to borrow the moneys to the extent of Rs 3,500 Crores (Rupees Three Thousand Five Hundred Crores Only). The resolution under item no. 7 is to obtain the consent of the shareholders for this purpose.

The proposed borrowings of the company may, if necessary, be secured by way of Charge/Mortgage/Hypothecation of the Company's assets in favour of the lenders. As the documents to be executed between the proposed lenders and the company may contain the power to take over the management of the company in certain events, it is necessary to pass a resolution under section 293 (1) (a) of the Act, for creation of Charge/Mortgage/hypothecation for an amount not exceeding the borrowing limit of Rs. 3,500 Crores (Rupees Three Thousand Five Hundred Crores only).

The Proposed offers are in the interest of the company and your directors commend the resolution at item no 6 & 7 of the accompanying Notice for acceptance of the members.

None of the Directors of the Company are concerned or interested in the resolutions set out at the aforesaid items of the Notice.

Your Directors recommend passing of the resolution set out in the Notice.

## Directors' Report

### TO THE MEMBERS:

Your Directors have great pleasure in presenting this 14<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2013.

### FINANCIAL HIGHLIGHTS:

	(Rs. in Lacs)	
	2012-2013	2011-2012
Profit before Interest, Depreciation & Tax	17,622.92	15,668.10
Less: Depreciation	2,441.06	1,888.29
Interest	4,063.75	3,661.84
Profit before Tax	11,118.11	10,117.97
Less: Tax Expenses		
Current Year	3,455.00	3,250.00
Deferred Tax	88.83	61.41
<b>Profit/(Loss) After Tax</b>	<b>7,574.29</b>	<b>6,806.57</b>
Balance brought forward from previous year	21,774.59	16,375.68
<b>Amount Available for Appropriation</b>	<b>29,348.88</b>	<b>23,182.25</b>
<b>Appropriations</b>		
Proposed Dividend on Equity shares	973.04	625.53
Tax on Dividend	157.85	101.48
Transfer to General Reserve	757.43	680.66
<b>Balance Carried to Balance Sheet</b>	<b>27,460.55</b>	<b>21,774.59</b>
Earnings per Share (In Rs.)	27.24	24.48
(Equity Shares of face value of Rs. 10/- each)		

### Business Review:

During the year under review, your Company has posted an income of Rs. 1,00,953.46 lacs, as compared to Rs. 93,828.05 lacs in the previous Financial Year. The Company recorded a net profit of Rs. 7,574.29 lacs as against Rs. 6,806.57 lacs in the corresponding previous Financial Year.

Your Directors are pleased to inform that during the year under report, the Company has secured the following major contracts:

Sl. No.	Name of Work	Nature of Work	Contract Value (Rs. In Lacs)
1	Design and Construction of Tunnel by Shied TBM, Tunnels, Stations and Ramp by Cut & Cover method between Lajpat Nagar and Hazrat Nizamuddin stations (Both Including) for underground works on Mukundpur - Yamuna Vihar corridor of Delhi MRTS Project of Phase-III (to be completed jointly with JV)	Tunneling Work	101,085
2	Design and Construction of Tunnel by Shied TBM, Tunnels by Cut & Cover, Underground Station at Naraina Vihar & Ramps at Mayapuri and Delhi Canft for underground works on Mukundpur - Yamuna - Vihar corridor of Delhi MRTS Project of Phase-III (to be completed jointly with JV)	Tunneling Work	37,585
3	Design & Construction of Depot-cum-Workshop at Taloja for Navi Mumbai Metro Line -1 Tender No. C.A.NO. 02/CIDCO/RP/SE (TP-III&HQ)/2011-12	Civil Work	13,200
4	Widening and improvement of Ambadi- Washind (SH-40 and MDR-45) for 21.25 Km length with bridge for 2+2 lanes (Package-II)	Roads Work	11,075
5	Development of Model Road Phase-2	Roads Work	6,821

Sl. No.	Name of Work	Nature of Work	Contract Value (Rs. In Lacs)
6	Necessary widening, regarding and resurfacing of different roads above 60ft width of Nikol ward East Zone , North zone and South Zone and Ring Road	Roads Work	5,587
7	CC-09: Design and Construction of Badli Mor (earlier Shalimar Place) elevated station on Jahangir Puri-Badli corridor of Delhi MRTS Ph-II Project.	Civil Work	4,646
8	Training of Mithi river (Widening, Deepening, R.C.C. Retaining wall and service road) from Airport new bridge to Marwa F.O.B in L ward group no. 2	Civil Work	4,307
9	Various Others Projects	Civil Works	2,904
	<b>Total</b>		<b>187,210</b>

The total balance value of works in hand as on March 31<sup>st</sup>, 2013 is Rs. 4,40,795 Lakhs (including L1).

Decisions are awaited from various clients for tenders submitted by the Company (Directly or in JV) for 2 Projects amounting to about Rs. 153 Crores which are currently under evaluation. The Company is confident of securing a sizeable share of these new projects.

#### **DIVIDEND:**

Your Directors are pleased to recommend a dividend of Rs. 3.50 per share i.e 35.00% (Previous year's dividend was 22.50%) on the Company's Equity Paid up share capital of Rs. 278,012,050/- (previous year's capital of Rs. 278,012,050/-).

#### **DIRECTORS:**

Retirement by rotation

In accordance with Section 255 & 256 of the Companies Act, 1956 read with Article of the Articles of Association of the Company, Shri Kamal J. Gupta and Shri Nalin J. Gupta are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Your Directors recommend the re-appointment of Shri Kamal J. Gupta and Shri Nalin J. Gupta as directors. None of these directors is disqualified as per the provisions of Section 274 (1) (g) of the Companies Act, 1956, to be re-appointed as directors of your Company.

A brief profile of the above Directors containing details of their qualifications, expertise, other directorships, committee memberships etc, has been given in the Report on the Corporate Governance as well as in the Notice of the ensuing Annual General Meeting.

#### **AUDITORS:**

M/s. Gupta Saharia & Co, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing annual general meeting, and being eligible, offer themselves for re-appointment.

Your Company has received a letter from M/s Gupta Saharia & Co, Chartered Accountants; to the effect that their re-appointment as statutory auditors, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

#### **AUDITORS REPORT:**

The Auditor's Report to the shareholders does not contain any qualification.

#### **DEPOSITS:**

The Company has not accepted deposits by way of invitation to the public and therefore, provisions of Section 58A of the Companies Act, 1956 are not applicable to the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm that: