

ANNUAL REPORT 2011-2012





A close-up photograph of a hand holding a gold-colored pen, poised to write on a document. The background is a soft, out-of-focus light color.

## CHAIRMAN' MESSAGE

Dear Shareholders,

It gives me immense pleasure to extend a warm welcome to all the members of the company at the 26<sup>th</sup> Annual General Meeting. I am very pleased and elated to note the keen level of interest in Jaihind Projects Limited, India's one of the fastest growing construction companies.

Jaihind's history dates back to 1963 when it started as a sole proprietorship firm named Jaihind Welding Works by Late Mr. Lalchand Hinduja. His zeal, leadership and dedication towards work led his clients entrusting him to take on projects of larger size, leading him to build a team of technocrats and engineers to focus and take on oil & gas pipeline projects against competition from major engineering firms. Jaihind transformed into private limited company on 23<sup>rd</sup> December, 1985 and later on gained public limited status on 24<sup>th</sup> March, 1995.

Before I share with you the highlights of JPL's performance in the financial year 2011-12, let me convey some of the noteworthy and remarkable events that have taken place. The company has been ranked 1<sup>st</sup> amongst "Fastest Growing Construction Companies" in the small cap segment (<600 crs) by international fronts. Your company has ventured in foreign lands and has begun to establish its presence in the international markets. The company has also ventured into the Solar Power Sectors by entering into a PPA with the Gujarat Government.

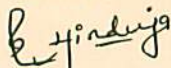
In year marked with challenges and opportunities, your Company has achieved sound financial results. I take great pleasure in presenting before you the performance of JPL for the year 2011-12. The Company has achieved consolidated 29.19% growth in revenue from ₹ 44422.80 Lacs in financial year FY 2010-11 to ₹ 57390.29 Lacs in the FY 2011-12. The profit after tax has been enhanced by 9.57% from ₹ 2558.69 (FY 2010-11) to ₹ 2803.52 Lacs (FY 2011-12).

The company has sailed through great challenges that have strengthened the team work and enhanced the efficiency of every member of JPL and set a path to achieve greater milestones.

I take this opportunity to express gratitude for all the support, co-operation extended by Banks, Government and Statutory Auditors, Shareholders, Suppliers and all our valuable Clients. I wish to appreciate and thank all the Executives, Employees and Consultants of the company for rendering impeccable services.

Thank you very much.

Yours truly,

A handwritten signature in black ink, appearing to read "Prakash L. Hinduja".

Prakash L. Hinduja

(Chairman & Managing Director)

## Corporate Information

### BOARD OF DIRECTORS

|                           |   |
|---------------------------|---|
| Mr. Prakash L. Hinduja    | <i>Chairman &amp; Managing Director</i> |
| Mr. Mukesh Keswani        | <i>Director- Finance &amp; CFO</i>      |
| Mr. Gaurav P. Hinduja     | <i>Whole Time Director</i>              |
| Mr. Ghanshyam S. Prasad   | <i>Whole Time Director</i>              |
| Mr. Pradyuman R. Tiwari   | <i>Whole Time Director</i>              |
| Mr. Akhilesh B. Negi      | <i>Director</i>                         |
| Mr. Dinker M. Rawal       | <i>Director</i>                         |
| Mr. Manoj K. Kapoor       | <i>Director</i>                         |
| Mr. Dharmendra S. Sheth   | <i>Director</i>                         |
| Mr. Sankaran V. Manikutty | <i>Director</i>                         |

**COMPANY SECRETARY**  
 Vinodini P. Rao

### AUDIT COMMITTEE

|                      |                 |
|----------------------|-----------------|
| Mr. Dharmendra Sheth | <i>Chairman</i> |
| Mr. Manoj Kapoor     | <i>Member</i>   |
| Mr. Lallan Pandey    | <i>Member</i>   |

### AUDITORS

Deloitte Haskins & Sells  
 "Heritage", 3<sup>rd</sup> Floor,  
 Nr. Gujarat Vidyapith,  
 Ahmedabad-380014.

### PRINCIPLE BANKERS

IDBI Bank  
 Bank of Baroda  
 Canara Bank  
 State Bank of India  
 Indian Bank  
 Axis Bank  
 ICICI Bank  
 HDFC Bank  
 Standard Chartered Bank  
 Kotak Bank

### REGISTERED & CORPORATE OFFICE

3<sup>rd</sup> Floor, Venus Atlantis Corporate Park,  
 Nr. Prahladnagar AUDA Garden,  
 Anandnagar Road, Satellite,  
 Ahmedabad-380015, Gujarat, India.

### DOMESTIC:

#### DELHI OFFICE

17/15, 2<sup>nd</sup> Floor, Old Rajendra Nagar  
 Nr. Bada Golchakar,  
 B/H Agarwal Sweets,  
 New Delhi-110060.

### INTERNATIONAL:

#### UAE OFFICE

Room no. 01, Office No. 802, 8<sup>th</sup> floor,  
 Abdullah Sultan Bin Sulayem Building,  
 NABD/ADNIF Building,  
 Post Box:61849, Liwa Street,  
 Corniche, UAE

#### KINGDOM OF SAUDI ARABIA OFFICE

Door No. 209, Al-Rosais Building,  
 Dabbab Street,  
 Post Box:220722,  
 Riyadh-11311.

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Pvt. Ltd.  
 Unit NO. 303, 3<sup>rd</sup> floor Shoppers Plaza V,  
 Opp Municipal Market,  
 Behind Shoppers Plaza II,  
 Off C.G.R oad,  
 Ahmedabad -380009  
 Gujarat, India.

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## Notice

**NOTICE** is hereby given that the **TWENTY SIXTH** Annual General Meeting of the members of Company will be held on Thursday, 27<sup>th</sup> September, 2012 at the registered office at 3rd floor, Venus Atlantis Corporate Park, Nr. Reliance Petrol Pump, Anandnagar Road, Ahmedabad-380015 at 11:00 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31<sup>st</sup> March 2012 and Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors.
2. To re-appoint Mr. Gaurav P. Hinduja a Director of the company who retires by rotation and being eligible offers himself for re-appointment.
3. To re-appoint Mr. Mukesh C. Keswani a Director of the Company who retires by rotation and being eligible offers himself for re-appointment.
4. To re-appoint Mr. Dharmendra S. Sheth a Director of the company who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

### SPECIAL BUSINESS:

6. To consider and if thought fit to pass with or/without modification the following Resolution as an Special Resolution:

**RESOLVED THAT** in supersession of resolution passed by Board of Directors in their meeting held on 18/04/2012 and special resolution passed by the shareholders on 18/05/2012 and subject to the approval of shareholders in terms of section 81(1A) and all other applicable provisions if any of the Companies Act, 1956, (including any statutory modification(s) or re-enactment there, for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchanges where the Company's shares are listed, and in accordance with the provisions of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (SEBI DIP Guidelines) as may be applicable on preferential issue of Warrants Convertible into Equity Shares and other applicable regulations/ guidelines of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of The Company (hereinafter referred to as "The Board" which expression shall include any committees thereof for the time being to which all or any of the powers hereby conferred on the Board by these resolution, have been delegated) and subject to such consents and approvals of SEBI, Stock Exchange, Central Listing Authority, Government of India or such other bodies or authorities as may be required by the law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals, which may be agreed to by or any other authority as may be necessary for that purpose the consent of the members of the Company be and is hereby accorded to the Board to offer, issue and allot upto 25,00,000 (Twenty Five Lacs) Warrants of ₹151/- each Convertible into Equity Shares of the Company, to the following non-promoters on preferential basis convertible into 1 (one) Equity Share of ₹10/- (₹ Ten only) each fully paid-up at a price of ₹151/- (Rupees One Hundred and Fifty One only) including premium of ₹141/- (Rupees One Hundred and Forty One Only) determined in accordance with the SEBI Guidelines.

#### Non- Promoters:

| Sr. No. | Name of the proposed Allottees            | No. of Warrants proposed to be allotted | Status       |
|---------|---|---|--------------|
| 01      | H N Shares & Stock Broking Pvt Ltd.       | 610000                                  | Non-Promoter |
| 02      | Sagar Datamax Pvt. Ltd.                   | 610000                                  | Non-Promoter |
| 03      | Best Cosmos Clothes Pvt. Ltd.             | 610000                                  | Non-Promoter |
| 04      | Pratishtha Consultancy Services Pvt. Ltd. | 610000                                  | Non-Promoter |
| 05      | Safal Healthcare Pvt. Ltd.                | 60000                                   | Non-Promoter |
|         |   | 2500000                                 | Non-Promoter |

**RESOLVED FURTHER THAT** the pricing of the Equity Shares to be allotted on conversion of the above said warrants, calculated in accordance with the SEBI Guidelines on the Relevant Date in relation to the conversion of every warrants into one Equity Share.

25,00,000 Warrants of ₹151/-(Rupees One Hundred and Fifty One Only) each shall be convertible into 25,00,000 Equity Shares of the face value of ₹10/- (Rupees Ten Only) each on payment of aggregate price including premium of ₹141/- (Rupees One Hundred and Forty One Only) each on the following terms and conditions :

## Notice (Contd...)

- (a) Exercise of offer for conversion of the warrants shall be at the sole option of the warrant holder at any time within a period of 18 months from the date of allotment of warrants in accordance with the SEBI (Disclosure and Investor Protection) Guidelines, 2000.
- (b) The warrant holder(s) shall pay an amount equivalent to 25% i.e. ₹38/- (Rupees Thirty Five only) per warrant of the value of the warrant on or before the date of allotment of warrants.
- (c) The amount referred to in point (b) above shall be adjusted against the price payable subsequently for acquiring the shares by exercising an option by the warrant holder(s).
- (d) The warrant holder(s) shall pay on or before the date of conversion of such warrants into equity shares, the balance 75% (₹113/- for each warrant).
- (e) The amount referred in above (b) shall be forfeited, if the option to convert the shares is not exercised by the warrant holder(s) within the stipulated time.

The aforesaid warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of right attached to such Warrants shall be subject to lock-in requirements as per the provisions of Chapter XIII of the SEBI Guidelines.

The allotment of convertible warrants shall be completed within a period of 15 days from the date of passing of this resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority or Central Government, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

The details of all monies utilized out of the preferential issue proceeds shall be disclosed under an appropriate head in the Balance Sheet and/ or Directors Report of the Company, indicating the purposes for which such monies have been utilized and that the details of the unutilized monies shall also be disclosed under a separate head in the balance sheet of the company indicating the form in which such unutilized monies have been invested.

RESOLVED FURTHER THAT the Equity Shares so issued on conversion of warrants shall upon allotment have the same rights of voting as the existing equity shares and be treated for all other purposes *pari passu* with the existing equity shares of the company and that the equity shares so allotted during the financial year shall be entitled to the dividend, if any, declared including other corporate benefits, if, any for the financial year in which the allotment has been made and subsequent years.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to agree and accept all such condition(s), modification(s) and alteration(s) as may be stipulated by any relevant authorities while according approval or consent to the issue as may be considered necessary, proper or expedient and give effect to such modification(s) after obtaining the requisite approval under Section 81(1A) of the Companies Act, 1956 to delegate power to an other Director.

RESOLVED FURTHER THAT the Company shall ensure that whilst any warrants remaining exercisable, it will at all times, keep available and reserved such part of its authorized but un-issued share capital as would enable all outstanding warrants to be satisfied in full.

RESOLVED FURTHER THAT the Company do apply for listing of the new equity shares as may be issued on conversion of warrants with the National Stock Exchange of India Limited and Bombay Stock Exchange Limited.

RESOLVED FURTHER THAT the Company do make an application to the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) for admission of the new equity shares.

On Behalf of Board of Directors

Place : Ahmedabad  
 Date : 14.08.2012

SD/-  
 Prakash L. Hinduja  
 Chairman cum Managing Director

### Notes:

1. A member entitled to attend and vote at the meeting is also entitled to appoint proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting.
2. Members are requested to notify immediately any change in their addresses to the Company's Registered Office.
3. Members are requested to bring their copies of the Annual Report to the meeting.
4. The Members / Proxies should bring the Attendance Slip sent herewith duly filled for attending the meeting.
5. The Register of Members and Share Transfer Book of Company will remain closed from 19.09.2012 to 27.09.2012 (Both days inclusive) for the purpose of Annual General Meeting.



## Notice (Contd...)

6. All documents referred to the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days except Saturday and Sunday between 11.00 a.m. to 1.00 p.m. upto the date of Annual General Meeting.
7. Members holding Shares in Physical mode are requested to notify the change in their Address / Bank Account to Link Time India Pvt. Ltd., Unit No 303, 3<sup>rd</sup> Floor Shoppers Plaza V, Opp Municipal Market, Behind Shoppers Plaza II, Off C.G.Road, Ahmedabad - 380 009.
8. Members holding shares in De-mat mode are requested to notify the change in their address / bank account to their respective Depository Participant(s) (DPs)
9. Members must quote their Folio Number / De-mat Account No. in all correspondence with the Company/ R&T Agent.
10. No gift will be distributed at the Annual General Meeting.
11. Annual Listing Fee for the year 2011-12 has been paid to all Stock Exchange wherein Shares of the Company are listed.
12. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a Certified copy of Board Resolution authorising their representative to attend and vote on their behalf in the Meeting.
13. THE MINISTRY OF CORPORATE AFFAIRS HAS TAKEN A 'GREEN INITIATIVE IN CORPORATE GOVERNANCE' BY ISSUING CIRCULARS ALLOWING PAPERLESS COMPLIANCES BY COMPANIES THROUGH ELECTRONIC MODE. THE SHAREHOLDERS CAN NOW RECEIVE VARIOUS NOTICES AND DOCUMENTS THROUGH ELECTRONIC MODE BY REGISTERING THEIR E-MAIL ADDRESSES WITH THE COMPANY. SHAREHOLDERS WHO HAVE NOT REGISTERED THEIR E- MAIL ADDRESS WITH THE COMPANY CAN NOW REGISTER THE SAME BY SUBMITTING DULY FILLED IN 'E- COMMUNICATION REGISTRATION FORM' ATTACHED AT THE END OF THIS REPORT (ALSO AVAILABLE ON OUR WEBSITE [www.jpl.co.in](http://www.jpl.co.in) ) WITH M/S LINK INTIME INDIA PRIVATE LIMITED OF THE COMPANY. THE MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE REQUESTED TO REGISTER THEIR E-MAIL ADDRESSES WITH THEIR DEPOSITORY PARTICIPANTS ONLY.

### EXPLANATORY STATEMENTS UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING

#### ITEM 6

The Company wishes to allot 25 Lacs Convertible Warrants convertible into equal number of Equity Shares, the company had earlier approached the Stock Exchange for approval of allotment of 20 Lacs Convertible Warrants but due to inadvertent delay the approval was not approved thus the company is going for a fresh approval.

- I. For issuance of convertible warrants to be converted into equal number of equity shares on preferential basis

The Board of Directors of the Company give the following disclosures that is required to be given in the explanatory statement to the special resolution to be passed under section 81(1A) of the Companies Act, 1956 and in terms of the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

1. Object and manner of proceed of the issue proposed to be utilized:

Due to expansion and procuring tenders from Government, Semi Government and other Body Corporate, the Company needs funds to fulfill the time bound contracts and to meet the working capital requirement and apart from this the company has commenced the 5 Mega Watt Power Project for which need of working capital has arisen. The additional requirement for acquiring equipments is for carrying on expansion and new activity. The Board of Directors has proposed to make preferential issue to the aforesaid allottees to meet the long-term and short term funds requirement of the Company.

2. Lock-in-period

The convertible warrants into equity shares to be issued on preferential basis to non-promoter allottees shall be locked in for a period of 1 year from the date of allotment as prescribed under SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009.

3. Relevant Date and Issue Price:

The relevant date for the purpose of determination of issue price of resultant equity shares is 27<sup>th</sup> August, 2012. As per the calculation of value of shares on relevant date the value of per share comes to ₹151/- (₹ One Hundred Fifty One Only) (i.e. ₹10/- is face value and ₹141/- is the amount of premium).

Issue Price of the proposed issue of equity shares is calculated as the pricing formula prescribed in the SEBI Regulations details of the same is given below but not below the face value of the Equity Shares:

An issue price not less than the higher of following:

- (A) The average of the weekly high and low of the closing prices of the related shares quoted on the stock exchange during the six months preceding the relevant date; or

## Notice (Contd...)

(B) The average of the weekly high and low of the closing prices of the related shares quoted on a stock exchange during the two weeks preceding the relevant date.

Here, stock exchange means Bombay Stock Exchange Limited and National Stock Exchange of India Limited where the shares of the company are listed.

### 4. Payment

The full issue price of the resultant equity shares shall be payable before allotment of shares.

### 5. Particulars of Allottees:

The Company has proposed to issue said shares to body corporate whose details are as follows:

| Sr. No. | Name of the proposed Allottees            | No. of Warrants proposed to be allotted |
|---------|---|---|
| 01      | H N Shares & Stock Brokers Pvt. Ltd.      | 610000                                  |
| 02      | Sagar Datamax Pvt. Ltd.                   | 610000                                  |
| 03      | Best Cosmos Clothes Pvt. Ltd.             | 610000                                  |
| 04      | Pratishtha Consultancy Services Pvt. Ltd. | 610000                                  |
| 05      | Safal Healthcare Pvt. Ltd.                | 60000                                   |
|         |   | 2500000                                 |

### 6. Intention of the promoters or their associates and relatives to subscribe to the Offer :

The proposed allottees for preferential issuance of 2500000 Convertible Warrants of ₹10/- each are non-promoters as referred in the resolution and intend to subscribe to the offer.

### 7. No Change in Control

The existing promoters of the company will continue to be in control of the company and there will not be any change in the management/ control of the Company as a result of the proposed preferential allotment. As a result of this preferential allotment, there shall be no changes in the Board of Directors of the Company. However on allotment of these shares the holding of the promoters shall be diluted from 69.17% to 55.06%.

### 8. Proposed time within which the allotment shall be completed

The allotment of Convertible warrants shall be completed within a period of 15 days from the date of passing of the special resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority or the Central Government, the allotment shall be completed by the Company within a period of 15 days from the date of such approvals.

Shareholding pattern before and after the offer:

The shareholding pattern of the Company before and after the preferential allotment would be as follows: -

| Sr. No. | Name of the applicant(Proposed allottees) | Pre Issue(Nos. of Shares) | Post Issue(Nos. of Shares) |
|---------|---|---------------------------|----------------------------|
| 1       | H N Shares & Stock Brokers Pvt. Ltd.      | 0                         | 610000                     |
| 2       | Sagar Datamax Pvt. Ltd.                   | 0                         | 610000                     |
| 3       | Best Cosmos Clothes Pvt. Ltd.             | 0                         | 610000                     |
| 4       | Pratishtha Consultancy Services Pvt. Ltd. | 0                         | 610000                     |
| 5       | Safal Healthcare Pvt. Ltd.                | 0                         | 60000                      |
|         | Total                                     | 0                         | 2500000                    |

## Notice (Contd...)

### Pre-Issue and Post-issue Shareholding Pattern of the Issuer Company:

| Category                      | Pre-issue     |                    | Post-issue    |                    |
|-------------------------------|---------------|--------------------|---------------|--------------------|
|                               | No. of Shares | % of Share Holding | No. of Shares | % of Share Holding |
| <b>Promoters Holding:</b>     |               |                    |               |                    |
| Indian Promoters              | 6749518       | 69.17              | 6749518       | 55.06              |
| Sub Total                     | 6749518       | 69.17              | 6749518       | 55.06              |
| <b>Non-Promoters Holding:</b> |               |                    |               |                    |
| <b>Others:</b>                |               |                    |               |                    |
| Private Corp. bodies          | 1296751       | 13.29              | 3796751       | 30.98              |
| Indian Public                 | 1648092       | 16.89              | 1648092       | 13.45              |
| NRI/OCB's                     | 63082         | 0.65               | 63082         | 0.51               |
| Any others                    |               |                    |               |                    |
| Sub Total                     | 3007925       | 30.83              | 5507925       | 44.94              |
| Grand Total                   | 9757443       | 100.00             | 12257443      | 100.00             |

Note : The above post issue pattern is based on the assumption that the Company will receive full subscription of the equity shares.

Identity of proposed allottees and percentage of post-issued capital that may be held:

As stated earlier, it is proposed to allot 2500000 Convertible Warrants into equity shares of ₹10 each to the non-promoters. The percentage that may be held by allottees in post-issued capital shall be as set out in 6 above. The identity of the allottees and their relations with the promoters are as under:

| Name of the proposed allottees            | Relation, if any with the promoters or person in control of the Company | Pan No.    |
|---|---|------------|
| H N Shares & Stock Brokers Pvt Ltd.       | N.A.  | AABCH9801J |
| Sagar Datamax Pvt. Ltd.                   | N.A.  | AACCS1268D |
| Best Cosmos Clothes Pvt. Ltd.             | N.A.  | AAACB6274E |
| Pratishtha Consultancy Services Pvt. Ltd. | N.A.  | AAACR9114R |
| Safal Healthcare Pvt. Ltd.                | N.A.  | AAKCS2312N |

- Approvals : The Company is taking necessary steps to obtain the required approvals from the Stock Exchange, SEBI or any other regulatory agency as may be applicable, for the proposed preferential issue of equity shares
- Holding of shares in the Demat Account, non disposal of shares by the proposed allottees and lock-in period of shares : The proposed allottees are holding their entire pre-issued shareholding in the Demat form and they have not sold or disposed off any equity shares of the company during the six months period prior to the relevant date and further that they will not sell or dispose any shares held by them during the period of six months from the date of allotment of the equity shares on preferential basis. The aforesaid warrants allotted in terms of this resolution and the resultant equity shares arising on exercise of right attached to such Warrants shall be subject to lock-in requirements as per the provisions of Part IV of Regulations..



**Notice (Contd...)**

13. **Auditors Certificate :** Auditor's Certificate confirming that the proposed issue of the Equity shares are in accordance with the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009, will be available for inspection up to the date of the Extra Ordinary General Meeting at the Registered Office of the Company on any working day and also at the place of the meeting on the meeting day.
14. **Approval under the Companies Act, 1956:** Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a Company by further issue and allotment of shares such shares shall be first offered to the existing shareholders of the Company in the manner laid down in the said section, unless the shareholders decided otherwise in general meeting by way of special resolution.

Accordingly the consent of the shareholders is being sought pursuant to the provisions of section 81(1A) and all other applicable provisions of the Companies Act, 1956 SEBI Regulations and the provisions of the Listing Agreement with the Stock Exchange for authorizing the Board of Directors to offer, issue and allot warrants convertible into equity shares as stated in the resolution.

The Board of Directors recommends the passing of this resolution as a Special Resolution as set out in Item No.1 of the Notice.

None of the Directors are concerned or interested in the above said resolution.

**Registered Office**

3<sup>rd</sup> Floor, Venus Atlantis,  
Nr. Reliance Petrol Pump,  
Anandnagar Road,  
Ahmedabad 380015.  
**Date : 14.08.2012**

**On Behalf of the Board of Directors**

**Prakash L. Hinduja**  
*Chairman & Managing Director*

## Directors' Report

Dear Members,

Your directors have pleasure in presenting this 26<sup>th</sup> Annual Report and the Audited Accounts for the financial year ended on 31<sup>st</sup> March 2012.

### FINANCIAL RESULTS

| (Rupees in lacs)                               |                 |                 |
|--|-----------------|-----------------|
| Particulars                                    | Current Year    | Previous Year   |
| <b>Total Income</b>                            | <b>53671.58</b> | <b>44191.88</b> |
| Less : Expenditure                             | <b>43500.55</b> | <b>35659.21</b> |
| <b>Profit before Interest and Depreciation</b> | <b>10171.03</b> | <b>8532.67</b>  |
| Less : Interest                                | <b>5735.39</b>  | <b>4064.58</b>  |
| Less : Depreciation                            | <b>785.98</b>   | <b>599.62</b>   |
| <b>Profit Before Tax</b>                       | <b>3669.67</b>  | <b>3868.47</b>  |
| Less : Provision for Taxation                  | <b>21.42</b>    | <b>1076.91</b>  |
| Fringe benefit tax                             | -               | -               |
| Less : Transfer to deferred Tax Liability      | <b>1241.17</b>  | <b>211.74</b>   |
| Short provision of income tax in earlier years | <b>55.62</b>    | -               |
| <b>Profit After Tax</b>                        | <b>2351.46</b>  | <b>2579.82</b>  |
| Appropriation of Profit                        | <b>29.15</b>    | <b>184.63</b>   |
| <b>Balance brought forward</b>                 | <b>7145.95</b>  | <b>4750.76</b>  |
| <b>Balance carried to Balance-Sheet</b>        | <b>9468.26</b>  | <b>7145.95</b>  |

### DIVIDEND

In view of conserving resources, as a measure of abundant precaution and in order to retain the surplus for growth and expansion, your Directors do not propose any dividend for the financial year ended 31-03-2012.

### OPERATIONS

Total revenue of your Company has increased by 21.45% from ₹ 44191.88 Lacs in financial year (FY) 2010-11 to ₹ 53671.58 Lacs in the FY 2011-12. The profit before interest, depreciation and tax has increased by 19.20% from ₹ 8532.67 in (FY) 2010-11 to ₹ 10171.03 Lacs in FY 2011-12.

The profit before tax (PBT) has decreased by 5.14% from ₹ 3868.47 Lacs in FY 2010-11 to ₹ 3669.67 Lacs in FY 2011-12 and Profit After Tax (PAT) has decreased by 8.85 % from ₹ 2579.82 Lacs in FY 2010-11 to ₹ 2351.46 lacs in FY 2011-12.

During the year, our Company has bagged various contracts worth over 215.88 Crores as under:

| Sr. No. | Project Name   | Client  | Location          | Project Value  | LOI Status |
|---------|--|---|-------------------|----------------|------------|
| 1       | Pipeline Laying and Terminal Works for Dabhol-Bangalore Pipeline Project (Phase-II) - Spur Lines (Goa Consumers) | GAIL  | Goa               | ₹ 37.80 Crores | FOA        |
| 2       | Supply & Laying of Water Distribution Pipelines & Allied Works in Bardowali, Agartala City                       | Urban Development Department, Government of Tripura | Agartala, Tripura | ₹ 17.13 Crores | L1         |