



KCL INFRA PROJECTS LIMITED

**16th ANNUAL REPORT
2010-2011**

**Board of Directors:**

Mr. Mohan Jhavar	Director
Mrs. Alka Soni	Director
Mr. Naval Saraf	Director
Mr. Anurag Inani	Director
Mr. Siddharth Maheshwari	Additional Director

Auditors:

M/s Mahesh C. Solanki & Co.
Chartered Accountants
119, Bansi Trade Centre
581/5, M.G. Road
Indore- 400601

Registered Office :

C-11, Rinka Park,
Geeta Nagar, Bhayandar (West)
Thane-401101

Registrar and Share Transfer Agent:

Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate
Makwana Road
Marol Naka
Andheri (E)
Mumbai – 400 059

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KCL Infra Projects Limited

Registered Office : C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101

NOTICE

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of **KCL INFRA PROJECTS LIMITED** will be held on Friday, the 30th September, 2011 at 2:30 P.M. at the registered office of the Company situated at C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane-401101 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. Mr. Anurag Innani, Independent Director who is liable to retire by rotation at this meeting has expressed his inability for re-appointment due to his ever increasing personal engagements. Accordingly he will continue as Director of the Company till the Annual General Meeting and no appointment is proposed hereof.
3. **To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:**
"RESOLVED THAT pursuant to section 224 of the Companies Act, 1956, M/s. Mahesh C. Solanki & Co., Chartered Accountants (Registration No.006228C), the retiring Auditors of the Company, be and hereby re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Board of Directors."

SPECIAL BUSINESS:

4. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**
"RESOLVED THAT Mr. Siddharth Maheshwari who was appointed as an Additional Director of the Company by the Board of Directors, who holds office under Section 260 of the Companies Act, 1956, up to the date of ensuing Annual General Meeting and in respect of whom the company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a director of the company, liable to retire by rotation."
5. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**
"RESOLVED THAT pursuant to provisions of section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Section 198, 309, 310 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), approval of the members of the Company be and is hereby accorded to the appointment of Mr. Mohan Jhavar, R/o 36, Mangalam Building, 5-B, Old Palasia, Indore, 452001, Madhya Pradesh as the Managing Director of the Company for a period of Three years with effect from 1st October, 2011 on the following terms and conditions :
 1. He shall be paid remuneration by way of salary, Dearness allowance, other allowances, perquisites, etc. as per the rules of the Company subject to a ceiling of Rs. 1,25,000 per month.
 2. He shall also be provided Car, telephone and mobile from the Company for official use and whose expenses, bills will be paid / reimbursed by the Company.
 3. The company shall pay / reimburse Club fees for two clubs and all actual entertainment expenses at the club reasonably incurred for the purpose of the Company.
 4. He shall be entitled to avail leave in accordance with the policies applicable to management staff of the Company and shall be entitled to encashment of leave standing to his credit as per policies of the Company applicable to Management staff.
 5. He shall also be a beneficiary of the Group Medical insurance and the Personal Accident Insurance policies taken by the Company for the Management Staff of the Company.
 6. He shall not be eligible to receive sitting fees for attending meetings of the Board of Directors or any Committee thereof.



7. He shall act in accordance with the guidance, directions and superintendence of the Board of Directors of the Company.
8. He shall exercise substantial or the whole of the substantial powers of management in the day to day affairs of the Company.
9. He shall be entitled to appoint employees and other staff whose salary does not exceed Rs. 35,000/- per month.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII to the Companies Act, 1956."

"RESOLVED FURTHER THAT pursuant to the Articles of Association of the Company, Mr. Mohan Jhavar shall not be liable to retire by rotation"

"RESOLVED FURTHER THAT Mrs. Alka Soni, Director of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY (IES) NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to special Business is annexed hereto.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2011 to Friday, 30th September, 2011 (both days inclusive).
4. Members/proxies are requested to:
 - i) Quote their folio numbers in all their correspondence.
 - ii) Bring their copies of Annual Report, Notice and Attendance Slips duly completed and signed at the meeting.
 - iii) Deliver duly completed and signed attendance slips at the entrance of the meeting venue as entry to the meeting hall will be strictly on the basis of the entry slip at the counter of the venue.
5. Members desiring any information as regards the Accounts are requested to write to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
6. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring Directors and appointment of Directors, a statement of the details of the concerned directors is attached hereto.
7. Members are requested to notify immediately any change of address:
 - i) To their Depository Participant (DP) in respect of shares held in dematerialized form, and
 - ii) To the company at its Registered Office or to its Registrar in respect of their physical shares, if any, quoting their folio number.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agents enclosing their share certificate to enable them to consolidate their holding in one folio.
9. Members are requested to furnish their Permanent Account Number, Bank Account particulars (viz., Account number, Name & Branch of the bank and the MICR Code), change of address etc. to the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of shares



held in electronic form, these details should be furnished to respective Depository Participants. Members are to be requested to note that submission of Permanent Account Number is mandatory (except in case of non-residents) and non-compliance of the same attracts penal consequence under provision of the Income-tax Act, 1961.

10. Members desirous of getting any information on any items of the business of this meeting are requested to address their queries to Mr. Mohan Jhawar, Director of the company at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.

IMPORTANT COMMUNICATION TO MEMBERS

In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs (vide Circular Nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), which allows the paperless compliances by the companies and permits service of documents including Annual Report to its members through electronic modes. In the backdrop of this, the Company has given an option to the shareholders to receive the Notices, Annual Report, etc. through e-mail and for the purpose of facilitating the shareholders to register their e-mail address with the company, a separate letter alongwith self addressed (i.e. address of RTA) envelope is sent alongwith this Annual Report on which stamp charges will be paid by the Company. The Company appeals to the shareholders to fill the same and send the same to the RTA of the Company and co-operate the Company and contribute in implementation of green initiative relating to paperless governance.

Additional Information required under clause 49 IV (G) of the Listing Agreement on Directors seeking for appointment or re-appointment at the Annual General Meeting:

1. Mr. Mohan Jhawar: (proposed to be appointed as Managing Director)

Name of Director	: Mr. Mohan Jhawar
Date of Birth	: 30/08/1967
Date of appointment	: 06/10/2005
Expertise in specific functional areas	: Accounts, audit and finance
Qualification	: Fellow member of the Institute of Chartered Accountants of India
Directorship in other Public Companies (other than Foreign Companies)	: KCL Stock Broking Ltd.
Shareholding in the Company	: 31,500 (0.12%)

2. Mr. Siddharth Maheshwari:

Name of Director	: Mr. Siddharth Maheshwari
Date of Birth	: 29/06/1986
Date of appointment	: 28/06/2011
Expertise in specific functional areas	: Accounts, audit and finance
Qualification	: B.Com, CA PCC
Directorship in other Public Companies (other than Foreign Companies)	: KCL Stock Broking Ltd. KCL Realities Ltd.
Shareholding in the Company	: NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

For Item No. 4:

Mr. Siddharth Maheshwari was appointed as an Additional Director of the Company with effect from 28th June, 2011 pursuant to Section 260 of the Companies Act, 1956. The Company has received a notice in writing from a member along with the required deposit, proposing the candidature of Mr. Siddharth



Maheshwari for the office of Director under the provisions of Section 257 of the Companies Act, 1956. A brief profile of Mr. Siddharth Maheshwari is given hereto under the head "additional information".

Your Directors recommend the resolution as set out at item no. 4 of the notice for your approval.

Mr. Siddharth Maheshwari shall be deemed to be interested in the above resolution to the extent of his appointment.

For Item No. 5:

Mr. Mohan Jhavar has been appointed as a Director of the company with effect from 6th October, 2005. He is related to promoter of the Company. From the year 2005, due to the dedicated efforts of Mr. Mohan Jhavar there has been significant changes in the Company like raising of funds through re-issue of forfeited shares, entering into the business of dealing in shares, securities and derivatives, etc.. He is also striving hard to find lucrative business operations in construction and infrastructure segment. Now also, he is devoting his full time to diversify the business of the Company in entertainment and media sector. Looking to his wholehearted contribution for the growth and development of the company, the Board of Directors of the Company proposes to appoint him as the Managing Director of the Company. Mr. Mohan Jhavar is a fellow member of the Institute of Chartered Accountants of India and is having about 21 years of vast experience in securities market, accounts, finance and other business intricacies. The said appointment is proposed to be effective from 1st October, 2011 for a period of Three years on the terms and conditions as set out in the resolution. The Remuneration Committee of the Board of Directors has also given its approval for the said appointment and for the remunerations to be paid to him. The remunerations proposed in the resolution is in accordance with the provisions of Section II(A) of Part II of Schedule XIII to the Companies act, 1956 and the said appointment does not require the approval of Central Government.

The Board of Directors therefore recommend to appoint Mr. Mohan Jhavar as the Managing Director of the Company and recommend to pass the resolution set out at item no. 5 of the Notice as an Ordinary Resolution.

None of the Directors, except Mr. Mohan Jhavar, being promoter of the Company, is concerned or interested in the resolution.

By order of the Board of Directors
For KCL Infra Projects Ltd.

Place: Thane
Date: 30/08/2011

Sd/-
Alka Soni
(Director)

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 16th Annual Report along with the Audited Annual Accounts for the year ended 31st March 2011.

FINANCIAL RESULTS:**(Rs. In Lacs)**

Particulars	Year ended 31/03/2011	Year ended 31/03/2010
Income / Turnover	13872.01	6558.75
Total Expenditure (excluding Depreciation)	13846.45	6534.78
Profit/ Loss before Interest, Depreciation & tax	25.56	23.96
Interest and other finance charges	0.36	0.46
Depreciation	3.00	2.77
Profit/(Loss) before tax	22.20	20.73
Provision for taxation/Deferred tax	6.82	5.92
Profit/Loss after tax	15.38	14.81

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion & Analysis Report, as required under the Listing agreement with the Stock Exchanges is enclosed at Annexure 'A'.

CHANGE IN REGISTERED OFFICE ADDRESS:

The registered office of the company has been changed from B-3, 204, Saket Complex, Thane (West) Mumbai to C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane, Mumbai with effect from 15th day of January 2011.

CHANGE IN THE CAPITAL STRUCTURE OF THE COMPANY:

During the period under the review, the Company has allotted 1,080,000 equity shares on preferential basis after taking the approval of Members in Extraordinary General Meeting held on 25th day of March, 2011.

Company has already received the In Principal approval and has applied for Listing and Trading approval.

DIVIDEND:

In view of requirement of funds for expansion of the business activities, your Directors regret their inability to recommend any dividend for the year under review.

PUBLIC DEPOSITS:

During the year under review the company has neither accepted nor invited any public deposits within the meaning of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there are no outstanding public deposits at the end of the year.

DIRECTORS:

Mr. Anurag Innani retires by rotation at the ensuing Annual General Meeting and showed his unwillingness for re-appointment as Director of the Company.

Mr. Sashant Nyati has resigned from the Directorship of the Company w.e.f. 28th June, 2011. The Board expresses its gratitude to the outgoing director for his services to the company during his tenure.

Mr. Siddharth Maheshwari was appointed as an additional Director with effect from June 28, 2011. He holds office of the Director upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Mr. Mohan Jhavar as the Managing Director of the Company w.e.f 1st October, 2011 and seeks the approval of members in the forthcoming Annual General Meeting.



Information on the details of directors seeking appointment / re-appointment as required under Clause 49 of the Listing Agreement has been given under the Notice to Shareholders under the head 'Additional Information'.

AUDITOR'S & AUDIT REPORT:

The statutory auditors of the company, M/s. Mahesh C. Solanki & Co., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from them to the effect that their 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 appointment / reappointment within the meaning of Section 226 of the said Act.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT:

In compliance with the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors hereby confirm that –

- i) In the preparation of the annual accounts for financial year ended 31st March, 2011 the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any.
- ii) 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 true and fair view of the state of affairs of the company as at the end of the financial year and the profit of the Company for that period.
- iii) The Directors have 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) The Directors have prepared the annual accounts for the year ended 31st March 2011 on a going concern basis.

GREEN INITIATIVE:

The Ministry of Corporate Affairs has taken the Green initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode.

The Company supports the Green initiative and has accordingly decided to send all communications to its shareholders to their respective registered e-mail addresses.

Hence, the Company appeals to its shareholders to register their e-mail addresses with the RTA of the Company and become a part of the initiative and contribute towards a Greener environment.

CORPORATE GOVERNANCE:

As per the requirement of the Listing agreement with stock exchange, your Directors reaffirm their commitment to these standards. A report on Corporate Governance along with a certificate from the Statutory Auditors of the Company form part of this report.

LISTING AT STOCK EXCHANGES:

The equity shares of the company continue to be listed at Bombay Stock Exchange Ltd. (BSE) and Delhi Stock Exchange Association Ltd., Delhi. The Company has paid the annual Listing fee for the financial year 2011-12 to Bombay Stock Exchange Ltd. and the Delhi Stock Exchange Association Ltd.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the company.



There was no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

During the period under review, there were no employee during the period drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDIT COMMITTEE:

As per the provisions of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit Committee comprised of two Independent Directors viz. Mr. Sashant Nyati and Mr. Naval Saraf and third one Mr. Mohan Jhavar being promoter non-executive Director. Mr. Sashant Nyati was the Chairman of the Committee. On resignation of Mr. Sashant Nyati from the Directorship of the Company with effect from 28th June, 2011, the Board has reconstituted the Audit Committee thereby appointing Mr. Siddharth Maheshwari as the member and Chairman of the Committee in the vacancy caused by the resignation of Mr. Sashant Nyati. Mr. Sashant Nyati, Chairman of the Audit Committee was present at the Fifteenth Annual General Meeting.

ACKNOWLEDGEMENT:

Your Directors acknowledges their sincere appreciation for the support extended by the statutory authorities, banks, stock exchanges, advisors, Clients, Customers, shareholders and staff of the Company for the valuable assistance, support and co-operation extended to the Company and continuous support and faith reposed in the Company.

For and on behalf of the Board

Place: Thane
Date: 30/08/2011

Sd/-
Mohan Jhavar
(Director)

Sd/-
Alka Soni
(Director)

**Annexure A****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A GENERAL ECONOMIC SCENARIO :**

The year 2010 started on an optimistic note with the global economy gradually stabilising, Improving private demand in developed economies and robust overall demand in emerging market economies helped the global economy to come back on the growth track. Global Economy grew by 4-1/2 percent in 2010. Economic uncertainty and rising public indebtedness looms large over most of the developed world. The health of Private Sector has consistently improved over the recent quarters even as the public sector continues to be weighed down by debt in many mature markets. High unemployment in the developed economies, geopolitical uncertainty in certain regions and rising food and commodity prices are the challenges the might weaken the economic growth.

A sequenced and gradual withdrawal of the monetary accommodation is helping contain inflationary pressures. Inflation which remained elevated levels for a large part of the current fiscal was largely driven by food items, though the goods that were inflating at the start of the fiscal year were different from the goods for which prices are rising now. Notwithstanding the tightening money markets and moderate growth in deposits, the financial situation remained orderly with a pickup in credit growth, vibrant equity market and stable foreign exchange market.

Indian economy has been thriving on its strong fundamentals led primarily by domestic demand, well diversified mature segments like industry, agriculture, services, well regulated financial sector and capital markets, promising demography of young and skilled population and sizeable and prospering middle class. Riding on these very fundamentals and supported by a favourable south-west monsoon, Indian economy posted strong recovery in the financial year 2010-11. Revised estimates of Central Statistical Office have estimated the Indian economy to have grown by 8.5% in FY 2011. According to the United Nations Conference on Trade and Development, India ranked third among global Foreign Direct Investment destinations in 2009.

B. CONSTRUCTION AND INFRASTRUCTURE SECTOR IN INDIA:

The growth in construction and infrastructure sector is closely linked to the socio-economic development of geographic regions. For India, construction and infrastructure development form the backbone of its progress and economic development. This sector is the second largest employer after agriculture.

With the rapid economic advancement of India over the recent years, its construction and infrastructure sector too has grown at a healthy rate between the years 2000 to 2007. Global economic and liquidity crisis of 2008, though did impact the growth of this sector across the globe including India. The sector appears to have undergone a decisive learning curve during 2008 and 2009. With the Indian economy rebounding with a GDP growth of 7.4% in 2009-10 and following it with an even improved growth of 8.5% in 2010-11, construction and infrastructure activities in India too appear to have come back on growth track which is evident from increasing demand in housing segments, preference of public towards mall culture, entertainment sources like theaters, game zones, etc.

C. CAPITAL MARKETS IN INDIA:

Domestic capital markets performed well in 2010, primary markets financing reached record levels, including the largest-ever initial public offering (IPO) (for Coal India), while secondary markets reached new highs. Record foreign inflows helped the market. Pensions and insurance gained, with life insurance premium growing nearly 26 per cent and penetration doubling to 5.4 per cent of GDP in 2009 from 2.3 per cent in 2000 when insurance reforms started. Looking to the future, the twin challenges are to continue this progress on gradual financial reform and to modernize regulations and institutions to ensure its continued safety and stability.