



KCL INFRA PROJECTS LIMITED



**18<sup>th</sup> ANNUAL REPORT  
2012-2013**

**Board of Directors :**

Mr. Mohan Jhawar	Managing Director
Mrs. Alka Soni	Director
Mr. Raju Shivaji Bhosale	Director
Mr. Siddharth Maheshwari	Director
Mrs. Sunita Vora	Additional Director

**Auditors**

M/s Mahesh C. Solanki & Co.  
Chartered Accountants  
803, Airen Heights,  
PU-3, Scheme No. 54,  
Opp. Mega Malhar Mall,  
A. B. Road, Indore- 452 010

**Registered Office**

402, Radhakrishnan Apartment,  
Vijay Homes Bangladesh Naka,  
Bhayandar West Thane - 401 101

**Registrar and Share Transfer Agent**

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

**I N D E X**

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**KCL INFRA PROJECTS LIMITED**

Registered Office: 402, Radhakrishnan Apartment, Vijay Homes Bangladesh Naka,  
Bhayandar West Thane - 401 101

**NOTICE TO SHAREHOLDERS**

**NOTICE** is hereby given that the Eighteenth Annual General Meeting of the members of **KCL INFRA PROJECTS LIMITED** will be held on 30th September 2013 at 2:30 p.m. at Food Zone II nd Floor, Maxus Mall Near Flyover Opp. 12 salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101.Maharashtra to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 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. Mrs. Alka Soni, Non – Executive Director who is liable to retire by rotation at this meeting has offered her candidature for re-appointment as she is eligible. Accordingly she will continue as Director of the Company till the Annual General Meeting and her reappointment 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 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 Mrs. Sunita Vora who was appointed as an Additional Director of the Company by the Board of Directors on 30th May 2013, 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."

**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 23rd September 2013 to 30th September 2013 (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, Managing 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.
11. The notice is being sent under certificate of posting to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 4th September, 2013.

#### **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.

By order of the Board  
For KCL Infra Projects Ltd.

SD/-

**Mohan Jhawar**  
(Managing Director)

Place: Thane  
Date: 4th September 2013

**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. Mrs. Alka Soni :**

Name of Director	: Mrs. Alka Soni
Date of Birth	: 13/07/1966
Date of appointment	: 13/08/2007
Expertise in specific functional areas	: -
Qualification	: Bachelor of Arts
Directorship in other Public Companies (other than Foreign Companies)	: RMA Property and Holdings Private Limited
Shareholding in the Company	: NIL

**2. Mrs. Sunita Vora :**

Name of Director	: Mrs. Sunita Vora
Date of Birth	: 09/11/1973
Date of appointment	: 30/05/2013
Expertise in specific functional areas	: -
Qualification	: Graduate
Directorship in other Public Companies (other than Foreign Companies)	: NIL
Shareholding in the Company	: NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956****For Item No 4:**

Mrs. Sunita Vora was appointed as an Additional Director of the Company with effect from 30th May, 2013 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 Mrs. Sunita Vora for the office of Director under the provisions of Section 257 of the Companies Act, 1956. A brief profile of Mrs. Sunita Vora 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.

Mrs. Sunita Vora shall be deemed to be interested in the above resolution to the extent of her appointment.

By order of the Board  
For KCL Infra Projects Ltd.  
SD/-

**Mohan Jhavar**  
(Managing Director)

Place: Thane  
Date: 4th September 2013

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report along with the Audited Annual Accounts for the year ended 31<sup>st</sup> March 2013.

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

Particulars	Year ended 31/03/2013	Year ended 31/03/2012
Income / Turnover	511.948	2241.76
Total Expenditure (excluding Depreciation)	467.09	2212.85
Profit/ Loss before Interest, Depreciation & tax	44.85	28.91
Interest and other finance charges	12.25	5.41
Depreciation	7.30	6.73
Profit/(Loss) before tax	25.30	16.77
Provision for taxation/Deferred tax	7.35	5.52
Profit/Loss after tax	17.95	11.26
Earning per share:		
Basic	0.07	0.04
Diluted	0.07	0.04

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

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

**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. Naval Saraf resigned as the Director of the Company on 28th September 2012. Mr. Raju Shivaji Bhosale was appointed as an Independent Director on 20th February 2012 and his appointment was confirmed in the Annual General meeting dated 28th September, 2012.

Mrs. Sunita Vora was appointed as additional director in the company w.e.f. 30th May 2013 and will hold office until the conclusion of the upcoming 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 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, 2013 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 2013 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 2013-14 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 employees 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 :**

The Board has reconstituted the Audit Committee after the resignation of Mr. Naval Saraf on 20th September 2012 comprising three Members two of them are independent Directors viz. Siddharth Maheshwari and Mr. Raju Shivaji Bhosale and one is Mr. Mohan Jhavar being promoter executive Director. Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with consent of all the members after the resignation of Mr. Naval Saraf.

**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.

By order of the Board  
For KCL Infra Projects Ltd.

Place: Thane  
Date: 30th May 2013

SD/-  
**Alka Soni**  
(Director)

SD/-  
**Mohan Jhavar**  
(Managing Director)





## Annexure A

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

According to the first advance estimates of national income for the year 2012-13 of the Central Statistics Office (CSO), the Indian economy is expected to grow at its slowest pace in a decade at a mere 5 per cent in 2012-13, on the back of dismal performance by the farm, manufacturing and services sectors. The estimate is lower than the 6.2 per cent growth clocked in 2011-12 and is the lowest since 2002-03, when the economy grew by 4 per cent only.

The index of industrial production (IIP) with 2004-05 as base is the leading indicator of industrial performance in the country. As per the IIP, industrial output growth rate was 0.7 per cent during April-December 2012 as compared to 3.7 per cent in the same period of the previous year. Combination of global and domestic factors has led to deceleration in the industrial output during the current year. With improved business sentiments and investor perception and a partial rebound in industrial activity in other developing countries, industrial growth is expected to improve in the next financial year.

**B. CONSTRUCTION AND INFRASTRUCTURE SECTOR IN INDIA:**

The Planning Commission's XIth Five-Year Plan (2007-2012) had already identified that inadequate infrastructure was a major constraint on the country's rapid growth. The Plan had, therefore, emphasized the need for massive expansion in investment in infrastructure based on a combination of public and private investment, the latter through various forms of public-private partnerships (PPP).

The Government of India realizes the importance of accelerating the investments in infrastructure to boost the country's slowing economy. Therefore, it has set a massive target for doubling investment in infrastructure from Rs. 27 lakh crores (eleventh plan – 2011/12 prices) to Rs 51 lakh crores during the twelfth plan period, i.e., 2012-2017. The share of infrastructure investment in GDP is planned to be increased to more than 10% by the end of the twelfth plan. This investment, if it materializes, can propel India's economic growth to a higher trajectory.

Planning commission is expecting private sector to play a key role in twelfth plan with an overall investment growth of 131%. Private investment is projected to grow in all the infrastructure sectors with Railways, Water Supply, Storage and Ports projected to grow at >200% whereas investment in other sectors is projected to grow at >100%. Overall private sector investment will be a key to success of infrastructure development under twelfth five year plan. Considering the critical need of developing infrastructure in the country, construction activities are crucial for creating physical infrastructure in the country. Therefore, there is considerable long term business scope for players in the infrastructure related large scale construction business.

**C. CAPITAL MARKETS IN INDIA :**

A benchmark index for Indian equities markets closed more than half a percent up on the last day of 2012-13 financial year on the back of healthy buying in metal, bank and capital goods stocks and settlement of monthly derivatives contracts. The 30-scrip sensitive index (Sensex) of the Bombay Stock Exchange (BSE), which opened in the red at 18,702.46 points, closed at 18,835.77 points, up 0.70 percent or 131.24 points from its previous day's close at 18,704.53 points. The Sensex has gained 1,431.57 points or 8.23 per cent in 2012-13 fiscal. The wider 50-scrip S&P CNX Nifty of the National Stock Exchange (NSE) also closed 0.73 percent or 40.95 points up at 5,682.55 points.

**Primary Market**

Riding on the wave of disinvestment of public sector undertakings, promoters of Government and private companies managed to collect over Rs 34,000 crore by selling shares in the primary market during 2012-13. This is 44 per cent higher than 2011-12 figures. The mobilization in the year could have been higher but for the deferment of some large PSU (public sector undertakings) offerings and continuing volatility in the secondary market, through the year. The year, of course, fell substantially short of Rs 52,219 crore, the highest amount that has ever been raised (in 2007-08).

**Secondary Market**

The monthly turnover of BSE (cash segment) increased by 12.5 percent from US\$ 9.32 billion in December 2012 to US\$ 10.49 billion in January 2013. Monthly turnover of NSE (cash segment) also increased by 22.9 percent from US\$ 44.48 billion in December 2012 to US\$ 54.68 billion in January 2013.

During 2012-13 (up to January 23, 2013), FIIs made net investments of Rs.1,190 billion in the capital market (both equity and debt) compared with that of Rs. 520 billion during the corresponding period in the previous year. FIIs made net investments of Rs.1,011 billion in the equity markets compared with Rs. 27 billion last year.

Domestic institutional investors (DIIs) (comprising banks, domestic financial institutions, insurance companies, new pension fund and mutual funds) made net sales during 2012-13 (up to January 23, 2013)

**Equity Derivatives**

The NSE and BSE are two major Indian markets have shown a remarkable growth both in terms of volumes and numbers of traded contracts. Introduction of derivatives has been well received by stock market players. NSE alone accounts 99% of the derivatives trading in Indian markets.

If we compare the business growth of NSE and BSE in terms of number of contracts traded and volumes in all product categories the NSE traded 636132957 total contracts whose total turnover is Rs.16807782.22 crore in the year 2012-13 in futures and options segment while in currency segment in 483212156 total contracts have traded whose total turnover is Rs.2655474.26 crore in same year. In case of BSE the total numbers of contracts traded are 150068157 whose total turnover is Rs.3884370.96 Cr in the year 2012-13 for all segments. In the above case we can say that the performance of BSE is not encouraging both in terms of volumes and numbers of contracts traded in all product categories.

**Reasons for Market Movements**

- The fund mop-up by companies through sale of shares has crossed Rs. 30,000 crore mark in 2012 despite a volatile market and the figure is expected to be much higher next year, given a strong line-up of capital raising plans through IPOs and other equity issuance routes.
- In the year 2012, around Rs. 30,500 crore were mopped-up through share-sale programme and major chunk of funds, which was Rs. 23, 800 crore, garnered through OFS route, and the remaining about Rs.6,693 crore through IPOs. In comparison, there were 37 IPOs and 2 FPOs in 2012. The total fund raising through public issues was about Rs. 14,000 crore, including Rs. 8,137 crore through FPOs.
- Historically low yields in developed markets due to accommodative monetary policies and weak economic prospects have pushed FII inflows to emerging markets to record highs.
- Strong FII inflows, especially in H2 of 2012-13 augured well for the Indian equity market and the rupee, although the market movements were also conditioned by domestic slowdown and governance concerns. Primary equity market, however, remain subdued.
- Globally, leaders are striving to keep the pace of growth intact.

**D. REVIEW OF COMPANY'S BUSINESS OPERATIONS :**

KCL Infra Projects Limited is a Company operating in two segments – one is construction and infrastructure development segment and the other is the dealing in shares, securities and derivatives segment. During the years 2006 to 2010, the Company could not find any significant business opportunity in construction and infrastructure segment. However, from the financial year 2010-11, the company is striving hard to find various growth opportunities in construction and infrastructure segment also and during the year 2012-13, the company has earned a turnover of about Rs. 50.00 Lacs from this segment.

The Company has done the major business of dealing in shares, securities and derivatives.

The turnover of the Company in this segment accounted for about Rs. 353.10 Lacs during the year 2012-13.

The total turnover of the Company was Rs. 403.104 Lacs as compared to the turnover of Rs. 2,217.48 Lacs of the previous year 2011-12 showing an increase of 81.82%. Similarly the net profit of the Company during the year 2012-13 was Rs.17.95 Lacs as compared to the net profit of Rs.11.26 Lacs of the previous year 2011-12 showing an increase of about 59.46%.