

Creating **Landmark**
Setting **Benchmark**



KALINDEE®

29TH ANNUAL REPORT
2012-13





Annual Report 2012-2013

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Board of Directors

Mr. R. D. Sharma, Chairman cum Managing Director
Mrs. Kalpana Gemini, Whole Time Director
Mrs. Sunita Gemini, Whole Time Director
Mr. Suresh Kumar Khanna, Director
Mr. Shanti Narain, Director
Mr. Kamal Kishore Agarwal, Director
Mr. Mahendra Kumar Khanna, Director

Bankers

State Bank of India

Overseas Branch, Jawahar Vyapar Bhawan
1, Tolstoy Marg, New Delhi - 110 001

State Bank of Patiala

Commercial Branch, Chandralok Building,
36, Janpath, New Delhi - 110 001

YES Bank Ltd.

48, Nyaya Marg, Chanakyapuri,
New Delhi - 110 021

Axis Bank Limited

148, Statesman House, Barakhamba Road,
New Delhi - 110 001

Royal Bank of Scotland N.V.

"Hansalaya Building", 15, Barakhamba Road,
New Delhi - 110 001

HDFC Bank Ltd.

26, Kailash Building, K. G. Marg,
New Delhi - 110 001

Standard Chartered Bank

Narain Manzil,
23, Barakhamba Road, New Delhi - 110 001

IndusInd Bank Limited

Dr. Gopal Das Bhawan, 28,
Barakhamba Road, New Delhi - 110 001

Auditors

Amit Goyal & Co.

Chartered Accountants, A-8, II floor, Ganpati Enclave,
Ajmer Road, Jaipur - 302 005

Registered Office

F-5, Gautam Nagar,
Gulmohar Park Road, New Delhi - 110 049

Corporate Office

2nd Floor, Building No. 9A, Cyber City,
DLF Phase -III, Gurgaon - 122 002
Tel.: 0124 4674800, Fax: 0124 4674887/888

Registrar & Transfer Agent

MCS Ltd.

F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi - 110 020

Tel.: 011 41406149, Fax: 011 41709881

Email: admin@mcsdel.com

Company Secretary

Mr. Anil Sharma

Secretarial Consultants

Jatin Gupta & Associates

303, Building No. 10159, Padam Singh Road,
Karol Bagh, New Delhi - 110 005

Tel.: 011-28755214

E-mail: jatinfcs@gmail.com

Our Board of Directors



R. D. Sharma, Chairman cum Managing Director, is the founder of this company. His phenomenal entrepreneurship and vision have been the key factors for all-round growth of this company. Company has made rapid strides and diversified into many high technology areas under his leadership. Socially he is very active and has helped many in need. He is well known at all levels in Indian Railways and other Industrial circles. India Today magazine has covered his contribution to Nation Building efforts among 40 reputed leaders from different fields. He has been conferred with national and social awards.



Kalpana Gemini, Director, holds a Bachelor degree in Arts and started her career in insurance sector. She is having experience of several years in the field of handicrafts business and related exports. Further she being in the Board of Directors of a group real estate company has good experience in real estate and other infrastructure sector. She being a family member of Mr. R D Sharma and being wife of late Mr. Arvind Gemini is in the know of company affairs and its activities and has first hand experience of company business.



Sunita Gemini, Director, holds a Master degree in History and has enough exposure in the stock market operation and other business. She being a family member of Mr. RD Sharma and wife of his youngest son is in the know of company affairs since long



Suresh Kumar Khanna, Director, is a former Member (Electrical) of Railway Board (Ministry of Railways) where he looked after monitoring and planning of the working of Electrical and Signal & Telecommunication Departments of Indian Railways. He is technically sound and has expert knowledge of management of Railways. He has held various important posts in Indian Railways in Executive and Administrative capacity. He has brought his expertise and knowledge forward to help Kalindee plan for business growth.



Shanti Narain, Director, is a former Member (Transportation) of Railway Board (Ministry of Railways). He has 38 years of experience of managing Operating and Commercial Departments of Indian Railways at all levels of hierarchy including the Apex level. He has thorough knowledge and expertise in working of Railways. He has rich experience of corporate management. He is associated with NTPC where he is an Independent Director. He is also a Consultant to Asian Development Bank and Government of Bangladesh for reforms and restructuring program for Bangladesh Railways.



K. K. Agrawal, Director, has 37 years of long and wide experience of working in Indian Railways in various capacities of administrative, technical and management functions. He is a former Member (Transportation) of Railway Board (Ministry of Railways). As a Railway Board member his duties involved monitoring and guiding Commercial and Operational, Safety and Strategic Planning activities for entire network of Indian Railways. His association has been very beneficial to Kalindee in its core business.



Mahendra Kumar Khanna, Director, a retired IAS Officer, has more than 40 years of long administrative experience including six & half years in Indian Army. As an IAS officer he has held several senior assignments including Commissioner, Housing Board and Commissioner Industries in the state of Rajasthan. His immense exposure and experience in Govt. is expected to bring in certain dynamism in the company. His was inducted in the Board on 29/04/2011.

In the Annual Report we have disclosed forward looking statement /informations so as to enable investors to comprehend our prospects and take informed decisions pertaining to investments. The report and other statements that we periodically make do contain forward looking statements that set out anticipated results based on the managements' plans and various assumptions. We have tried wherever possible to identify such statements including veracity thereof by using various words such as 'anticipates' estimates', expects, projects, intends, plans, believes, and words of similar substance in connection with any discussion of future performance.

We can not guarantee that these forward looking statements will be realized, although we sincerely believe that we have been prudent in our assumptions. The achievement of these results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events, tax laws, economic development within the country and outside the country and other factors such as litigation and industrial relations and/or otherwise.

These factors including but not limited to, general market, macro economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial condition of third parties dealing with us, legislative developments, and other key factors that have been indicated could adversely affect our business and financial performance.

Kalindee undertakes no obligation to publicly revise any forward looking statements to reflect future events or circumstances.

HIGHLIGHTS 2012-13

Consolidated Turnover ₹ 257.22 crores

Improvement in turnover from ₹ 244.33 crores to ₹ 257.22 crores by 5.27%

Net income increased from ₹ 7.68 crores in the previous year to ₹ 8.09 crores

VISION

Company has a vision to get classified as a large corporate in next five years and to reach turnover of at least ₹ 2000 crores and in this regard company has already initiated necessary visionary steps including management restructuring. The sector in which your company operates has tremendous and unparalleled scope within the country itself particularly in the years to come.

MAJOR PROJECTS AT A GLANCE

- 1) Talwandi Sabo Power Ltd: Railway Siding and Linkage from Sada Singh Wala Railway station to Talwandi Sabo plant including in plant yard in village Banwala , District Mansa-Punjab
- 2) Bangalore Metro Rail Corporation Ltd (BMRC): Design, Manufacture, Supply, Installation Testing and Commissioning of Automatic Fare Collection System
- 3) Bangladesh Railway: Rehabilitation of Laksman–Chandpur section of Bangladesh Railway on turnkey basis.
- 4) Kolkata Metro Rail Corporation: Design, construction, commissioning of track work and installation of third rail (Salt lake, Sector 5-Howrah Maidan including central park depot).
- 5) Jaipur Metro: Laying and commissioning of track work and Automatic Fare Collection system (for 9 stations) of phase -1, stage -1, standard gauge corridor from Mansrovar Depot.
- 6) Design, supply of materials, installation , testing & commissioning of level crossing gates interlocking (58 gates) using MSDAC along with construction of masonry building in Sealdah division of Eastern Railway.
- 7) Rajkharswan-Dangoaposi third line: execution of the railway formation work involving blanketing, minor bridges, P way linking works and other related works for the section 1 in Chakradharpur division of South Eastern Railway.
- 8) Broad Gauge Railway siding works at 2x500MW Super Thermal Power Station, Chandrapur, Maharashtra.
- 9) Execution of Gauge conversion of metre gauge track between Lucknow & Pilibhit: construction of roadbed, bridges, electrical, signaling and telecommunication works in Lucknow and Izatnagar division of North Eastern Railway, UP, India.
- 10) Construction of roadbed, major & minor bridges, track linking and electrical works at Bhigwan Mohol section (127.14 kms) part of Daund Gulbarga doubling in Sholapur division of Central Railway) in the state of Maharashtra, India.
- 11) Construction of roadbed, major & minor bridges, civil works and track linking, general electrical work and S&T works in connection with doubling between Rani-Keshavganj (59.5 kms) on Ajmer Division of North Western Railway in Rajasthan, India.
- 12) DMRC Jaipur Metro: Commissioning of track work of Phase-I, Stage-I, standard gauge corridor from Mansrover to Chandpol.

STANDALONE FINANCIALS

Some of the basic financial indices for the review year is as under:

(all figures in INR crores)		
Particulars	2012–2013	2011–2012
Sales	257.22	244.33
Other Income	03.46	02.66
Total Income	260.68	246.99
Profit before tax, depreciation & Interest	27.65	23.44
Depreciation	01.56	01.54
Interest	13.87	10.47
Profit before tax	12.22	11.43
Net Profit	08.09	07.68
EPS	06.53	06.20

IMPORTANT COMMUNIQUE FOR MEMBERS

Accordingly, Members are requested to register their e-mail address(es) and changes therein from time to time, by directly sending the relevant email address alongwith details of name, address, Folio No., shares held:

- i) To the Registrars and Share Transfer Agents, M/s. MCS Ltd for shares held in physical form: and
- ii) In respect of shares held in demat mode, also provide DP ID/Client ID with the above details and register the same with their respective Depository Participants. Upon registration of the email address(es), the company proposes to send Notices, Annual Report and such other documents to those Members via electronic mode/e-mail.

This will lead to considerable saving in form of Paper, Despatch as part of Green initiative of MCA and Kalindee's as well.

CHAIRMANS' MESSAGE

R. D. Sharma
Chairman cum Managing Director



At Kalindee, we faced a challenging 2012-13. Rather than merely wait for better times, we worked harder with the objective to restrict the downtrend effectively and capitalise on the uptrend whenever that happens.

Dear Stakeholders,

Over the past year, Kalindee consolidated and strengthened its position in the construction industry in Financial Year 2012-13. Your company's strategy of being relevant to the customer and providing holistic solutions continued to resonate with customers. It delivered tangible results for its business in the areas of optimization, transformation and growth.

This is reflected in the comparatively better and well founded performance for FY 13. On a consolidated basis, your company achieved revenue of ₹ 260.68 crores, a growth of 5.54% over previous year.

Your company's ability to deliver growth and sustain business momentum is attributable to its ability to

- i) Remain relevant to its customers changing business needs.
- ii) Balanced portfolio of services. Despite uncertain market and macro economic conditions in FY 13, your company was able to drive growth in the industry segments in which it operates.

Our ability to co-create industry-leading solutions with customers and help them leverage new technologies is gaining traction across all segments. This momentum is reflected in strong metrics. Innovation continues to be a major area of focus for your company.

Your company's continued success is due to the dedication, commitment and performance of 500 energetic professionals, who remain its biggest asset. Your company places strong emphasis on the importance of value and ethics in the organization. The code of conduct and value system is being re-iterated to all employees to ensure that there is a strong culture of transparency and good governance across the enterprise as it grows. Your company continues to focus on other aspects that are extremely important for the development and well being of its employees.

The leadership team of your company remains confident that 2013-14 will bring better opportunities as technology plays an increasing role in the re-imagination and transformation of many industries globally. As the trusted partner to many corporations, we believe our success will lie in being able to identify new growth engines. This will help us to sustain our momentum. However we must continue to ensure cost discipline at an operational level while supporting diversified business growth.

At a time when technology is fast evolving and playing a bigger role to “grow the business”, I believe we have the opportunity to shape the future by investing ahead of the curve in building the right skills and developing opportunity in various areas. Your company is ready to anticipate and leverage the next big opportunity by identifying trends that impact business and society and shape them.

Your company was recognized by industry, customers and the media for its performance and leadership along many dimensions including overall financial performance, human resources, sustainability and individual leadership.

Looking ahead to 2013-14, there are challenges in some markets with regard to regulatory changes. Your company remains conscious of these changes and will be taking steps to ensure total compliance and also mitigate any risks arising from such changes.

On behalf of entire company and its leadership team, I want to thank each shareholder for their support and commitment to the company. It is the support of shareholders that has helped make Kalindee among the valuable companies across its segment. I look forward to your continued support as your company embarks on the next phase of its growth journey.

The just-concluded financial year marks the completion of the 29th year of our exciting journey. In a period of about three decades time, we have, as an organization, crossed frontiers we had never imagined were possible. Most importantly, we have proven that it is possible to build a competitive organization by operating legally, ethically and with fairness, transparency and integrity. Along the way, we have created jobs, improved livelihoods and enabled our company to establish its presence in the global playing field.

In every way possible, we have rewarded the people who have not only believed in the dream but have also played their part in keeping it alive. Looking back, we take pride in what we have been able to accomplish so far.

However, this journey has not been easy and we have encountered obstacles along the way. Time and again, our resilience has been put to the test. We had to overcome challenges that could have changed the fate of our organization. Be it game-changing trends in technology, industry and business models, or regulatory challenges, we had to steer ourselves clear of turbulent waters many a time. This required us to transform ourselves as an organization - to adapt to changing business environments and also the changing business priorities of our clients.