



KAUSHALYA
INFRASTRUCTURE
Development Corporation Limited
BUILDING FOUNDATIONS FOR OUR TOMORROW



ANNUAL REPORT 2010-2011

Corporate Information

BOARD OF DIRECTORS

Mr. Ramesh Kumar Mehra	Chairman
Mr. Prashant Mehra	Managing Director
Mr. Sidhnath Mehra	Whole Time Director
Mr. Mahesh Mehra	Non Executive Director
Mr. Parag Keshar Bhattacharjee	Independent Director
Mr. Rajesh Kumar Agarwal	Independent Director
Mr. Shankar Saraf	Independent Director
Mr. Sakti Pada Banerjee	Independent Director
Mr. Pradip Kumar Agarwal	Independent Director

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Neha Jain

REGISTRAR AND SHARE TRANSFER AGENT

C B Management Services Private Limited
P-22, Bondel Road
Kolkata - 700 019
Tel : 91-33-22806692/93/94/2486
Fax : 91-33-22870263
Website : www.cbmsl.com

STATUTORY AUDITORS

M/s. Sumanta & Co.
Chartered Accountants
71, B.R.B Basu Road
5th Floor, Block-C
Kolkata - 700001

BANKERS

Indian Overseas Bank
State Bank of India
Axis Bank

REGISTERED OFFICE

HB 170, Sector III
Salt Lake
Kolkata - 700106
Tel : 91-33-23344166
Fax : 91-33-23344148
Website: www.kaushalyainfrastructure.com
E mail : info@kaushalyainfrastructure.com

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Notice

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED will be held at Rabindra Okakura Bhavan, DD 27/A/1, Saltlake, Kolkata- 700 064 on Friday, the 30th day of September 2011, at 10:30 a.m. for the transaction of the following businesses :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date together with the Report of the Board of Directors and the Auditors thereon.
2. To appoint Directors in place of Mr. Parag Keshar Bhattacharjee and Mr. Sakti Pada Banerjee, who retire by rotation and being eligible, offers themselves for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT M/s. Sumanta & Co., Chartered Accountants, be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed 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 pursuant to the provisions of Section 94(1)(a) of the Companies Act, 1956, and other applicable provisions if any, the authorized share capital of the company be and is hereby increased from ₹ 250,000,000/- (Rupees Twenty Five Crores only) divided into 25,000,000 Equity Shares of ₹10/- each to ₹ 350,000,000/- (Rupees Thirty Five Crores only) divided into 35,000,000 Equity Shares of ₹ 10/- each by creation of 10,000,000 Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing equity shares.

RESOLVED FURTHER THAT consequent upon increase in share capital as aforesaid, the existing Clause V of the Memorandum of Association of the Company be and is hereby substituted by the following:

V The Authorised Capital of the Company is ₹ 350,000,000/- (Rupees Thirty Five Crores only) divided into 35,000,000 Equity Shares of ₹10/- (Rupees Ten) each with power to subdivide consolidate and increase or decrease and with power from time to time to issue any share of the original capital or any new capital with and subject to any preferential qualified or special rights, privilege or conditions as may be thought fit and upon subdivision of a share to apportion the right or participate in any manner as between the shares resulting from such sub-division.

RESOLVED FURTHER THAT the Directors of the Company be and is hereby authorized to make necessary amendments in the Memorandum of Association of the Company and do all such acts, deeds and things as may be necessary to give effect to the above resolution."

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to provisions of Section 81(1A) and other provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof for the time being in force) and subject to the provisions of the Memorandum of Association and the Articles of Association of the Company, the Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited and National Stock Exchange of India Limited ("Stock Exchanges") where the equity shares of the Company are listed and the Regulations for preferential issue issued by the Securities and Exchange Board of India ("SEBI") under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR Regulations") and other applicable rules, regulations, clarifications and/or guidelines, if any, of SEBI and such other authorities as may be applicable and as amended till date and subject to the requisite approvals or consents, if any, of the Central Government, Reserve Bank of India, Stock Exchange, SEBI, Banks and Financial Institutions and any other appropriate authorities, institutions, bodies under any other applicable laws, statutes, rules and regulations for the time being and from time to time in force and further subject to such terms, conditions, stipulations and modifications as may be prescribed, imposed or suggested by any of them while granting such approvals which the Board of Directors (which terms shall include any Committee or Managing Director or Officer authorized by the Board) be and is hereby authorized to accept and subject to such conditions and modifications as may be considered appropriate by the Board, consent of

Notice

the Company be and is hereby accorded to the Board (with powers to delegate all, or any of the powers hereby conferred to any duly authorized committee thereof) to create, offer, issue and allot on preferential basis, at its sole and absolute discretion, 15,025,000 (One Crore Fifty Lacs Twenty Five Thousand) Warrants of nominal value of ₹ 10/- each at a price of ₹ 11/- per Warrant (including a premium of ₹ 1/- per Warrant) which price is not less than the price calculated as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 aggregating to an amount of ₹ 165,275,000 (Rupees Sixteen Crore Fifty Two Lacs Seventy Five Thousand only) to following allottees; each warrant convertible into 1 (ONE) fully paid-up Equity Shares of nominal value ₹ 10/- each at a premium of ₹ 1/- so that the total number of Equity Shares issued by the Company upon conversion of Warrants does not exceed 15,025,000 (One Crore Fifty Lacs Twenty Five Thousand) Equity Shares, on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment.

Name of Allottee (Promoter Group)	NO. OF WARRANTS
Ramesh Kumar Mehra (HUF)	820,000
Prashant Mehra	820,000
Mahanti Engineers Private Limited	2,000,000
Keleenworth Marketing Private Limited	2,000,000
Sun Kissed Merchandise Private Limited	2,060,000
Total Promoter Contribution (A)	7,700,000
Name of Allottee (Non-Promoter)	
Shivom Investment & Consultancy Limited	1,500,000
Indian Infotech & Software Limited	1,500,000
Shivgagan Consultancy Private Limited	1,500,000
Tribhuwan Advisory Private Limited	1,500,000
Trilok Advisory Private Limited	1,325,000
Total Non Promoter Contribution (B)	7,325,000
Total (A + B)	15,025,000

RESOLVED FURTHER THAT the 'Relevant Date' in relation to issue of Warrants in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be August 31, 2011 being the date prior to 30 days before the date of passing this resolution.

RESOLVED FURTHER THAT the issue of Convertible Warrants, as above, shall be subject to the following terms and conditions :

- The Warrant shall be convertible [at the sole option of the Warrant holder(s)] at any time within a period of 18 months from the date of allotment hereof;
- The Warrant holder shall on the date of the allotment, pay an amount equivalent to 25% of the total consideration per Warrant;
- The Warrant holder shall, on the date of allotment of equity shares pursuant to the exercise of option against each such Warrant, pay the balance 75% of the consideration;
- The amount referred to in (b) above shall be non-interest bearing and shall be forfeited, if the option to acquire shares is not exercised within a period of 18 months from the date of allotment hereof;
- The number of Warrants and the price per Warrant shall be appropriately adjusted, subject to the Companies Act, 1956 and SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for corporate actions such as bonus issue, stock split, merger, demerger, transfer of undertaking, sale of a division or any such capital or corporate restructuring;

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- (f) The lock-in of shares acquired by exercise of warrants shall be applicable for period specified under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 from the date of allotment of shares.

RESOLVED FURTHER THAT the Warrants shall be allotted within a period of fifteen (15) days from the date of passing of this special resolution provided that where the allotment of Warrants is pending on account of pendency of any approvals for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under the applicable SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

RESOLVED FURTHER THAT the Equity Shares issued and allotted on conversion of Warrants shall rank pari passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the entire pre-issue shareholding of the above allottees, if any, shall be under lock-in from the relevant date up to a period of six months from the date of preferential allotment or such other period as may be applicable under the applicable SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time.

RESOLVED FURTHER THAT on conversion of the Warrants into Equity shares, the said Equity shares shall be listed on the Stock Exchanges on which the existing equity shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may, at its discretion deem necessary or desirable for such purpose, including without limitation, appointment of consultants, solicitors, merchant bankers, or any other agencies as may be required, and entering into arrangements for listing, trading, depository services and such other arrangements and agreements as may be necessary, and also to seek listing of the equity shares issued pursuant to conversion of Warrants with any Indian stock exchanges with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard to any such issue, offer or allotment of Warrants and in complying with any regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authorities of this resolution."

Registered Office :
HB-170, Sector III, Saltlake
Kolkata - 700106
Date : August 31, 2011

By Order of the Board
For **Kaushalya Infrastructure Development Corporation Ltd.**

Neha Jain
Company Secretary

NOTES :

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING AND SHALL NOT VOTE EXCEPT ON A POLL. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- Corporate members are required to send to the Company a duly certified Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote on their behalf at the Meeting.
- Members/Proxies are requested to bring the attendance slips duly filled in along with copy of the Annual Report at the Meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The relevant explanatory statements pursuant to Section 173(2) of the Companies Act, 1956, in respect of special business set out in the notice are annexed hereto.
- Relevant documents referred to in this notice and explanatory statements are open for inspection by members at the registered office of the Company on all working days except Saturdays and holidays between 11.00 A.M. to 1.00 P.M. up to the date of Annual General Meeting.

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7. Members are requested to quote their Registered Folio Number or Demat Account Number and Depository Participant (D.P.) Id Number on all correspondence with the Company.
8. Members are requested to send/notify the change of name, address, bank details, nomination, power of attorney, email address etc. to :
 - (a) the Company's Registrar and Share Transfer Agent, M/s. CB Management Services Private Limited, P-22, Bondel Road, Kolkata - 700019 in case of shares held in physical form.
 - (b) their respective Depository Participants, in case of shares held in electronic form.
9. No gift will be distributed at the Annual General Meeting.
10. The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2011 to September 30, 2011 (both days inclusive).
11. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready at the meeting.
12. As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges the relevant details of Directors seeking appointment/reappointment at the Annual General Meeting are annexed herewith.
13. Pursuant to Section 109A of the Companies Act, 1956 individual shareholders holding shares in the company singly or jointly may nominate an individual to whom all the rights in the Shares in the Company shall vest in the event of death of the sole / all joint shareholders.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 FORMING PART OF THE NOTICE CONVENING ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY.

Item No. 1

The Authorised Share Capital of your Company is presently ₹ 250,000,000/- (Rupees Twenty Five Crores only) divided into 25,000,000 Equity shares of ₹ 10/-. In order to accommodate the issue of convertible warrants as mentioned in Item No. 2 of this Notice, it is necessary to increase the authorized share capital of the Company in the manner mentioned in the resolution.

Any such increase in authorized share capital of the company would require the approval of the shareholders in the general meeting under section 94 of the Companies Act, 1956.

The Board, therefore, recommends the resolution as set out above for your approval by an Ordinary Resolution.

None of the directors of the company are concerned or interested in the above resolution except to the extent of their shareholding, if any.

Item No. 2

Your Company is in the business of developing infrastructure and with a view to tap the emerging opportunities in real estate and other infrastructure businesses in India, Kaushalya Township Private Limited, Kaushalya Nirman Private Limited, Orion Abasaan Private Limited and Bengal KDC Housing Development Limited, subsidiaries of the Company are engaged in the business of construction and development of real estate projects. Additionally your company requires funds for long term working capital and for development of its businesses. To meet the business needs of the said subsidiaries, long term working capital requirements, business development requirements, investment in Joint Ventures including one with NACC (New Asian Construction Company) where the company owns 90% share in EPC Construction of small hydro electric project at Swarigarh and other joint ventures, the Board has decided to go for preferential allotment of 15,025,000 (One Crore Fifty Lacs Twenty Five Thousand) Warrants of ₹10/- each at ₹ 11/- per Warrant (including premium of ₹ 1/-) in terms of the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 and subsequent amendments there to from time to time. As mandated by the said Regulations the Board submits the following for the information of the members:

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The Company has received inclination from the prospective persons to acquire Warrants in the Company and the respective allottees are as under :-

Sl. No	Name of Allottees	No. of Warrants	Category
1.	Ramesh Kumar Mehra (HUF)	820,000	Promoter
2.	Prashant Mehra	820,000	Promoter
3.	Mahanti Engineers Private Limited	2,000,000	Promoter
4.	Keleenworth Marketing Private Limited	2,000,000	Promoter
5.	Sun Kissed Merchandise Private Limited	2,060,000	Promoter
6.	Shivom Investment & Consultancy Limited	1,500,000	Public
7.	Indian Infotech & Software Limited	1,500,000	Public
8.	Shivgagan Consultancy Private Limited	1,500,000	Public
9.	Tribhuwan Advisory Private Limited	1,500,000	Public
10.	Trilok Advisory Private Limited	1,325,000	Public
	TOTAL	15,025,000	

Hereinafter the aforesaid persons shall be collectively and individually called as “proposed allottee/(s)”

Information as required under regulation 73 of the SEBI (ICDR) Regulations, 2009 is as under:

a) Objects of the Issue

The object of the present issue is to finance Investment in subsidiaries (Kaushalya Township Private Limited, Kaushalya Nirman Private Limited, Orion Abasaan Private Limited and Bengal KDC Housing Development Limited) engaged in the business of construction and development of real estate projects. To meet the business needs for long term working capital requirements, business development requirements, investment in Joint Ventures including with NACC where the company owns 90% share in EPC Construction of small hydro electric project at Swarigarh and other joint ventures.

b) Relevant Date & Price

As per Chapter VII of the SEBI (ICDR) Regulations, 2009 issue of convertible warrants on a preferential basis to an investor, shall be made at a price not less than higher of the following :

The average of the weekly high and low of the closing prices of the equity shares quoted on the stock exchange during the six months preceding the relevant date or

The average of the weekly high and low of the closing prices of the equity shares quoted on the stock exchange during the two weeks preceding the relevant date.

The “Relevant Date” for determining the issue price of the preferential issue of Warrants shall be August 31, 2011 being the date which is 30 days prior to the date on which the Annual General Meeting is to be held to consider the proposed issue under Section 81(1A) of the Companies Act, 1956. As the date of Annual General Meeting of shareholders is on September 30, 2011, the “relevant date” is August 31, 2011.

The Stock Exchange means National Stock Exchange of India Limited being the exchange where the highest trading volume in respect of the shares of the Company has been recorded during the preceding six months prior to the Relevant Date.

The average price as computed on the above basis during the six months preceding the Relevant Date is ₹ 10.38 per Equity Share where as during the two weeks preceding the Relevant Date is ₹ 8.54 per Equity Share. Hence the floor price is ₹ 10.38 per Equity Share.

The price at which the preferential issue of Convertible Warrants is being made i.e. ₹ 11/- per equity share is higher than the floor price computed on the basis of the SEBI (ICDR) Regulations, 2009.

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c) Intention of Promoters / Directors / Key Management Persons to subscribe to the Offer:

The Promoter group intends to subscribe to the extent of 7,700,000 Warrants being 22.23% of the post issue capital of the Company.

d) Shareholding Pattern before and after the conversion of Warrants :

Category of Shareholder	PRE ISSUE		POST ISSUE	
	Total number of shares	Total shareholding as a percentage of total number of shares	Total number of shares	Total shareholding as a percentage of total number of shares
PROMOTERS' HOLDING				
Indian Promoters				
Individuals	1,498,780	7.64	3,138,780	9.06
Bodies Corporate	8,606,850	43.90	14,666,850	42.36
Sub-Total (A)(1)	10,105,630	51.54	17,805,630	51.42
Foreign Promoters'	-	-	-	-
Sub-Total(A)(2)	-	-	-	-
Total A (1+2)	10,105,630	51.54	17,805,630	51.42
PUBLIC SHAREHOLDING				
Institutions				
Mutual Funds/ UTI	-	-	-	-
Financial Institutions/ Bank	-	-	-	-
Foreign Institutional Investors	-	-	-	-
Sub-Total(B)(1)	-	-	-	-
Non-Institutions				
Bodies Corporate	1,041,522	5.31	8,366,522	24.16
Individuals shareholders holding nominal share capital upto ₹1 Lac	7,739,990	39.48	7,739,990	22.35
Individual shareholders holding nominal share capital in excess of ₹ 1 Lac	464,855	2.37	464,855	1.34
Any other				
Clearing Member	97,717	0.50	97,717	0.28
NRI-REP	131,694	0.67	131,694	0.38
NRI-NON REP	24,222	0.12	24,222	0.07
Sub-Total(B)(2)	9,500,000	48.46	16,825,000	48.58
Total Public Shareholding B (1+2)	9,500,000	48.46	16,825,000	48.58
TOTAL (A)+(B)	19,605,630	100.00	34,630,630	100.00
Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	19,605,630	100.00	34,630,630	100.00

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e) Proposed time within which allotment shall be completed

The allotment of Warrants pursuant to this resolution will be completed within 15 days from the passing of this resolution. Provided that if the approval or permission by any regulatory authority or the Central Government for allotment is pending, the period of 15 days shall be counted from the date of such approval or permission, as the case may be.

f) Identity and details of the proposed allottees :

Sl. No.	Name	Category	Address	Pre-Issue Holding	% of Pre-Issue Holding	No. of Shares (Proposed for Allotment)	Post Issue Holding	% Post Issue Holding
1	Ramesh Kumar Mehra (HUF)	Promoter	10/1 Park Lane, Kolkata-700016	18,000	0.09	820,000	838,000	2.42
2	Prashant Mehra	Promoter	10/1 Park Lane, Kolkata-700016	97,760	0.50	820,000	917,760	2.65
3	Mahanti Engineers Private Limited	Promoter	69, Girish Park North, Kolkata -700006	3,307,600	16.87	2,000,000	5,307,600	15.33
4	Keleenworth Marketing Private Limited	Promoter	69, Girish Park North, Kolkata -700006	2,336,350	11.92	2,000,000	4,336,350	12.52
5	Sun Kissed Merchandise Private Limited	Promoter	160, Jamunalal Bajaj Street, Kolkata -700 007	2,962,900	15.11	2,060,000	5,022,900	14.50
6	Shivom Investment & Consultancy Limited	Public	9, Crooked Lane 2nd Floor, Kolkata - 700 069	-	-	1,500,000	1,500,000	4.33
7	Indian Infotech & Software Limited	Public	Empire House, 3rd Floor, 214 DR. D. N. Road, Fort, Mumbai - 400 001	-	-	1,500,000	1,500,000	4.33
8	Shivgagan Consultancy Private Limited	Public	Hastings Chamber, 7C, K. S. Roy Road 1st Floor, Room No. 1M, Kolkata - 700 001	-	-	1,500,000	1,500,000	4.33
9	Tribhuwan Advisory Private Limited	Public	Hastings Chamber, 7C, K. S. Roy Road, 1st Floor, Room No. 1M, Kolkata - 700 001	-	-	1,500,000	1,500,000	4.33
10	Trilok Advisory Private Limited	Public	Hastings Chamber, 7C, K. S. Roy Road, 1st Floor, Room No. 1M, Kolkata - 700 001	-	-	1,325,000	1,325,000	3.83

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g) **Change in Control or composition of the Board :**

The allotment would not result in any change in control over the Company or the management of the affairs of the Company and the existing Promoters/Directors of the Company will continue to be in control of the Company.

h) **Auditors' Certificate :**

M/s Sumanta & Co., Chartered Accountants, Statutory Auditors of the company have certified that the proposed preferential issue of convertible warrants is being made in accordance with the requirements contained in SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009 for Preferential Issue. A copy of the said certificate is available for inspection by the shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and public holidays between 11.00 A.M. to 1.00 P.M. prior to the date of the Annual General Meeting and will also be available for inspection at the Meeting.

i) **Lock-in of proposed issue of shares :**

The equity shares allotted pursuant to exercise of options attached to warrants proposed to be issued to above proposed allottees shall be locked in for a period from the date of allotment in terms of Regulation 78 of SEBI Regulations for preferential allotment contained in Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Further the entire pre-allotment shareholding of the proposed allottees, if any, shall be locked-in from the relevant date upto a period of six months from the date of preferential allotment of shares.

j) **Undertaking :**

The Company hereby undertakes that :

The Company shall re-compute the price of the specified securities in term of the provisions of these Regulations where it is required to do so.

If the amount payable on account of the re-computation of the price is not paid within the time stipulated in the Regulations, the specified securities shall be continue to be locked-in till the time such amount is paid by the proposed allottees.

As per Section 81 of the Companies Act, 1956 and the provisions of the Listing Agreement which have been entered into by the Company with the Stock Exchanges on which the shares of the Company are listed, as and when it is proposed to increase the shares of the Company by allotment of further shares, such shares shall be first offered to the existing shareholders of the Company in the manner laid down under Section 81 unless the shareholders in general meeting decide otherwise by passing a special resolution.

Hence, the consent of the shareholders by way of special resolution is being sought for issue of Convertible Warrants on preferential basis.

The Board recommends the resolution for your approval.

None of the Directors except Mr. Ramesh Kumar Mehra and Mr. Prashant Mehra being the allottees and Mr. Mahesh Mehra and Mr. Sidhnath Mehra being the promoters of allottee companies are concerned or deemed to be interested in the said resolution.

Registered Office :
HB-170, Sector III, Saltlake
Kolkata - 700106
Date : August 31, 2011

By Order of the Board
For **Kaushalya Infrastructure Development Corporation Ltd.**

Neha Jain
Company Secretary