

Kedia Construction Co. Limited

**32nd Annual Report
2012-2013**

Board of Directors

Mr. Nitin Kedia – Chairman
Mr. Vijay P. Khowala – Wholetime Director
Mr. Murlidhar J.Gupta – Director

Bankers

Kotak Mahindra Bank Ltd.
HDFC Bank Limited

Auditors

Jajodia & Company
Chartered Accountants

Legal Advisors

Narayanan & Narayanan
Advocate & Solicitor

Registered Office

A-232, Building No. 3,
Rahul Mittal Industrial Estate,
Sir. M. V. Road, Andheri (East),
Mumbai – 400 059

Corporate Office

Prestige Precinct, 3rd Floor,
Almeida Road, Panchpakhadi,
Thane (West) – 400 601

Registrar & Share Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.
Unit No. 1, Luthra Industrial Premises,
Andheri-Kurla Road, Safed Pool,
Andheri (East), Mumbai – 400 072

NOTICE

NOTICE is hereby given that the **Thirty-Second Annual General Meeting** of the **Kedia Construction Co. Limited**, the Company will be held at **Hotel Satkar Residency, Pokhran Road No. 1, Next to Cadbury, Thane (West) - 400 606** on **Thursday the 19th September, 2013 at 1.30 p.m.**, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2013 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Directors in place of Mr. Nitin S. Kedia who retires by rotation and being eligible, offers him self for re-appointment.
3. To appoint Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.
4. To consider, discuss, approve and/or pass any other matter with the permission of chairman of the meeting.

By Order of the Board of Directors

Vijay P. Khowala
Wholetime Director

Mumbai, the 30th day of May, 2013

Notes:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be the member of the Company. Proxies, in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited Companies, societies, partnership firms etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
2. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
3. Members who hold shares in dematerialised form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their folio number in attendance slip in attending the Meeting.
4. Incase of Joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Company's Register of Members and share transfer books will remain closed from **13th September, 2013 to 19th September, 2013** both days inclusive.
6. As per the provisions of the Companies Act, 1956, facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Share Registrar of the Company.
7. 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.

By Order of the Board of Directors

Vijay P. Khowala
Wholetime Director

Mumbai, the 30th day of May, 2013

Directors' Report

To,

The Members,

Your Directors have pleasure in submitting the **Thirty-Second Annual Report** on the business and operation of the Company along with the Audited Accounts for the financial year ended 31st March, 2013.

Financial Result

The performance of the Company for the financial year ended 31st March, 2013 is summarized below:

Sr. No.	Particulars	Current Year (₹)	Previous Year (₹)
a.	Total Income	10,32,799	9,52,797
b.	Total Expenditure	10,04,059	8,47,318
c.	Profit before depreciation & amortization	19,335	1,05,479
d.	Profit before Taxes	11,610	96,047
e.	Tax Expenses including Deferred Tax	5,179	29,681
f.	Profit after Taxes	6,431	66,366
g.	Add : Balance brought forward from previous year	4,87,271	4,20,905
h.	Amount available for appropriation	4,93,702	4,87,271
i.	Proposed Dividend (Including tax) on Equity Shares	Nil	Nil
k.	Net Balance carried to Profit & Loss Account	4,93,702	4,87,271

Dividend

In order to conserve the resources for future, your Directors do not recommend any dividend.

Operating Result and Profit

The Company has an income aggregating ₹ 10.33 Lacs as against ₹ 9.53 Lacs in previous year. The Profit before taxes in the current year is ₹ 0.12 Lacs as against ₹ 0.96 Lacs in the previous year and profit after taxes are ₹ 0.06 Lacs as against ₹ 0.66 Lacs in the in the previous year.

Future Outlook

The Company's plans for securing the growth is under way and appropriate action will be taken in future at appropriate time for future development.

Fixed Deposit

During the year under review, the Company has not raised any funds by way of fixed deposits and as such, no amount of principal or interest was outstanding as of the balance sheet date.

Internal Audit System

The Company's has in house Internal Audit department commensurate with its nature and size of the Company.

Internal Control System and Its Adequacy

The Company has a proper and adequate internal control system for all its activities including safeguarding and protecting its assets against any loss from its unauthorized use of disposition. All transaction are properly documented, authorized, recorded and reported correctly. The Company has well defined Management Reports on key performance indicators. The systems are reviewed continuously and its improvement and effectiveness is enhanced based on the reports from various fields.

Particulars of Employees

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employee) Rules, 1975, names and other particulars of the employees required are not given as none of the employee is covered under the said provisions of the Act.

Conservation Of Energy and Technology Absorption and Foreign Exchange Earning & Outgo

The Company has taken all possible measures for the conservation of energy by undertaking required steps. The information regarding the foreign exchange earnings and outgo is not applicable hence there is no such transactions.

Auditor's Report

There are no qualifications in the report of the statutory auditors for the year 2012-13.

Code of Conduct

In terms of requirement of Clause 49 of the Listing Agreement, the Company has received certificate from all its Senior Management personnel and Members of the Board about the compliance of Code of Conduct as laid down by the Board.

Management Discussion and Analysis and Corporate Governance Report

In compliance with clause 49 of the Listing Agreement entered in with the Stock Exchanges, a separate section on Management Discussion and Analysis that includes details on the state of affairs of the Company as required to be disclosed in the Directors Report forms part of this Annual Report. Further, the Corporate Governance Report, as approved by the Board of Directors, together with a certificate from the Statutory Auditors confirming the compliance with requirements of Clause 49 of the Listing Agreement also forms part of Annual Report.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility, It is hereby confirmed that:

- (i) In presentation of the Annual Accounts, the applicable Accounting Standards have been followed with proper explanation relating to material departure.
- (ii) The accounting policies have been consistently applied and reasonable, prudent judgment and estimates are made so as to give true and fair view of the state of affairs of your Company as at 31st March 2013.
- (iii) The proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities.
- (iv) That the annual accounts of your Company have been prepared on going concern basis.

Statutory Auditors

M/s. Jajodia and Company, Chartered Accountants, Auditor of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is recommended for re-appointment and to fix their remuneration. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

Acknowledgements

The Directors wish to convey their appreciation to all the Company employees for their enormous personal efforts as well as their collective contribution to Company's record performance.

The Directors would also like to thank Shareholders, Customers, Dealers, Suppliers, Bankers, Financial Institutions, Government Authorities and all Other Business Associates for the continued support given by them to the Company and their confidence in the Management.

By Order of the Board of Directors

Vijay P. Khowala
Wholetime Director

Mumbai, the 30th day of May, 2013

**Management Discussions and Analysis forming part of Director's Report
for the year ended 31st March, 2013.****Industry Structure and Development**

The Company caters the need of Building Construction field and other allied Labour work for allied connected work. The growth of housing is related to construction and as such it is also connected to core sector industries like Cement, Iron & steel and Housing finance. Since Company has already entered into the field of infrastructure development project as a partner in existing firm also planning through its associates on selective basis, it is belief that Company will be able to achieve reasonably good position in the market as soon as projects takeoff.

Opportunities and Threats

India maintained its growth momentum on the relatively strong foundation. The Company's main thrust is to satisfy the requirement of potential customer in timely manner and at reasonable price. To meet the demand of customers in the field of Infrastructure Project and entering in this field is a new challenge but Company wants to grab the opportunity in this field at right time.

Outlook

In the wake of the Indian economy anticipated to grow at around 6% during the fiscal 2013-14, the business prospects for the coming years look satisfactory on positive note. The structural position of the Indian economy also seems to be stable with a manageable fiscal deficit and current account deficit.

Under such circumstances, business gives right signals of growth & improvement and to avail of all such growth opportunities. The Board, therefore, considers that the Company should be managed in controlled manner.

Risk and Concerns

The Company considers good corporate governance as a pre-requisite for meeting the needs and aspiration of its shareholders. The main risk to the Company which may arise is mainly due to Government policies and decisions, Market Fluctuations in prices of shares & securities, Exchange rate fluctuations, Investment decisions, etc.

Segment or Product wise Performance

The Company is operating in one segment known as construction activity. The product wise comparison is not possible as it is not producing the product but it is undertaking the project. Hence performance can be compared on project completion as such performance of the Company has to be seen in overall manner.

Internal control System and Their Adequacy

The Company has developed adequate internal control system commensurate to its size and business. The Company has Internal Auditors, to conduct the internal audit to ensure adequacy of internal control system, compliance of rules and regulations of the country and adherence to the management policies.

Financial Performance with respect to Operational Performance

The Company has registered a turnover of ₹ 10.33 Lacs and Profit before depreciation and a tax were ₹ 0.19 Lacs. The depreciation provided during the year was ₹ 0.08 Lacs and provision for taxes was ₹ 0.05 Lacs, the net profit for the year after tax was ₹ 0.06 Lacs.

Human Resources

During the year, Company maintained harmonious and cordial relations. No man days lost due to any reason.

Disclosure by the Senior Management Personnel i.e. one level below the Board including all HOD's

None of the Senior Management Personnel has financial and commercial transaction with the Company, where they have personal interest that would have a potential conflict with the interest of the Company at large.

Cautionary statement

The statements in this management discussion and analysis describing the outlook may be "forward looking statement" within the meaning of applicable laws and regulations. Actual result might differ substantially or materially from those expected due to the developments that could affect the company's operations. The factors like significant change in political and economic environment, tax laws, litigation, technology, fluctuations in material cost etc. may deviate the outlook and result.