



Creating Highways to Success



Annual Report 2012-2013

MBL Infrastructures Limited

FORWARD LOOKING STATEMENTS

Statements in the Management Discussion and Analysis Report with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information gathered from various published and unpublished reports, their accuracy, reliability and completeness cannot be assured.



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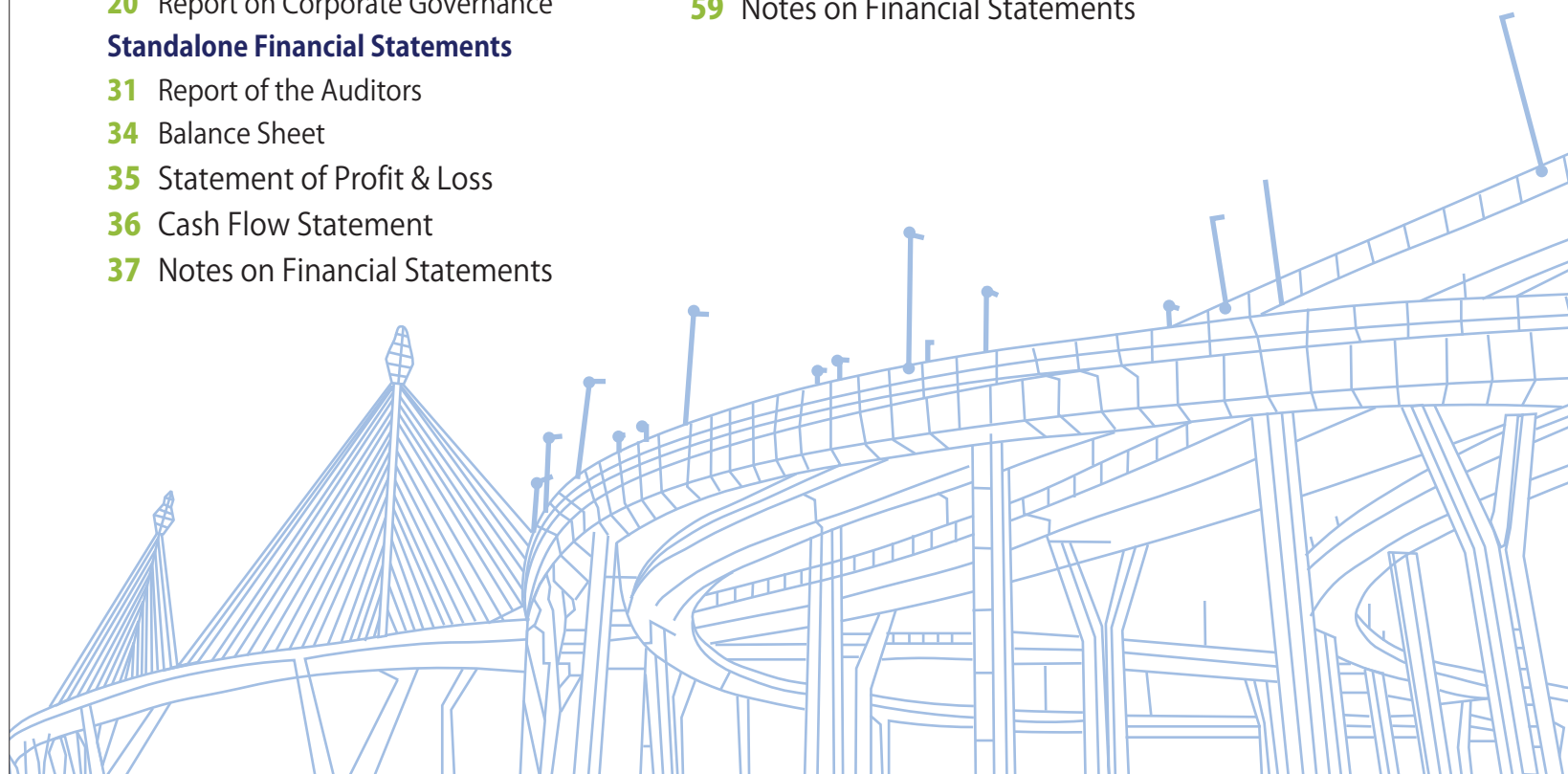
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CORPORATE INFORMATION

Directors

Mr. Anjanee Kumar Lakhota
Chairman

Mr. Maruti Maheshwari
Executive Director

Mr. Ashwini Kumar Singh
Independent Director

Mr. Kumar Singh Baghel
Independent Director

Mr. Ram Dayal Modi
Independent Director

Mr. Bhagwan Singh Duggal
Independent Director
(Appointed as Additional
Director w.e.f. 13.07.2013)

GM (Finance & Accounts)

Mr. Manoj Adukia

Company Secretary

Mr. Vivek Jain

Bankers & Financial Institutions

State Bank of Mysore
State Bank of Bikaner & Jaipur
Bank of Baroda
Oriental Bank of Commerce
State Bank of Patiala
Allahabad Bank
Indusind Bank Limited
Yes Bank Limited
Punjab National Bank
Corporation Bank
Bank of India
DBS Bank Limited
Standard Chartered Bank
Punjab National Bank
(International) Limited

Auditors

M/s. Agrawal S. Kumar & Associates
21, Hemanta Basu Sarani,
3rd Floor, Room No. 306,
'CENTRE POINT', Kolkata - 700 001
Phone: 033-30288500-512
Fax: 033-30288499

Registrar & Share Transfer Agent

Kolkata Office:
Link Intime India Pvt. Ltd.
59C, Chowringhee Road,
3rd Floor, Kolkata - 700 020
Phone : 033-22890540
Fax: 033-22890539
Email: kolkata@linkintime.co.in

Registered Office

Divine Bliss, 1st Floor,
2/3, Judges Court Road,
Kolkata - 700027.
Phone: 033-3341 1800
Fax: 033-3341 1801
Email : kolkata@mblinfra.com
Website: www.mblinfra.com

Corporate Office

Bani Corporate One
Suite No. 303, 3rd Floor,
Plot No. 5, Commercial Centre
Jasola, New Delhi - 110076.
Phone: 011- 4959 3300 - 10
Fax: 011- 4959 3320
E-mail: delhi@mblinfra.com



VISION

To be a leading infrastructure enterprise committed to quality, customer satisfaction, excellence and enhancement of stakeholder value.



MISSION

- ✓ To serve in building the nation
- ✓ To become the customers' most preferred choice
- ✓ To create maximum value for stakeholders
- ✓ To enhance support to our associates
- ✓ To deliver timely output with the highest quality standards
- ✓ To encourage innovation, excellence, integrity, professionalism and team work with an optimum mix of latest technologies, human intelligence and enterprise
- ✓ To ensure a safe work environment
- ✓ To implement environmental and eco-friendly measures towards our commitment to a cleaner and greener world
- ✓ To contribute to the society as a part of our corporate social responsibility



Directors' Report

Dear Members,

The Board of Directors is pleased to present the Eighteenth Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March 2013.

The financial highlights are as under:

	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Gross Revenue	134404.00	125320.59	135701.68	126743.07
Earnings Before Interest, Taxes and Depreciation	13256.78	15747.73	14500.49	17002.67
Less : Interest & Finance Charges	5128.81	4603.14	5768.31	5310.52
Less : Depreciation	712.34	787.50	1109.36	1130.42
Profit Before Tax	7415.63	10357.09	7622.82	10561.73
Provision for Tax	1500.00	2760.00	1575.10	2799.00
Deferred Tax (Net)	383.00	513.23	383.00	513.23
Profit After Tax	5532.63	7083.86	5664.72	7249.50
Balance Brought Forward From Last Year	5794.04	4320.84	6287.62	4648.78
Amount Available for Appropriation	11326.67	11404.70	11952.34	11898.28
Appropriations :				
Interim Dividend	-	262.71	-	262.71
Proposed Dividend	525.41	262.71	525.41	262.71
Corporate Dividend Tax	85.23	85.24	85.23	85.24
Transfer to General Reserve	5000.00	5000.00	5000.00	5000.00
Balance Carried To Balance Sheet	5716.03	5794.04	6341.70	6287.62

Review of Operations

Your Company achieved total income of ₹ 1,34,404.00 Lakhs with Earnings Before Interest, Taxes and Depreciation (EBIDTA) of ₹ 13,256.78 Lakhs for the year ended 31st March, 2013 as against the total income of ₹ 1,25,320.59 Lakhs and EBIDTA of ₹ 15,747.73 Lakhs for the previous financial year. After providing for interest of ₹ 5,128.81 Lakhs and ₹ 712.34 Lakhs for depreciation, the Profit Before Tax is ₹ 7,415.63 Lakhs against the Profit Before Tax of ₹ 10,357.09 Lakhs for the previous financial year. The Net Profit After Tax for the year ended 31st March, 2013 is ₹ 5,532.63 Lakhs as against ₹ 7,083.86 Lakhs for the previous financial year.

Your Company has bagged prestigious orders across various segments of construction business, viz., Roads, Highways, Railways, Buildings and Housing. In terms of Order Book, the Company is in the right direction. The Order Book of the Company stood at ₹ 2,99,186.10 Lakhs as at 31st March, 2013.

Dividend

The Board of Directors is pleased to recommend a dividend of ₹ 3.00 (i.e. 30%) per equity share of the face value of ₹ 10/- each, to the shareholders, subject to approval of the members at the forthcoming Annual General Meeting.

Capital Expenditure

During the year under review, the Company has made additions of ₹ 3,403.19 Lakhs to its fixed assets.

BOT Projects and Subsidiary Companies

At the beginning of the year, your Company had 3 Subsidiary Companies, during the year under review, the following Subsidiaries have been added:

Name of the Company	Subsidiary since
Suratgarh Bikaner Toll Road Company Private Limited	25.03.2013
MBL (MP) Road Nirman Company Limited	07.03.2013
MBL Projects Limited	12.12.2012

BOT/OMT Projects

A summary of the BOT/OMT projects under execution is as under:

Project	SPV	Type	Current Status
114.00 kms long Seoni-Balaghat-Gondia Road in the State of Madhya Pradesh.	AAP Infrastructure Limited	Toll	Operational. (Toll Collection ₹ 1,571 Lakhs in 2012-13)
75.60 kms BOT project of Seoni-Katangi - Maharashtra Border Section of State Highway-54.	MBL Highway Development Company Limited	Toll + Grant / Subsidy of ₹ 5,950 Lakhs	Construction work is in Progress.
Strengthening, Widening, Maintaining and Operating of 18.303 kms Waraseoni-Lalbarra Road in the State of Madhya Pradesh.	MBL (MP) Toll Road Company Limited	Toll + Annuity of ₹ 8,476 Lakhs (₹ 326 Lakhs Semi-annual)	Construction work is in Progress.
Developing and Operation of Bikaner – Suratgarh Section of NH – 15 in the State of Rajasthan.	Suratgarh Bikaner Toll Road Company Private Limited	Toll	Financial Closure achieved. Work is in Progress.
Developing a 46.98 kms road from Garra-Waraseoni upto Maharashtra Border in the State of Madhya Pradesh.	MBL (MP) Road Nirman Company Limited	Toll + Annuity of ₹ 21,190 Lakhs (₹ 815 Lakhs Semi-annual)	Concession Agreement has been signed.
Operation and Maintenance of Kolaghat – Haldia Section from km 0.00 to kms 52.70 of NH – 41 (Total Length 52.70 kms) on OMT Basis in the State of West Bengal.	MBL (Haldia) Toll Road Company Limited	Toll	Concession Agreement has been signed.

Note on Particulars required as per Section 212 of the Companies Act, 1956

In terms of the provisions of Section 212 of the Companies Act, 1956, the Company was required to attach the Annual Reports of the Subsidiary Companies and the related detailed information to the Balance Sheet of the Holding Company. However, the Ministry of Corporate Affairs vide their General Circular No. 2/2011 dated 8th February, 2011 read together with General Circular No. 3/2011 dated 21st February, 2011, granted general exemption to the companies under Section 212(8) of the Companies Act, 1956 from the requirement to attach detailed financial statements of each Subsidiary Company. Accordingly, the Annual Report does not contain the financial statements of the subsidiaries. The detailed financial statements and audit reports of each Subsidiary Company are available for inspection at the Registered Office of the Company and the concerned Subsidiary Company. Upon written request from a Shareholder, your Company will arrange to send the financial statements of Subsidiary Companies to the said Shareholder.

A statement pursuant to Section 212(1)(e) and 212(8) of the Companies Act, 1956, is annexed herewith as Annexure A.

Consolidated Financial Statements and Results

Your Company has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards. The Consolidated Financial Statements reflect the results of the Company and that of its subsidiaries. As required by Clause 32 of the Listing Agreement with Stock Exchanges, the Audited Consolidated Financial Statements together with the Auditors' Report thereon are annexed and form part of this Annual Report.

Upon consolidation, the turnover of the Company and its subsidiaries has moved from ₹ 1,26,743.07 Lakhs for the previous financial year to ₹ 1,35,701.68 Lakhs in the financial year 2012-2013. The Earnings Before Interest, Tax and Depreciation (EBIDTA) is ₹ 14,500.49 Lakhs against ₹ 17,002.67 Lakhs in the previous financial year, the Net Profit After Tax (PAT) stands at ₹ 5,664.72 Lakhs as against ₹ 7,249.50 Lakhs in the previous year.

Management Discussion and Analysis Report

The Management Discussion and Analysis as required under

Clause 49(IV)(f) of the Listing Agreement is annexed hereto and forms a part of this report.

Corporate Governance

Your Company is committed to high standards of the corporate ethics, professionalism and transparency. More than half of the Board is composed of independent directors and less than one-third of the Directors are Executive/Wholetime. A separate section titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed hereto and forms a part of this Report.

Finance

The Company has a well balanced business plan. Availability of adequate capital is essential to encash the opportunities available to the Company for growth. Adequate arrangements have been made for the finance required as per the business plan.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Ashwini Kumar Singh, Director of the Company, liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Surinder Singh Kohli ceased to be a Director of the Company w.e.f. 1st June, 2013. Your Directors place on record their appreciation for the valuable services rendered by Mr. Surinder Singh Kohli during his tenure on the board.

The Board of Directors appointed Mr. Bhagwan Singh Duggal as an Additional Director w.e.f. 13th July, 2013. In terms of Section 260 of the Companies Act, 1956 he shall hold office upto the date of the ensuing Annual General Meeting of the Company. The Company has received requisite Notice in writing from a Member proposing his candidature for the office of Director liable to retire by rotation.

Appointment of Company Secretary & Compliance Officer

Mr. Vivek Jain, Fellow Member of the Institute of Company Secretaries of India, was appointed as Company Secretary & Compliance Officer of the Company, w.e.f. 29th June, 2013 in place of Mr. Nitin Bagaria.



Board of Directors' Meeting in progress on 13th July, 2013
(from left) : Mr. Ashwini Kumar Singh, Mr. Kumar Singh Baghel, Mr. Anjanee Kumar Lakhotia, Mr. Maruti Maheshwari and Mr. Ram Dayal Modi.

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the operating management confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same;
- (ii) we have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (iii) we have taken proper and sufficient care to the best of our knowledge and ability 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) we have prepared the annual accounts on a going concern basis.

Auditors and Auditors' Report

M/s. Agrawal S. Kumar & Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from them to the effect that their re-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 re-appointment within the meaning of Section 226 of the said Act. The Directors recommend their re-appointment. The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Cost Auditors

Pursuant to Order from the Ministry of Corporate Affairs, Dipak Lal & Associates, Cost Accountants, have been appointed as Cost Auditors for the financial year 2012-13. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

- (i) Conservation of energy is an ongoing process in the Company's activities. As the core activities of the Company are not energy intensive activity, no information is to be furnished regarding Conservation of Energy.
- (ii) Your Company has not undertaken any research and development activity for any manufacturing activity nor any specific technology was obtained from any external sources which needs to be absorbed or adapted.
- (iii) The particulars of expenditure and earnings in foreign currency is furnished in Note – 36 of Notes on Financial Statements.

Public Deposits

The Company has not accepted Deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

Corporate Social Responsibility (CSR)

MBL is currently operating its CSR activities at all project

locations PAN India. Its programmes range across various sections of the society. Some of these are: Education, Health, Drinking Water, Medical Facilities, Community Development and Environment.

Corporate Social Responsibility at MBL means much more than merely responding to social responsibility. The Company understands the mutual interdependence between its business and the economic, social and human environment that surrounds it. MBL has an inclusive approach taking care of the interests of shareholders, employees & workers, government, local community, suppliers, clients and the society at large.

An essential component of the Company's Corporate Social Responsibility is to care for the community. The Company endeavors to make a positive contribution towards various social causes by supporting a wide range of socio-economic initiatives, engaging in socially responsible employee relations and making a commitment to the community around it. At MBL, CSR practices are dynamic to match the Country's social requirements aimed at achieving higher levels of community development and then shifting the focus to higher realms of life.



CSR activity at Seoni - Katangi site