

39<sup>th</sup>  
ANNUAL REPORT  
2012-2013



ISO 9001:2000, ISO 18001:2007 and ISO 14001:2004

**PBA INFRASTRUCTURE LIMITED**

# Green Initiative in Corporate Governance

Dear Shareholder,

In case you have not registered your e-mail address for receiving communication from Company in electronic mode, you may submit the Registration Form given below at the venue of the Annual General Meeting or send it to the Registrar And Transfer Agents. Shareholders holding shares in demat mode are requested to register their e-mail address with the Depository Participant.

## E-COMMUNICATION REGISTRATION FORM

(In terms of Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. / DP ID & Client ID : \_\_\_\_\_

Name of the 1<sup>st</sup> Registered Holder : \_\_\_\_\_

Name of Joint Holder(s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail ID (to be registered) : \_\_\_\_\_

I/ We Shareholder(s) of PBA Infrastructure Limited agree to receive communication from the Company in electronic mode. Please register my/our above e-mail id in your records for sending communication through e-mail.

Date : \_\_\_\_\_

Signature : \_\_\_\_\_

***Note : Shareholder(s) are requested to keep the Company/ Depository Participant informed as and when there is any change in the e-mail id.***

# PBA INFRASTRUCTURE LIMITED



## BOARD OF DIRECTORS AND MANAGEMENT

### BOARD

**Ramlal Roshanlal Wadhawan**  
Chairman & Managing Director

**Balkrishan Pritamlal Wadhawan**  
Vice Chairman & Joint Managing Director

**Narain Pirimal Belani**  
Whole Time Director

### NON-EXECUTIVE DIRECTORS

**Dhananjay Anant Athavale**  
**Vrinda Arun Chapekar**  
**Sudhakar Madhav Thorat**

### EXECUTIVE PRESIDENTS

**Rajesh Ramlal Wadhawan**  
**Deepak Ramlal Wadhawan**  
**Sunil Ramlal Wadhawan**

### LEGAL ADVISOR

**Sujata Dhananjay Athavale**

### ADVISORS TO MANAGEMENT

**Narayan Ganesh Thatte**  
**Prakash Kamlakar Koranne**

### AUDITORS

**Ajay B. Garg**  
Chartered Accountant  
517-518, Shreekanth Chambers,  
V.N Purav Marg, Chembur (East)  
Mumbai - 400 071

### REGISTRAR AND SHARE TRANSFER AGENTS.

**LINK INTIME INDIA PVT. LTD.**  
C-13 Pannalal Silk Mills Compound.  
L.B.S Marg, Bhandup (West), Mumbai - 400 078  
Tel: 25946970 Fax : 25946964  
Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### ADVOCATE

**Ajeet Singh**  
1<sup>st</sup> Floor, 17, Sai Chambers,  
Sector 11, Plot No 44, CBD Belapur  
Navi Mumbai - 400 614

### REGISTERED OFFICE

611/3, V.N Purav Marg,  
Chembur (East), Mumbai - 400 071  
Tel: 67973767, 67753700 Fax : 25229699  
Email: [pbaigrievance\\_redressal@vsnl.net](mailto:pbaigrievance_redressal@vsnl.net)  
Website: [www.pbail.com](http://www.pbail.com)

### BANKERS

Canara Bank  
Union Bank of India  
State Bank of Patiala  
Karur Vysya Bank Ltd.  
Punjab & Sind Bank

## CONTENTS

1. Board & Management	1	7. Compliance Certificate on Corporate Governance	15
2. Notice	2		
3. Directors' Report	4	8. Our Performance	16
4. Report on Corporate Governance	7	9. Management Discussion and Analysis	17
5. Declaration on Compliance With Code of Conduct	14	10. Auditors' Report	19
6. Certificate of Chairman & Managing Director and Vice-chairman & Joint Managing Director	14	11. Balance Sheet Abstract & Company's General Business Profile	24

Annual General Meeting - 30th, September, 2013. Shareholders are requested to kindly bring their copies of Annual Report to the meeting. Visit us at: [www.pbail.com](http://www.pbail.com) • Email: [pbaltld@vsnl.net](mailto:pbaltld@vsnl.net) • Tel: 022 67973767, 6775 3700.



## PBA INFRASTRUCTURE LIMITED

### NOTICE

Notice is hereby given that the 39<sup>th</sup> Annual General Meeting of the Members of PBA Infrastructure Limited will be held on Monday, the 30<sup>th</sup> September, 2013 at The Chembur Gymkhana, Phase II, 16<sup>th</sup> Road, Chembur, Mumbai - 400071 at 12 noon to transact the following businesses:

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet of the Company as at March 31, 2013 and the Profit and Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To appoint Ajay B. Garg, Chartered Accountant as the Statutory Auditors and fix their remuneration.

For and on behalf of the Board of Directors

Ramlal R. Wadhawan  
Chairman and Managing Director

Place : MUMBAI  
Date : May 30, 2013

#### NOTES :

1. A member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the Proxy need not be a member of the Company. The instrument appointing a Proxy in order to valid must be duly filled in all respects and should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the Meeting.
2. Members / Proxy holders are requested to bring their Attendance slip duly signed along with their copy of Annual Report to the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from

Thursday the 26th September, 2013 to Monday the 30th September, 2013 (both days inclusive).

4. In case of joint holders attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.
5. In all correspondence with the Company or with its Share Transfer Agent M/s Link Intime India Private Limited, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.
6. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, mandate, nomination, power of attorney, change of address, change in name etc, to their Depository Participant (DP). These changes will be automatically reflected in Company's records, which will help the Company to provide efficient and better service to the Members.
7. Members desiring any information on the Accounts of the Company are requested to write to the Company at least 7 days in advance so as to enable the Company to keep the information ready.
8. *Pursuant to the provisions of Sub-section 5 of Section 205A of the Companies Act, 1956 the amount of Dividend which remain unclaimed or unpaid for a period of seven years from the date of transfer of such amount to the Unpaid Dividend Account opened in pursuance of sub-section (1) of the said section, is required to be transferred to the Investor Education And Protection Fund (IEPF) established by the Central Government. Accordingly the Unclaimed Dividend in respect of the Financial year 2005-2006 is due for transfer to the IEPF in October 2013. Members, who have not yet claimed their Dividend for the financial year 2005-06 or for any subsequent financial years, are once again requested*

## PBA INFRASTRUCTURE LIMITED



*to claim the same from the Company. No claims shall lie against the said fund or the company in respect of the amount of dividend remaining unclaimed or unpaid after the said transfer to IEPF.*

**9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically.**

For and on behalf of the Board of Directors

Ramlal R. Wadhawan  
Chairman and Managing Director

Place : MUMBAI  
Date : May 30, 2013



## PBA INFRASTRUCTURE LIMITED

### DIRECTORS' REPORT

Your Directors are pleased to present the 39th Annual Report together with the Audited Accounts for the financial year ended March 31, 2013.

#### 1. FINANCIAL RESULTS :

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

(Amount in Lacs)

	2012-2013 (Current Year)	2011-2012 (Previous Year)
Revenue from Operations	26181.85	27118.25
Other Income	344.53	2420.22
<b>Total Income</b>	<b>26526.38</b>	<b>29538.47</b>
Profit before Interest and Depreciation	4148.7	5575.93
Less : Interest	3099.17	3377.39
Less : Depreciation	860.19	852.75
Profit/(Loss) before Tax	189.30	1345.79
Less : Provision for tax	62.47	310.00
Less : Deferred Tax Liability/(Asset)	(32.59)	4.33
Profit/(Loss) after tax	159.40	1031.45
Write Back of Provision	0	40.96
Prior period item	(24.70)	0
Transfer to General Reserve	134.70	1072.41

#### PERFORMANCE REVIEW AND OPERATIONS:

During the year under review, there has been a marginal decrease in Income from Operations. The Income from operations during the current year was Rs. 26181.85 lacs as compared to Rs. 27118.25 lacs for the previous year. The profit after tax stood at Rs. 159.40 lacs for the current year as compared to Rs. 1031.45.

Your Company's performance and financial position continues to be adversely affected due to slow down in infrastructure, high level of working capital requirement, huge investment in equipments, high interest cost and blockage of receivables at Government level and arbitration.

This year has been very challenging for your company with the overall pressure on the infrastructure industry. The silver lining has been that during the current year your Company has managed to bag fresh order of Rs. 780.00 Crores (EPC contract from Solapur Tollways Pvt. Ltd.) This is the single biggest order in the history of your Company. The Company has Order Book position of around Rs. 1600 Crores.

#### DIVIDEND :

As per the conditions mentioned in the Master Restructuring Agreement of CDR Package as well

## PBA INFRASTRUCTURE LIMITED



as constraints by the Consortium Bankers of the Company, your Directors regret their inability to propose any dividend for the year 2012-2013.

### ISO CERTIFICATION:

All the Projects relating to Construction of Bridges and Roads are accredited with ISO 9001:2000, 18001:2007, 14001:2004 Certification.

### FIXED DEPOSITS:

The Company has not accepted any public deposits during financial year 2012-2013. As on March 31, 2013, the Company had deposits aggregating Rs.454.10 lacs. The Company has also accepted deposits from the Directors and shareholders the balance of which stood as at 31st March, 2013 at Rs.1105 lacs

### DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Director's Responsibility Statement, it is hereby confirmed that:-

- i) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed and there has been no material departures from the same;
- ii) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profits of the Company for the year ended on that date.
- iii) proper and sufficient care has been taken 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; and
- iv) the annual accounts have been prepared on a 'going concern' basis.

### AUDITORS AND AUDITORS' REPORT:

M/s Ajay B. Garg, Chartered Accountants, Mumbai bearing ICAI Membership No. 032538, Statutory Auditors of your Company retires at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Act, and that they are not disqualified for such re-appointment within the meaning of section 226 of the Act.

The Notes on Accounts referred to in the Auditors' Report are self-explanatory.

### PARTICULARS OF EMPLOYEES:

Information in accordance with the provision of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules 1975, as amended, regarding employees to the Directors Report is as follows.

Name	Designation/ Nature of Duties	Remuneration (Rs. Lakhs)	Experience (Years)	Date of Commencement of employment
Ramlal Wadhawan	Chairman and Managing Director	66	49	1- Nov-1982

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO:

The information required under Section 217(1)(e) of The Companies Act, 1956 read with the Companies (disclosure of particulars in the report of the Board of Directors) Rules 1988, with respect to these matters, excepting foreign exchange earning outgo, is deemed to be not applicable to your Company, since the Company is engaged into the activity of engineering civil construction, not having involved in material use of power or energy or any advanced or sophisticated technology.

However the management has always been striving hard for the introduction of modern machinery and equipments in the operations of the Company.

The foreign exchange earnings and expenditure



## PBA INFRASTRUCTURE LIMITED

of the Company during the year under review were Nil and Rs.34,975/- as compared to Nil and 245,230/- in the previous year respectively.

### PERSONNEL AND WELFARE

Your Directors express their sincere appreciation for the dedicated efforts put in by all the employees and for their continued contribution for ensuring improved performance of your company during the year.

### INDUSTRIAL RELATIONS

The Industrial Relations continued to be generally peaceful and cordial at all the departments of the Company.

### CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review as required under Clause 49 of the Listing Agreement is presented in a separate section forming part of the Annual Report.

### INSURANCE:

Properties and Assets of the Company are adequately insured.

### SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

### ACKNOWLEDGEMENTS:

Your Directors would like to acknowledge and place on record their sincere appreciation to all stakeholders - Clients, Financial Institutions, Banks, Central and State Governments, the Company's valued investors and all other business partners for their continued co-operation and excellent support received during the year.

Your Directors recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution to its progress.

For and on behalf of the Board of Directors

Ramlal R. Wadhawan  
Chairman and Managing Director

Place : MUMBAI  
Date : May 30, 2013



# PBA INFRASTRUCTURE LIMITED



## REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, report on Corporate Governance is given below:

### 1. Company's Philosophy on the Code of Governance:

PBA has well defined set of systems, principles and processes by which it is governed. These form the backbone of your Company's ability to create long term value for all its stakeholders. The systems and process allow for independent decision making across the organization while fulfilling the requirements of responsibility and accountability. The principles allow for integrity and fairness in all dealings, which are periodically disclosed in the most transparent manner possible. This is the foundation stone of developing an ethical business model.

The Corporate governance policy of the company is based on the principles of equity and ensures the following:

- Proper composition of the Board of Directors;
- Timely dissemination of material information to the Stakeholders concerning their interests;
- Adequate internal Checks and Balances;
- Transparency and Accountability; and
- Compliances with the applicable laws and regulations.

### 2. Board of Directors

The Board of Directors of the Company has an optimum combination of Chairman & Managing Director, Vice Chairman & Joint Managing Director, one Whole-time Director, three Non-Executive Independent Director. The present strength of the Board of Directors is 6 (Six) Directors. Five Board Meetings were held in 2012-2013. The following table shows the detailed composition of Board of Directors as well as their attendance details at the Board Meetings:-

Name of the Director	Category of Director-ship	No of Board Meetings attended	Attendance at last AGM	No. of other Director-ship
Mr. Ramlal Wadhawan	PD	5	Yes	-
Mr. Balkrishan Wadhawan	PD	5	Yes	-
Mr. Narain Belani	WTD	1	No	-
Dr.(Mrs). Vrinda Chapekar	ID, NED	3	No	-
Mr. Sudhakar Thorat	ID, NED	4	Yes	-
Mr. Dhananjay Athavale	ID, NED	5	Yes	-

PD - Promoter Director, WTD - Whole Time Director, ED - Executive Director, ID - Independent Director, NED - Non Executive Director

The day to day management of the company is conducted by the Chairman & Managing Director subject to supervision and control of Board of Directors.



## PBA INFRASTRUCTURE LIMITED

### Code of Conduct:

The Code of Conduct, has been formulated for the Board Members and Senior Management Personnel of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct.

The Code seeks to ensure that the Directors and the Senior Management Personnel observe a total commitment to their responsibilities while ensuring a complete adherence with the applicable statutes on one hand and values and ethics on the other.

A declaration signed by Mr. Ramlal Roshanlal Wadhawan, Chairman & Managing Director to this effect forms part of this Report.

### 3. Committees of the Directors

#### a) Audit Committee:

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's responsibilities, an Audit Committee has been constituted. The functions of the Audit Committee include :

- Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment of external auditors, fixation of their audit fee, and also approval for payment for any other services.
- Reviewing with Management the quarterly and annual financial statements for submission to the Board.

Composition: As on 31st March, 2013, the Audit Committee of the Company comprises of Three Independent Directors Non-Executive Directors. The composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Meetings: This Committee has met four (4) times during the year 2012-2013 i.e. on 15th May 2012, 13th August 2012, 12th November 2012, 13th February 2013.

#### Attendance of each Member at the Audit Committee meetings held during the year:

Name of Director	No. of Meetings	Meetings attended
Mr. Sudhakar Thorat	4	4
Dr. (Mrs) Vrinda Chapekar	4	2
Mr. Balkrishan Wadhawan	4	4
Mr. Dhananjay Athavale	4	2

#### b) Remuneration Committee:

The Committee comprises of the following members:

Name of Director	Designation
Mr. Sudhakar Thorat	Chairman
Dr. (Mrs). Vrinda Chapekar	Member
Mr. Dhananjay Athavale	Member

No meeting of the committee was held during the year 2012-2013