
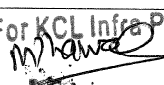
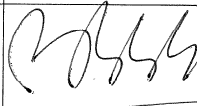
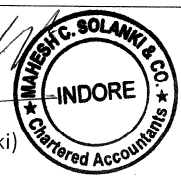
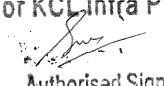


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Form A

1.	Name of the Company	KCL Infra Projects Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	Signed by	
	Shri. Mohan Jhawar (Managing Director)	For KCL Infra Projects Ltd.  Authorised Signatory/Director
	For M/s. Mahesh C Solanki & Co Chartered Accountants Firm Reg. No. 006228C (Auditor of the Company)	 (CA. Mahesh Solanki) Partner Membership No. 074991 
	Shri. Siddharth Maheshwari (Audit Committee Chairman)	For KCL Infra Projects Ltd.  Authorised Signatory/Director

Form A

1.	Name of the Company	KCL Infra Projects Limited
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable
5.	Signed by	
	Shri. Mohan Jhavar (Managing Director)	For KCL Infra Projects Ltd.  Authorised Signatory/Director
	For M/s. Mahesh C Solanki & Co Chartered Accountants Firm Reg. No. 006228C (Auditor of the Company)	  (CA. Mahesh Solanki) Partner Membership No. 074991
	Shri. Siddharth Maheshwari (Audit Committee Chairman)	For KCL Infra Projects Ltd.  Authorised Signatory/Director



KCL INFRA PROJECTS LIMITED



**18th ANNUAL REPORT
2012-2013**

**Board of Directors :**

Mr. Mohan Jhawar	Managing Director
Mrs. Alka Soni	Director
Mr. Raju Shivaji Bhosale	Director
Mr. Siddharth Maheshwari	Director
Mrs. Sunita Vora	Additional Director

Auditors

M/s Mahesh C. Solanki & Co.
Chartered Accountants
803, Airen Heights,
PU-3, Scheme No. 54,
Opp. Mega Malhar Mall,
A. B. Road, Indore- 452 010

Registered Office

402, Radhakrishnan Apartment,
Vijay Homes Bangladesh Naka,
Bhayandar West Thane - 401 101

Registrar and Share Transfer Agent

Adroit Corporate Services Pvt. Ltd.
19/20, Jaferbhoy Industrial Estate
Makwana Road
Marol Naka
Andheri (E)
Mumbai - 400 059

I N D E X

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**KCL INFRA PROJECTS LIMITED**

Registered Office: 402, Radhakrishnan Apartment, Vijay Homes Bangladesh Naka,
Bhayandar West Thane - 401 101

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Eighteenth Annual General Meeting of the members of **KCL INFRA PROJECTS LIMITED** will be held on 30th September 2013 at 2:30 p.m. at Food Zone II nd Floor, Maxus Mall Near Flyover Opp. 12 salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101.Maharashtra to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. Mrs. Alka Soni, Non – Executive Director who is liable to retire by rotation at this meeting has offered her candidature for re-appointment as she is eligible. Accordingly she will continue as Director of the Company till the Annual General Meeting and her reappointment is proposed hereof.
3. **To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:**
"RESOLVED that pursuant to section 224 of the Companies Act, 1956, M/s. Mahesh C. Solanki & Co., Chartered Accountants (Registration No.006228C), the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined 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 Mrs. Sunita Vora who was appointed as an Additional Director of the Company by the Board of Directors on 30th May 2013, who holds office under Section 260 of the Companies Act, 1956, up to the date of ensuing Annual General Meeting and in respect of whom the company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a director of the company, liable to retire by rotation."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY (IES) NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to special Business is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2013 to 30th September 2013 (both days inclusive).
4. Members/proxies are requested to:
 - i) Quote their folio numbers in all their correspondence.
 - ii) Bring their copies of Annual Report, Notice and Attendance Slips duly completed and signed at the meeting.
 - iii) Deliver duly completed and signed attendance slips at the entrance of the meeting venue as entry to the meeting hall will be strictly on the basis of the entry slip at the counter of the venue.



5. Members desiring any information as regards the Accounts are requested to write to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
6. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring Directors and appointment of Directors, a statement of the details of the concerned directors is attached hereto.
7. Members are requested to notify immediately any change of address:
 - i) To their Depository Participant (DP) in respect of shares held in dematerialized form, and
 - ii) To the company at its Registered Office or to its Registrar in respect of their physical shares, if any, quoting their folio number.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agents enclosing their share certificate to enable them to consolidate their holding in one folio.
9. Members are requested to furnish their Permanent Account Number, Bank Account particulars (viz., Account number, Name & Branch of the bank and the MICR Code), change of address etc. to the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of shares held in electronic form, these details should be furnished to respective Depository Participants. Members are to be requested to note that submission of Permanent Account Number is mandatory (except in case of non-residents) and non-compliance of the same attracts penal consequence under provision of the Income-tax Act, 1961.
10. Members desirous of getting any information on any items of the business of this meeting are requested to address their queries to Mr. Mohan Jhawar, Managing Director of the company at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
11. The notice is being sent under certificate of posting to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 4th September, 2013.

IMPORTANT COMMUNICATION TO MEMBERS

In view of the 'Green Initiative in Corporate Governance' introduced by the Ministry of Corporate Affairs (vide Circular Nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), which allows the paperless compliances by the companies and permits service of documents including Annual Report to its members through electronic modes. In the backdrop of this, the Company has given an option to the shareholders to receive the Notices, Annual Report, etc. through e-mail and for the purpose of facilitating the shareholders to register their e-mail address with the company, a separate letter alongwith self addressed (i.e. address of RTA) envelope is sent alongwith this Annual Report on which stamp charges will be paid by the Company. The Company appeals to the shareholders to fill the same and send the same to the RTA of the Company and cooperate the Company and contribute in implementation of green initiative relating to paperless governance.

By order of the Board
For KCL Infra Projects Ltd.

SD/-

Mohan Jhawar
(Managing Director)

Place: Thane
Date: 4th September 2013

**Additional Information required under clause 49 IV (G) of the Listing Agreement on Directors seeking for appointment or re-appointment at the Annual General Meeting:****1. Mrs. Alka Soni :**

Name of Director	: Mrs. Alka Soni
Date of Birth	: 13/07/1966
Date of appointment	: 13/08/2007
Expertise in specific functional areas	: -
Qualification	: Bachelor of Arts
Directorship in other Public Companies (other than Foreign Companies)	: RMA Property and Holdings Private Limited
Shareholding in the Company	: NIL

2. Mrs. Sunita Vora :

Name of Director	: Mrs. Sunita Vora
Date of Birth	: 09/11/1973
Date of appointment	: 30/05/2013
Expertise in specific functional areas	: -
Qualification	: Graduate
Directorship in other Public Companies (other than Foreign Companies)	: NIL
Shareholding in the Company	: NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**For Item No 4:**

Mrs. Sunita Vora was appointed as an Additional Director of the Company with effect from 30th May, 2013 pursuant to Section 260 of the Companies Act, 1956. The Company has received a notice in writing from a member along with the required deposit, proposing the candidature of Mrs. Sunita Vora for the office of Director under the provisions of Section 257 of the Companies Act, 1956. A brief profile of Mrs. Sunita Vora is given hereto under the head "additional information".

Your Directors recommend the resolution as set out at item no. 4 of the notice for your approval.

Mrs. Sunita Vora shall be deemed to be interested in the above resolution to the extent of her appointment.

By order of the Board
For KCL Infra Projects Ltd.
SD/-

Place: Thane
Date: 4th September 2013

Mohan Jhwar
(Managing Director)

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 18th Annual Report along with the Audited Annual Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS:**(Rs. In Lacs)**

Particulars	Year ended 31/03/2013	Year ended 31/03/2012
Income / Turnover	511.948	2241.76
Total Expenditure (excluding Depreciation)	467.09	2212.85
Profit/ Loss before Interest, Depreciation & tax	44.85	28.91
Interest and other finance charges	12.25	5.41
Depreciation	7.30	6.73
Profit/(Loss) before tax	25.30	16.77
Provision for taxation/Deferred tax	7.35	5.52
Profit/Loss after tax	17.95	11.26
Earning per share:		
Basic	0.07	0.04
Diluted	0.07	0.04

MANAGEMENT DISCUSSION AND ANALYSIS REPORT :

Management Discussion & Analysis Report, as required under the Listing agreement with the Stock Exchanges is enclosed at Annexure 'A'.

DIVIDEND :

In view of requirement of funds for expansion of the business activities, your Directors regret their inability to recommend any dividend for the year under review.

PUBLIC DEPOSITS :

During the year under review the company has neither accepted nor invited any public deposits within the meaning of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there are no outstanding public deposits at the end of the year.

DIRECTORS:

Mr. Naval Saraf resigned as the Director of the Company on 28th September 2012. Mr. Raju Shivaji Bhosale was appointed as an Independent Director on 20th February 2012 and his appointment was confirmed in the Annual General meeting dated 28th September, 2012.

Mrs. Sunita Vora was appointed as additional director in the company w.e.f. 30th May 2013 and will hold office until the conclusion of the upcoming Annual General Meeting.

Information on the details of directors seeking appointment / re-appointment as required under Clause 49 of the Listing Agreement has been given under the Notice to Shareholders under the head 'Additional Information'.

AUDITOR'S REPORT:

The statutory auditors of the company, M/s. Mahesh C. Solanki & Co., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from them to the effect that their 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 such appointment / reappointment within the meaning of Section 226 of the said Act.



The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT :

In compliance with the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, your Directors hereby confirm that –

- i) In the preparation of the annual accounts for financial year ended 31st March, 2013 the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at the end of the financial year and the profit of the Company for that period.
- iii) The Directors have taken proper and sufficient care 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) The Directors have prepared the annual accounts for the year ended 31st March 2013 on a going concern basis.

GREEN INITIATIVE :

The Ministry of Corporate Affairs has taken the Green initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode.

The Company supports the Green initiative and has accordingly decided to send all communications to its shareholders to their respective registered e-mail addresses.

Hence, the Company appeals to its shareholders to register their e-mail addresses with the RTA of the Company and become a part of the initiative and contribute towards a Greener environment.

CORPORATE GOVERNANCE:

As per the requirement of the Listing agreement with stock exchange, your Directors reaffirm their commitment to these standards. A report on Corporate Governance along with a certificate from the Statutory Auditors of the Company form part of this report.

LISTING AT STOCK EXCHANGES :

The equity shares of the company continue to be listed at Bombay Stock Exchange Ltd. (BSE) and Delhi Stock Exchange Association Ltd., Delhi. The Company has paid the annual Listing fee for the financial year 2013-14 to Bombay Stock Exchange Ltd. and the Delhi Stock Exchange Association Ltd.

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

The particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the company.

There was no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES :

During the period under review, there were no employees drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

**AUDIT COMMITTEE :**

The Board has reconstituted the Audit Committee after the resignation of Mr. Naval Saraf on 20th September 2012 comprising three Members two of them are independent Directors viz. Siddharth Maheshwari and Mr. Raju Shivaji Bhosale and one is Mr. Mohan Jhavar being promoter executive Director. Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with consent of all the members after the resignation of Mr. Naval Saraf.

ACKNOWLEDGEMENT :

Your Directors acknowledges their sincere appreciation for the support extended by the statutory authorities, banks, stock exchanges, advisors, Clients, Customers, shareholders and staff of the Company for the valuable assistance, support and co-operation extended to the Company and continuous support and faith reposed in the Company.

By order of the Board
For KCL Infra Projects Ltd.

Place: Thane
Date: 30th May 2013

SD/-
Alka Soni
(Director)

SD/-
Mohan Jhavar
(Managing Director)

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****A. GENERAL ECONOMIC SCENARIO:**

According to the first advance estimates of national income for the year 2012-13 of the Central Statistics Office (CSO), the Indian economy is expected to grow at its slowest pace in a decade at a mere 5 per cent in 2012-13, on the back of dismal performance by the farm, manufacturing and services sectors. The estimate is lower than the 6.2 per cent growth clocked in 2011-12 and is the lowest since 2002-03, when the economy grew by 4 per cent only.

The index of industrial production (IIP) with 2004-05 as base is the leading indicator of industrial performance in the country. As per the IIP, industrial output growth rate was 0.7 per cent during April-December 2012 as compared to 3.7 per cent in the same period of the previous year. Combination of global and domestic factors has led to deceleration in the industrial output during the current year. With improved business sentiments and investor perception and a partial rebound in industrial activity in other developing countries, industrial growth is expected to improve in the next financial year.

B. CONSTRUCTION AND INFRASTRUCTURE SECTOR IN INDIA:

The Planning Commission's XIth Five-Year Plan (2007-2012) had already identified that inadequate infrastructure was a major constraint on the country's rapid growth. The Plan had, therefore, emphasized the need for massive expansion in investment in infrastructure based on a combination of public and private investment, the latter through various forms of public-private partnerships (PPP).

The Government of India realizes the importance of accelerating the investments in infrastructure to boost the country's slowing economy. Therefore, it has set a massive target for doubling investment in infrastructure from Rs. 27 lakh crores (eleventh plan – 2011/12 prices) to Rs 51 lakh crores during the twelfth plan period, i.e., 2012–2017. The share of infrastructure investment in GDP is planned to be increased to more than 10% by the end of the twelfth plan. This investment, if it materializes, can propel India's economic growth to a higher trajectory.

Planning commission is expecting private sector to play a key role in twelfth plan with an overall investment growth of 131%. Private investment is projected to grow in all the infrastructure sectors with Railways, Water Supply, Storage and Ports projected to grow at >200% whereas investment in other sectors is projected to grow at >100%. Overall private sector investment will be a key to success of infrastructure development under twelfth five year plan. Considering the critical need of developing infrastructure in the country, construction activities are crucial for creating physical infrastructure in the country. Therefore, there is considerable long term business scope for players in the infrastructure related large scale construction business.

C. CAPITAL MARKETS IN INDIA :

A benchmark index for Indian equities markets closed more than half a percent up on the last day of 2012-13 financial year on the back of healthy buying in metal, bank and capital goods stocks and settlement of monthly derivatives contracts. The 30-scrip sensitive index (Sensex) of the Bombay Stock Exchange (BSE), which opened in the red at 18,702.46 points, closed at 18,835.77 points, up 0.70 percent or 131.24 points from its previous day's close at 18,704.53 points. The Sensex has gained 1,431.57 points or 8.23 per cent in 2012-13 fiscal. The wider 50-scrip S&P CNX Nifty of the National Stock Exchange (NSE) also closed 0.73 percent or 40.95 points up at 5,682.55 points.

Primary Market

Riding on the wave of disinvestment of public sector undertakings, promoters of Government and private companies managed to collect over Rs 34,000 crore by selling shares in the primary market during 2012-13. This is 44 per cent higher than 2011-12 figures. The mobilization in the year could have been higher but for the deferment of some large PSU (public sector undertakings) offerings and continuing volatility in the secondary market, through the year. The year, of course, fell substantially short of Rs 52,219 crore, the highest amount that has ever been raised (in 2007-08).

**Secondary Market**

The monthly turnover of BSE (cash segment) increased by 12.5 percent from US\$ 9.32 billion in December 2012 to US\$ 10.49 billion in January 2013. Monthly turnover of NSE (cash segment) also increased by 22.9 percent from US\$ 44.48 billion in December 2012 to US\$ 54.68 billion in January 2013.

During 2012-13 (up to January 23, 2013), FIIs made net investments of Rs.1,190 billion in the capital market (both equity and debt) compared with that of Rs. 520 billion during the corresponding period in the previous year. FIIs made net investments of Rs.1,011 billion in the equity markets compared with Rs. 27 billion last year.

Domestic institutional investors (DIIs) (comprising banks, domestic financial institutions, insurance companies, new pension fund and mutual funds) made net sales during 2012-13 (up to January 23, 2013)

Equity Derivatives

The NSE and BSE are two major Indian markets have shown a remarkable growth both in terms of volumes and numbers of traded contracts. Introduction of derivatives has been well received by stock market players. NSE alone accounts 99% of the derivatives trading in Indian markets.

If we compare the business growth of NSE and BSE in terms of number of contracts traded and volumes in all product categories the NSE traded 636132957 total contracts whose total turnover is Rs.16807782.22 crore in the year 2012-13 in futures and options segment while in currency segment in 483212156 total contracts have traded whose total turnover is Rs.2655474.26 crore in same year. In case of BSE the total numbers of contracts traded are 150068157 whose total turnover is Rs.3884370.96 Cr in the year 2012-13 for all segments. In the above case we can say that the performance of BSE is not encouraging both in terms of volumes and numbers of contracts traded in all product categories.

Reasons for Market Movements

- The fund mop-up by companies through sale of shares has crossed Rs. 30,000 crore mark in 2012 despite a volatile market and the figure is expected to be much higher next year, given a strong line-up of capital raising plans through IPOs and other equity issuance routes.
- In the year 2012, around Rs. 30,500 crore were mopped-up through share-sale programme and major chunk of funds, which was Rs. 23, 800 crore, garnered through OFS route, and the remaining about Rs.6,693 crore through IPOs. In comparison, there were 37 IPOs and 2 FPOs in 2012. The total fund raising through public issues was about Rs. 14,000 crore, including Rs. 8,137 crore through FPOs.
- Historically low yields in developed markets due to accommodative monetary policies and weak economic prospects have pushed FII inflows to emerging markets to record highs.
- Strong FII inflows, especially in H2 of 2012-13 augured well for the Indian equity market and the rupee, although the market movements were also conditioned by domestic slowdown and governance concerns. Primary equity market, however, remain subdued.
- Globally, leaders are striving to keep the pace of growth intact.

D. REVIEW OF COMPANY'S BUSINESS OPERATIONS :

KCL Infra Projects Limited is a Company operating in two segments – one is construction and infrastructure development segment and the other is the dealing in shares, securities and derivatives segment. During the years 2006 to 2010, the Company could not find any significant business opportunity in construction and infrastructure segment. However, from the financial year 2010-11, the company is striving hard to find various growth opportunities in construction and infrastructure segment also and during the year 2012-13, the company has earned a turnover of about Rs. 50.00 Lacs from this segment.

The Company has done the major business of dealing in shares, securities and derivatives.

The turnover of the Company in this segment accounted for about Rs. 353.10 Lacs during the year 2012-13.

The total turnover of the Company was Rs. 403.104 Lacs as compared to the turnover of Rs. 2,217.48 Lacs of the previous year 2011-12 showing an increase of 81.82%. Similarly the net profit of the Company during the year 2012-13 was Rs.17.95 Lacs as compared to the net profit of Rs.11.26 Lacs of the previous year 2011-12 showing an increase of about 59.46%.

**E. OPPORTUNITIES:**

One of the most talked about aspects of the global financial crisis has been the resilience shown by emerging economies – particularly by India. India's infrastructure companies have shown their expertise in dealing with the challenges and making the most of the available opportunities – both critical qualities for achieving great success. Equally important has been the role played by the government's determination to participate in and encourage the development of world class infrastructure in the country. It has lead from the front through various initiatives, refinements in processes and reforms in policies. A vibrant economy, better employment prospects, improving salary structure, improving sentiments among potential buyers, potential for increasing urbanisation and favourable demographics form the key growth drivers for the construction and infrastructure and also the overall growth of the companies in all sectors thereby enabling the share prices of such companies to improve further.

The infrastructure space in India is opening up further and significant progress has been made in initiating expanded infrastructure development plans across the economy. Increased emphasis is laid on the Public Private Partnership (PPP) approach for meeting the large financing requirements.

The capital market is also witnessing an increasing trend in view of strong fundamentals and economic indicators of India. India's infrastructure sector is poised for a big leap and offers significant investment opportunities for US businesses and other investors as well.

F. THREATS:

India's construction and infrastructure sector is largely unorganized and dominated by a large number of small players (with limited corporate or large / international names on the national scene yet).

Infrastructure projects take a long time to plan and implement. Delays in the execution of projects not only lead to shortfalls in achieving targets but widen the availability gaps. Time overruns in the implementation of projects continue to be one of the main reasons for underachievement in many infrastructure sectors. Key risks synonymous to the construction and infrastructure sector, include the global recessionary trend, economic slowdown, increase in financial cost, non-availability (or undue increase in cost) of raw materials such as land, cement, steel, labour, etc. coupled with market fluctuations.

KCL is adequately equipped to face and mitigate any such adverse situation. The Company does not apprehend any inherency risk in the construction and infrastructure sector in the long run, with the exception of certain primary concerns that have afflicted the progress of real estate industry in general like:

1. Restrictive legislation and related adverse changes, if any, in governmental policies relating to construction and infrastructure sector.
2. Limited investment from the organised sector.
3. One of the most overburdened tax segments in the country.
4. Rising inflation
5. High interest rate
6. Volatile global economic environment.

Beyond standard business risks, the Company faces competition from both its old competitors as well as new entrants in the sector.

G. RISKS AND CONCERNS :

KCL deploys a robust and effective risk management framework across diverse spectrum of its business operations in construction and infrastructure segment and securities and derivatives segment. The risks can be classified as those relating to quality, value, analysis, competitive market environment including comparative demand-supply imbalance, operating price, highly volatile market, efficient and cost-effective project execution, prices, availability of key raw materials including human capital and prevalent regulatory and statutory norms.

While risks inherent to the industry and its macro-economic drivers remain beyond the control of any Company, a vigilant and pro-active risk management enables KCL in taking preventive steps at the right time and insulate its business interest to a greater extent from risks of those natures.

**H. OUTLOOK :**

The Twelfth Five Year Plan lays special emphasis on development of the infrastructure sector, as the availability of quality infrastructure is important not only for sustaining high growth but also ensuring that the growth is inclusive. The total investment in the infrastructure sector during the Twelfth Five Year Plan, estimated at Rs. 56.3 lakh crore (approx. US\$1trillion), will be nearly double that made during the Eleventh Five Year Plan. This step up in investment will be feasible primarily because of enlarged private sector participation that is envisaged. Unbundling of infrastructure projects, public private partnerships (PPP), and more transparent regulatory mechanisms have induced private investors to increase their participation in infrastructure sectors.

Having witnessed a visible revival in demand and return of consumer confidence during financial year 2013, the construction and infrastructure sector appears to continue its momentum, going forward. A vast majority of incremental development of infrastructure is expected to appear in Tier II cities in the coming years. In order to truly emerge as a leading global economy, India's civic and social infrastructure would need to develop fast. Overall, the outlook for construction and infrastructure activities in India is slated to be promising. Though downside risks of global events, particularly movement in prices of commodities like crude oil remain, the Indian economy is poised to further improve and consolidate in terms of key macroeconomic indicators and KCL expects to reap rich dividends from this ongoing growth phase in India.

I. INTERNAL CONTROL MECHANISM :

The company has adequate internal control systems in place, commensurate with its size and nature of operations. The Internal Auditor, inter alia, covers all significant areas of the company's operations and submits the report to the Audit Committee for their review.

Internal control procedures at KCL are designed to ensure that all assets and resources are acquired economically, used efficiently and protected adequately and all internal policies and statutory guidelines are complied in letter and spirit.

The company's Audit Committee, the composition and functioning of which is in accordance with the provisions of Companies Act, 1956 as well as Clause 49 of the Listing Agreement, further strengthens the robustness of its internal control mechanism.

J. HUMAN RESOURCE DEVELOPMENT:

KCL has faith in the ideal that a good organization cannot be built without a team of good professionals. KCL believes that human capital and intelligence are critical to its growth and development. The Company and its management allocate substantial focus on providing an open and equitable work environment to employees. The Company strives to align its business objectives with those of employees to help them fulfill their personal objectives and deploys a slew of HR measures towards achieving this goal.

Employees at KCL work in a congenial and productive work environment that fosters the culture of mutual respect, collaborative working and openness in communication and helps in increasing the efficiency. The company had 9 employees as on March 31, 2013. The Company has also association with various professionals who work in association and co-ordination with the employees of the Company.

CAUTIONARY STATEMENT:

Annual Report constituting Directors' Report, Corporate Governance Report and other parts including this Management Discussion and Analysis dealing with the Company's objectives, present position and expectations are based on certain estimates, projections, personal wisdom and bias, etc. And such estimates, projections and forward looking statements lie within the ambit and meaning of applicable laws including securities law and regulations. Actual results could differ materially from those expressed or implied, depending upon global and Indian scenario. The Board of Directors presents in the Annual Report an analysis of performance of the company for the year 2012-13 and its outlook for the future. This outlook is based on the assessment of the current business environment and government policies. The changes in economy, related sectors and other development are likely to cause variation, adverse or favourable, in this outlook.

**CORPORATE GOVERNANCE REPORT**

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

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is built on a rich legacy of fair and transparent governance and disclosure practices, many of which were in existence even before they were mandated by legislation.

The Company's essential character revolves round values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavors to improve upon these aspects and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources.

2. BOARD OF DIRECTORS:**A. Composition:**

The Board has an optimum combination of Executive and Non-Executive Directors, and is in conformity with Clause 49 of the Listing Agreement entered into with the stock exchanges in which the Company's Ordinary Shares are listed. The Board comprised of 5 (Five) Directors, whose composition and the category are as under:

Particulars of Directors	Category
Mr. Mohan Jhawar	Promoter and Executive Director
Mrs. Alka Soni	Promoter and Non-Executive Director
Mr. Naval Saraf*	Non-Executive and Independent Director
Mr. Siddharth Maheshwari	Non- Executive and Independent Director
Mr. Raju Shivaji Bhosale*	Non- Executive and Independent Director
Mrs. Sunita Vora*	Non-Executive and Additional Director

*Mr. Naval Saraf is not associated with the company from 28/09/2012.

*Mr. Raju Shivaji Bhosale who was appointed as additional Director of the company at the board meeting held on 20/02/2012 has been confirmed as the director of the company at the Annual General Meeting held on 28/09/2012.

*Mrs Sunita Vora is appointed as additional Director of the company at the board meeting held on 30/05/2013 and will hold the office until the conclusion of upcoming General meeting.

All the Directors are liable to retire by rotation except Mr. Mohan Jhawar who is the Managing Director of the Company. The Chairman of the Board is an executive Director.

There is no institutional or nominee or Government Director on the Board.

The composition of the board is in accordance with the relevant provisions mandated in clause 49 of the listing agreement.

None of the Directors on the Board is a Member in more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(1)(C)(ii)) across all the companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other companies.

B. Board Procedure:

During the financial year 2012-13, six meetings of the Board of Directors were held on 30/05/2012, 14/08/2012, 30/08/2012, 08/11/2012, 15/01/2013 and 26/02/2013.



The gap between any two meetings did not exceed four months, as mandated in Clause 49. The dates of the meetings were generally decided in advance. Key information was placed before the Board of Directors to comply with Corporate Governance practices.

The annual calendar of Board Meetings is agreed upon at the beginning of the year.

The Agenda is circulated well in advance to the Board members. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary and the overall performance of the Company.

The details of the Board of Directors, their position, attendance record for the financial year ended 31st March, 2013 and other Directorships (*excluding alternate directorships, directorships in private limited companies and foreign companies*) and the membership of Board Committees other than your Company has been given as follows:

Name of Director	Position	No. of Board meetings held	No. Of Board meetings attended	At-tendance at the last AGM	Member of other Board Committees		No. of other Director-ships in other Boards excluding private companies
					Memb-ership	Chairm-anship	
Mr. Mohan Jhavar	ED	6	6	Yes	1	1	2
Mrs. Alka Soni	NED	6	6	Yes	1	-	-
Mr. Siddharth Maheshwari	ID	6	6	Yes	1	2	2
Mr. Naval Saraf*	ID	6	3	No	2	-	-
Mr. Raju Shivaji Bhosale*	NED	6	2	No	-	-	1
Mrs. Sunita Vora*	NED	-	-	-	-	-	-

NED - Non-executive Director

ID - Independent Director

ED - Executive Director

*Mr. Naval Saraf is not associated with the company from 28/09/2012.

*Mr. Raju Shivaji Bhosale has been appointed as a Director of the Company at the Annual General Meeting held on 28/09/2012.

*Mrs. Sunita Vora is appointed as additional Director of the company at the board meeting held on 30/05/2013.

Details of the Directors seeking appointment/re-appointment at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreement, have been given along with the Notice of Annual General Meeting.

Shareholdings of Non-executive Directors as on March 31, 2013 are as under:

Name	No. of Ordinary shares held	% of Paid-up Capital
Mrs. Alka Soni	-	-
Mr. Siddharth Maheshwari	-	-
Mr. Raju Shivaji Bhosale	-	-

**3. AUDIT COMMITTEE :****Composition:**

The Board has reconstituted the Audit Committee after the resignation of Mr. Naval Saraf on 28th September 2012 comprising three Members two of them are independent Directors viz. Siddharth Maheshwari and Mr. Raju Shivaji Bhosale and one is Mr. Mohan Jhawar being promoter executive Director. Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with consent of all the members after the resignation of Mr. Naval Saraf.

Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with the consent of all the members.

Meetings:

Four meetings of the Committee were held during the financial year under review on and all the meetings held were attended by majority of the members during their tenure as a member of the Committee.

S. No.	Name of Director	No. of Meetings	
		Held	Attended
1.	Mr. Naval Saraf*	2	2
2.	Mr. Mohan Jhawar	4	4
3.	Mr. Raju Shivaji Bhosale*	2	2
4.	Mr. Siddharth Maheshwari	4	4

*Mr. Naval Saraf is not associated with the company from 28/09/2012.

*Mr. Raju Shivaji Bhosale has been appointed as a Director of the Company at the Annual General Meeting held on 28/09/2012.

Terms of Reference:

The terms of reference / powers of the Audit Committee has been specified by the Board of directors as under:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

All the members of the Audit Committee possess financial / accounting expertise. The constitution of the audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

Executives of Finance Department, Secretarial Department, Head of Internal Audit and representatives of the Statutory Auditors are invited to attend the Audit Committee Meetings.

Objective

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

Information for review:

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Statement of significant related party transactions (as may be defined by the audit committee), submitted by management.
- iii. Management letters / letters of internal control weakness issued by the statutory auditors and internal audit reports relating to internal control weaknesses.



- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4. REMUNERATION COMMITTEE :

Composition, Meeting and Terms of reference :

The Board has reconstituted the Remuneration Committee after the resignation of Mr. Naval Saraf on 28th September 2012 comprising three Members viz. Siddharth Maheshwari and Mr. Raju Shivaji Bhosale and Mrs. Alka Soni. Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with consent of all the members after the resignation of Mr. Naval Saraf. The Committee met once during the financial year 2012-13 and was attended by all the Committee Members.

The terms of reference / powers of the Remuneration Committee are as under:

- Administration and superintendence of Employee Stock Option Scheme (ESOS).
- Formulation of the detailed terms and conditions of the ESOS.
- Grant of stock options.
- Recommendation for fixation and periodic revision of compensation of the Executive Directors to the Board for approval.
- Review and approve compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.

Remuneration Policy :

The Remuneration Policy of the Company for managerial personnel is primarily based on the following criteria :

- Performance of the Company.
- Track record, potential and performance of individual managerial personnel.
- External competitive environment.

Remuneration of Directors:

Remuneration of Executive Directors is decided by the Board, based on the recommendations of the Remuneration Committee as per the remuneration policy of the Company, within the ceilings fixed by the shareholders. During the financial year 2012-13, remuneration of Rs. 15,00,000 was paid to the Executive Director.

The Company has not introduced any stock option scheme for any of its Director.

Remuneration to Non-Executive Directors :

During the year ended 31st March, 2013, the Company has not paid any remuneration either in the form of commission or sitting fee to its non-executive Directors.

5. Shareholders' and Investors' Grievance Committee :

The Committee has the mandate to look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, etc. In addition, the Committee also looks into matters, which can facilitate better investor services and relations.

The shareholders'/Investors' Grievance Committee of KCL Infra Projects Limited comprised of Mr. Raju Shivaji Bhosale, Mr. Mohan Jhawas as its chairman and Mr Siddhart Maheshwari. as Compliance Officer.

The Committee meets regularly for redressing shareholders' / investors' complaints like non-receipt of Balance Sheet transfer of shares, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated power for approving transfer of securities to Directors. The Committee focuses primarily on strengthening investor relations and ensuring rapid resolution of any shareholder or investor concerns. The Committee also monitors implementation and compliance of the Company's code of conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.



During the year ended 31st March, 2013, no investor complaint was received and no complaint was pending for redressed.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days, except in case of dispute over facts or other legal constraints.

The Shareholders' / Investors' Grievance Committee reviews the complaints received and action taken.

No requests for share transfers are pending except those that are disputed or sub-judice.

Compliance Officer:

Mr. Siddhart Maheshwari, Director is the Compliance Officer for complying with the requirements of the Listing agreement with the stock Exchanges and for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992.

Exclusive E-Mail Id for Investor's Grievances : kclindia@yahoo.co.in

6. General Body Meetings:

i. The last three Annual General Meetings of the company were held at the venue and time as under:

AGM No.	Date	Time	Venue	Special Resolution Passed
15th	30.09.2010	02.30 p.m.	B-3, 204, Saket Complex, Thane (West), Mumbai-400601	i. Appointment of Mr. Anurag Innani as Director.
16th	30.09.2011	02.30 p.m.	B-3, 204, Saket Complex, Thane (West), Mumbai-400601	i. Appointment of Mr. Siddharth Maheshwari as a Director. ii. Appointment of Mr. Mohan Jhawar as a Managing Director
17th	28.09.2012	12.30 p.m.	Food Zone IIInd Floor, Maxus Mall Near Flyover Opp. 12, salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane - 401101	i. Appointment of Mr. Raju Shivaji Bhosale As Director ii. Alteration of object clause of Memorandum of Association.

All resolutions moved at the last AGM were passed by show of hands by requisite majority of members who attended the Meeting except the resolution passed for alteration of object clause of memorandum of association.

B. Special Resolution passed through postal Ballot
Special Resolution of alteration of object clause of Memorandum of Association is proposed to be conducted through Postal Ballot.

i. Whether any Special Resolution passed last year through postal Ballot ?
Yes. Resolution passed for alteration of object clause of Memorandum of Association was passed through postal ballot.

ii. Whether any Special Resolution is proposed to be conducted through Postal Ballot ?

No

**C. Extra Ordinary General Meeting.**

EGM was held on 11th February 2013 at Food zone II floor, Maxus mall near flyover opp. 12 salasar bridge bhoolmi, 150 road, Bhayandar west Thane.

The company's Directors Proposed following resolution :

- **Consolidation of Face Value of Equity Shares.**

However no resolution was passed.

DISCLOSURES:**Related Party Transactions and Pecuniary Relationship of Directors:**

There have been no materially significant related party transactions, pecuniary relationship or transactions between the Company and its Directors for the year ended 31st March 2013.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

The related party transactions are entered into based on considerations of professional expertise (independent Audit Committee), to meet exigencies, better negotiation and for formal approval/ratifications.

All related party transactions are negotiated on arms length basis and are only intended to further the interests of the Company.

Statutory Compliance, Penalties and Strictures by the Company:

The Board periodically reviews at its meetings compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No Penalties, strictures have been imposed on the Company by any stock exchange or SEBI or any other authorities relating to capital and commodities markets.

Code of Conduct:

The Company is committed to conduct business in accordance with the highest standards of Business ethics and complying with applicable laws, rules and regulations and hence had adopted its own Code of Conduct for all the employees of the Company including the Whole-time Directors. The Board had also approved a Code of Conduct for Non-Executive Directors.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risks involved. The Code of Conduct has been approved and been followed by the Employees as well as Non-Executive Directors of the Company. The Company's website www.kclindia.com is under development.

Further, all the Board members and senior management personnel (as per Clause 49 of the Listing Agreement) have affirmed the compliance with the respective Code of Conduct. A declaration to this effect signed by the Managing Director (CEO) forms part of this report.

CEO/CFO Certification:

The Managing Director (CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended March 31, 2013.

**Risk Management:**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework.

The management places a report before the entire board of Directors to approve in every quarter documenting the business risks faced by the company, measures to address and minimize such risks, and any limitations to the risk taking capacity of the corporation.

Means of Communication:

The quarterly, half yearly and annual financial statements prepared in accordance with the Accounting Standards laid down by the Institute of Chartered Accountants of India and quarterly results are generally published in well circulated newspapers i.e. Financial Express and Navshakti.

Besides all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges. Management discussion and Analysis forms part of the Annual Report. The official news releases, presentation made to the Shareholders at the Annual General Meeting and the presentation made to analysts are available for the concerned at the registered office of the Company. The company's website www.kclindia.com is under development.

7. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting: Date, Time Venue	Eighteenth Annual General Meeting of the members of KCL INFRA PROJECTS LIMITED will be held on 30th September 2013 at 2:30 p.m. at at Food Zone II nd Floor, Maxus Mall Near Flyover Opp. 12 salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane-401101
Financial Calendar	The Company follows April to March as its financial year. The results for every quarter beginning from April will be declared within the time prescribed under Listing Agreement.
Date of Book Closure	23rd September 2013 to 30th September 2013
Dividend Payment Date	No Dividend has been recommended for the year ended March 31, 2013
Listing on Stock Exchanges and payment of Listing fees	1. Bombay Stock Exchange Ltd., Mumbai, 2. Delhi Stock Exchange Association Ltd., Delhi.
Stock Code	The Stock Exchange, Mumbai – 531784
Dematerialization of Shares	The shares of the Company are traded in dematerialized form under the depository system of the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Company's electronic Connectivity Registrar is Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate Makwana Road, Marol Naka Andheri (E) Mumbai – 400 059 Ph. No : 022-28594060
ISIN Number	INE 469F01018
CIN No.	L45201MH1995PLC167630



Distribution of Shareholding as on March 31, 2013	Please see in the following pages.
Dematerialization of shares and Liquidity	94.72% of the paid up capital of the company has been dematerialized as on 31.03.2013.
Registrar and Transfer Agents	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate Makwana Road, Marol Naka Andheri (E) Mumbai - 400 059 Ph. : 022- 28594060 Fax : 022-28594442 .
Share Transfer System	All the transfer received are processed by the Registrars and Transfer Agents and approved by the Share Transfer Committee.
Address for correspondence	KCL Infra Projects Limited. 402, Radhakrishnan Apartment, Vijay Homes Bangladesh Naka, Bhayandar West Thane Maharashtra. Or Shareholders may correspond to the Registrar and Transfer Agents.

Stock Price Data:

The following table gives the monthly high and low of Company's share price on the Stock Exchange, Mumbai.

Month	Company's share price on BSE		BSE Sensex	
	Monthly High (In Rs.)	Monthly Low (In Rs.)	High	Low
April, 2012	20.35	15.4	17,664.10	17,010.16
May, 2012	20.00	13.35	17,432.33	15,809.71
June, 2012	19.89	13.70	17,448.48	15,748.98
July, 2012	20.10	14.55	17,448.48	15,748.98
August, 2012	15.27	7.46	17,972.54	17,026.97
September, 2012	7.32	5.06	18,869.94	17,250.80
October, 2012	5.05	3.58	19,137.29	18,393.42
November, 2012	3.51	2.68	19,372.70	18,255.69
December, 2012	2.70	2.25	19,372.70	18,255.69
January, 2013	3.65	1.75	20,203.66	19,508.93
February, 2013	3.09	1.85	19,966.69	18,793.97
March, 2013	2.98	1.86	19,754.66	18,568.43

Shareholding Pattern as on 31st March, 2013:

	Category	No. of Shares Held	Percentage of Shareholding
A.	PROMOTER'S HOLDING:		
1.	Promoters :		
	Indian Promoters	2105581	8.00
	Foreign Promoters	0.00	0.00
2.	Persons acting in concert	0.00	0.00
	Sub-total	2105581	8.00



B.	NON-PROMOTER'S HOLDING:		
1.	Institutional Investors		
a.	Mutual Funds and UTI	0.00	0.00
b.	Banks, Financial Institutions, Insurance Companies [Central / State Govt. Institutions/Non-government Institutions]	0.00	0.00
c.	FII's	0.00	0.00
	Sub-total	0.00	0.00
C.	OTHERS:		
a.	Private Corporate Bodies	13882455	52.72
b.	Indian Public	10336099	39.25
c.	NRIs / OCBs	1365	0.01
d.	Any other (Clearing Members)	500	0.00
e.	Trust	5000	0.02
	Sub-total	24225419	92.00
	Grand Total	26331000	100.00

Distribution of Shareholding as on 31st March, 2013 :

No. of Equity shares	No. of Shareholders	% of Total	No. of Shares	% of Total
Up to 500	1299	48.62	309985	1.18
501 to 1000	379	14.18	328323	1.25
1001 to 2000	297	11.12	466885	1.77
2001 to 3000	172	6.44	444180	1.69
3001 to 4000	71	2.66	259510	0.99
4001 to 5000	88	3.29	409183	1.59
5001 to 10000	158	5.91	1204613	4.57
1,00,01 and above	208	7.78	22898321	86.96
Total	2672	100	26331000	100

Auditor's Certificate on Corporate Governance:

The Company has obtained a certificate from its statutory auditors M/s. Mahesh C. Solanki & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

This Certificate is annexed to the Directors' Report for the year 2012-13. This certificate will be sent to the stock exchanges along with the annual report to be filed by the Company.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT :

In terms of the requirements of the amended clause 49 of the Listing agreement entered into with the Stock Exchanges, the Company has received a certificate from its Directors confirming and declaring that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the code of conduct, applicable to them, for the Year ended 31st March, 2013.

FOR KCL INFRA PROJECTS LIMITED

Place: Thane
Date: 30th May 2013

SD/-
Mohan Jhavar
(Managing Director)

SD/-
Alka Soni
(Director)

**AUDITORS' CERTIFICATE****TO THE MEMBERS OF
KCL INFRA PROJECTS LIMITED,**

We have examined the compliance of conditions of Corporate Governance by **KCL Infra Projects Limited** ("the Company"), for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
Maresh C. Solanki & Co.
Chartered Accountants
Firm Reg. No. 006228C

Date: 30th May 2013
Place: Thane

C.A. Maresh Solanki
Partner
Membership No: 074991

DECLARATION FOR CODE OF CONDUCT

I, Mr. Mohan Jhavar, Managing Director of KCL Infra Projects Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2013.

FOR KCL INFRA PROJECTS LIMITED
SD/-

Mohan Jhavar
(Managing Director)

Date: 30th May 2013
Place: Thane

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **KCL Infra Projects Limited:**

1. We have audited the accompanying financial statements of **KCL Infra Projects Limited** which comprise the Balance Sheet as at **31st March 2013**, and the Statement of Profit and Loss & Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements:

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements with the notes thereon and attached thereto gives in the prescribed manner the information required by the Companies Act, 1956 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013 and
 - (b) In the case of the Statement of Profit and Loss, of the profit for the year ended on that date.
 - (c) In the case of the Cash Flow Statement for the year ended on that date
7. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, (the 'Act')



and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.

8. Further to our comments in the Annexure referred to in we report that :
- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet, the Statement of Profit and Loss dealt with by this report are in agreement with the books of account of the Company;
 - iv. In our opinion the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 to the extent they are applicable to the Company.
 - v. On the basis of written representation received from the directors, as on 31st March, 2013 and taken on record by the Board of Directors of the Company we report that none of directors are disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Date : 30th May, 2013
Place : Thane

For Mahesh C. Solanki & Co.
Chartered Accountants
Firm Reg. No. 006228C
CA. Mahesh Solanki
Partner
M.No.074991

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT****KCL Infra Projects Limited**

Referred to in paragraph 7 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. *The same are in the process of being updated.*
 - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets.
No material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) According to the information given by the management, the inventory in hand for the construction & infrastructure segment has been physically verified during the year.
 - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) The Company is maintaining proper records of inventory. There was no material discrepancies noticed on physical verification of Inventory as compared to the book records.
- (iii) (a) In our opinion and according to the information and explanation given to us, the Company has not granted any secured or unsecured loans to any parties listed in the register maintained under section 301 of the Act.
 - (b) According to the information and explanation given to us, we are of the opinion that the transactions made during the year in pursuance of such contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of Five Lacs Rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) (a) According to the information and explanation given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, required to be entered into the register maintained under Section 301 of the Act have been so entered.
 - (b) According to the information and explanation given to us, we are of the opinion that the transactions made during the year in pursuance of such contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of Five Lacs Rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, and as per our examination of records, the Company has not accepted any deposits from public and therefore, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956, and rules framed there under, are not applicable.
- (vii) In our opinion, the internal audit system is largely commensurate with the size of the Company and nature of its business. However, it needs greater coverage and improvement in periodicity.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of the Company.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including investor education and protection fund, Employee's state insurance, in-



- come-tax, wealth-tax, service-tax, sales-tax, custom duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities during the year, and there were no such outstanding dues as at 31st March, 2013 for a period exceeding six months from the date they become payable.
- (b) According to information and explanation given to us, and as per our examination of records of the Company there are no dues on account of sales tax, income tax, custom duty, wealth tax, excise duty and cess matters that have not been deposited on account of dispute as on March 31st 2013.
- (x) The Company has no accumulated losses at the end of financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per information and explanation given by the management, the Company has not obtained any borrowings from any Financial Institution or by way of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of trading in securities, derivatives and other investments during the year and timely entries have been made therein.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the records of the Company and the information and explanation provided by the management, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act. Therefore the clause whether the prices at which shares have been issued is not prejudicial to the interest of the Company is not applicable to the Company.
- (xix) According to the information and explanations given to us, during the year under audit, the Company has not issued any debentures.
- (xx) The Company has not raised any money through public issues. Therefore the clause of verification of end use of money raised by public issues as disclosed in the notes to the financial statement is not applicable to the company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Thane
Date : 30th May, 2013

For Mahesh C. Solanki Co .
Chartered Accountants
Firm Reg. No. 006228C
CA. Mahesh Solanki
Partner
M. No. - 074991

**BALANCE SHEET AS AT 31ST MARCH, 2013**

(Amount in Rs.)

Sr. No.	PARTICULARS	NOTE	As at 31.03.2013	As at 31.03.2012
I	EQUITY & LIABILITIES			
1	Shareholders Funds			
	(i) Share Capital	2	52,662,000	52,662,000
	(ii) Reserves and Surplus	3	124,526,849	122,732,080
			<u>177,188,849</u>	<u>175,394,080</u>
2	Non-Current Liabilities			
	(i) Long Term Borrowings	4	323,731	1,540,846
	(ii) Deferred Tax Liabilities (Net)	5	381,915	411,495
			<u>705,646</u>	<u>1,952,341</u>
3	Current Liabilities			
	(i) Short Term Borrowings	6	18,769,313	11,911,419
	(ii) Trade Payables	7	32,788,142	35,917,709
	(iii) Other Current Liabilities	8	2,854,028	7,356,157
	(iv) Short Term Provisions	9	839,562	556,312
			<u>55,251,045</u>	<u>55,741,597</u>
	Total		<u>233,145,540</u>	<u>233,088,018</u>
II	ASSETS			
1	Non-Current Assets			
	(i) Fixed Assets	10		
	(a) Tangible Asstes		4,969,270	5,574,039
	(ii) Non-Current Investments	11	7,592,000	7,592,000
	(iv) Long-Term Loans And Advances	12	20,524,452	50,029
	(v) Other Non-Current Assets	13	72,798	97,064
			<u>33,158,520</u>	<u>13,313,132</u>
2	Current Assets			
	(ii) Inventories	14	60,168,583	55,191,059
	(iii) Trade Receivables	15	-	97,000,000
	(iv) Cash And Cash Equivalents	16	4,699,824	12,855,250
	(v) Short-Term Loans And Advances	17	132,992,215	25,303,576
	(vi) Other Current Assets	18	2,126,398	29,425,000
			<u>199,987,020</u>	<u>219,774,886</u>
	Total		<u>233,145,540</u>	<u>233,088,018</u>

Significant Accounting Policies

1

The notes are an integral part of these financial statements

As per our report of even date attached
For Mahesh C. Solanki & Co.
 Chartered Accountants
 Firm Regn No. 006228C

CA. Mahesh Solanki
 Partner
 M. No. 074991

Place : Thane
 Dated : 30th May, 2013

For and on Behalf of the Board of Directors
For KCL Infra Projects Limited

Sd/-
Mohan Jhawar
 Director

Sd/-
Alka Soni
 Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2013**

(Amount in Rs.)

Sr. No	PARTICULARS	NOTE	Year ended on 31.03.2013	Year ended on 31.03.2012
Revenue from operations				
I	Revenue from operations	19	40,310,429	221,747,691
II	Other income	20	10,884,367	2,428,321
	Total Revenue		51,194,796	224,176,012
Expenses :				
III	Purchase of stock-in-trade	21	46,198,856	188,470,804
	Changes in inventories of Work in Progress & Stock-in-trade	22	(4,977,523)	29,118,124
	Trading Expenses	23	1,204,394	336,059
	Employee benefits expenses	24	2,575,020	1,745,500
	Finance costs	25	1,224,614	540,913
	Depreciation and amortization expense	26	730,983	673,069
	Other expenses	27	1,708,605	1,614,324
	Total Expenses		48,664,948	222,498,794
IV	PROFIT / (LOSS) BEFORE TAX		2,529,848	1,677,219
V	TAX EXPENSE			
	Current tax		780,000	490,000
	Earlier year tax		(15,341)	(47)
	Deferred tax(Assets)/ liabilities		(29,580)	61,702
VI	PROFIT / (LOSS) FOR THE PERIOD		1,794,769	1,125,564
VII	Earning per equity share		0.07	0.04
	Basic		0.07	0.04
	Diluted			
	Significant Accounting Policies	1		

The notes are an integral part of these financial statements

As per our report of even date attached
For Mahesh C. Solanki & Co.
Chartered Accountants
Firm Regn No. 006228C
CA. Mahesh Solanki
Partner
M. No. 074991

For and on Behalf of the Board of Directors
For KCL Infra Projects Limited

Sd/-
Mohan Jhawar
Director

Sd/-
Alka Soni
Director

Place : Thane
Dated : 30th May, 2013

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2013**

(Amt. in Rs.)

Particulars	Year ended 31 st March, 2013	Year ended 31 st March, 2012
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	2,529,848	1,677,218
Adjustment for :		
Depreciation	706,717	648,803
Miscellaneous Exp. W/o	42	149,115
Preliminary Exp. w/off	24,266	24,266
Interest Paid	1,224,614	540,913
Interest Received	(8,264,646)	(2,127,408)
Operating Profit before change of Working Capital	(3,779,160)	912,907
(Increase)/Decrease in Inventories	(4,977,523)	(32,436,332)
(Increase)/Decrease in Sundry Debtors	96,999,958	(49,948,367)
(Increase)/Decrease in Trade Payables	(3,129,567)	35,746,839
(Increase)/Decrease in Loan & Advances	(127,328,030)	23,710,289
(Increase)/Decrease in Current Liabilities	(4,624,156)	6,309,601
(Increase)/Decrease in Other Current Assets	27,298,602	(27,925,000)
Cash Generated from Operation	(19,539,875)	(43,630,062)
Income Tax Paid	1,309,691	250,544
	(20,849,566)	(43,880,606)
CASH FLOW FROM INVESTMENT ACTIVITIES		
Interest Received	8,264,646	2,127,408
Interest Paid	(1,224,614)	(540,913)
Purchase of fixed assets	(101,948)	(4,107,312)
Sale of Investments	-	-
	6,938,084	(2,520,817)
CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Share Capital (including Premium)	-	72,360,000
Share Application Money	-	(39,000,000)
Preliminary Exp.	-	(121,330)
Loan taken	6,857,894	14,554,103
Loan Repaid	(1,101,838)	-
	5,756,056	47,792,773
NET CASH INCREASE IN CASH & CASH EQUIVALENTS	(8,155,426)	1,391,349
ADD : OPENING CASH & CASH EQUIVALENTS	12,855,249	11,463,900
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	4,699,824	12,855,249

As per our report of even dated Attached

For Mahesh C. Solanki & Co.Chartered Accountants
Firm Regn No. 006228C**CA. Mahesh Solanki**
Partner
M. No. 074991Place : Thane
Dated : 30th May, 2013

For and on Behalf of the Board of Directors

For KCL Infra Projects LimitedSd/-
Mohan Jhawar
DirectorSd/-
Alka Soni
Director

**1. SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies adopted in the preparation and presentation of the accounts are as under:

- a) **Nature of Operations**
KCL Infra Projects Limited ("the Company") was incorporated on 21st July, 1995 at Jaipur, India. The main object of the company is to carry on business of Construction & Infrastructure Activities. In addition to that company is also engaged in dealings of Shares & securities, derivatives and other investments.
- b) **Basis of Accounting**
The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956, to the extent applicable. Except where otherwise stated, the accounting principles have been consistently applied. Presentation & Disclosure of Financial Statements, The Financial Statements of the company have been prepared and presented for the year ended March 31, 2013, as per the format prescribed under the revised Schedule VI notified under the Companies Act, 1956. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for the preparation of the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.
- c) **Fixed Assets**
Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided on Straight Line method on pro-rata basis at the rates, which are prescribed in Schedule XIV of the Companies Act, 1956.
- d) **Investments**
Long term investments are stated at cost and provision is made to recognize any diminution in value, other than that of a temporary nature.
- e) **Inventories**
Inventories are valued as follows:
• **Constructions & Infrastructure**
Projects in progress are valued at cost.
• **Equity Shares & Units of Mutual Fund**
Equity Shares & Units of Mutual Fund are valued at Cost or realizable value, whichever is lower. Cost is determined on a First in First out Basis.
- f) **Revenue recognition**
a) Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. In respect of nondelivery based transactions such as derivatives, the profit & loss is accounted for at the completion of each Profit and Loss as incurred.
b) In respect of any other income, the company follows the practice of recognizing income on accrual basis.
- g) **Income taxes**
Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.
- h) **Earnings per Share**
Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

**i) Segment Reporting Policies****Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

j) Provisions and Contingent Liabilities

The Company recognizes a provision where there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosures for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013

(Amount in Rs.)

NOTE	PARTICULARS	As at 31.03.2013	As at 31.03.2012
2	SHARE CAPITAL		
	(a) Authorised Capital	55,000,000	55,000,000
	27,500,000 Equity Shares of Rs.2/- each (Prev. Year 27,500,000 Equity Shares of Rs 2/- each)		
		55,000,000	55,000,000
	(b) Issued, Subscribed and Paid up shares		
	26,331,000 (Prev. Year 26,331,000) Equity Shares of Rs 2/- each	52,662,000	52,662,000
		52,662,000	52,662,000
2.1	Terms/rights attached to equity shares		
	The company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share.		
2.2	Details of shareholders holding more than 5% shares in the company		
		No. of Share	% of Holding
	Name		
	Mohan Jhawar	1,936,586 (P.Y. 28,000)	7.35% (P.Y. 0.11%)
2.3	Reconciliation of the number of share along with the amounts outstanding at the beginning and at the end of the reporting period.		
		No fo Shares	
		As at 31.03.2013	As at 31.03.2012
	Particular		
	Number of share at the beginning	26,331,000 (P.Y. 2,52,51,000)	25,251,000 (P.Y. 2,52,51,000)
	Add : Share issued during the year	- (P.Y.10,80,000)	1,080,000 (P.Y. Nil)
	Number of share at the end	26,331,000	26,331,000
3	RESERVE & SURPLUS		
	(a) General Reserve		
	Opening Balance	1,000,000	1,000,000
	Additions During The Year	-	-
	Closing Balance (A)	1,000,000	1,000,000
	(b) Capital Reserve		
	Opening Balance	13,028,000	13,028,000
	Additions During The Year	-	-
	Closing Balance (B)	13,028,000	13,028,000
	(c) Securities Premium Account		
	Opening Balance	101,177,000	30,977,000
	Additions During The Year	-	70,200,000
	Closing Balance (C)	101,177,000	101,177,000
	(d) Surplus of Statement of Profit & loss Account		
	Opening Balance	7,527,080	6,401,516
	Additions During The Year	1,794,769	1,125,564
	Closing Balance (D)	9,321,849	7,527,080
		124,526,849	122,732,080

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013**

(Amount in Rs.)

NOTE	PARTICULARS	As at 31.03.2013	As at 31.03.2012
NON CURRENT LIABILITIES			
4	Long Term Borrowings		
	Secured Term Loans from bank		
	Vehicle Loan*	323,731	1,540,846
		323,731	1,540,846
	* Long term borrowing secured by way of mortgage over the vehicle.		
5	Deferred Tax Liabilities (Net) :		
	Opening Balance	411,495	349,793
	Deferred Tax Asset/(Liability) Created During the year	(29,580)	61,702
		381,915	411,495
CURRENT LIABILITIES			
6	Short-Term Borrowings :		
	Loan Repayable On Demand		
	Cash Credit From Bank for Working Capital Facilities*	18,769,313	11,911,419
		18,769,313	11,911,419
	* Cash credit limit granted by Indian Overseas Bank this is secured by way of rent receivables.		
7	Trade Payables		
	Trade Creditors	32,507,507	35,662,474
	Sundry Creditors for Expenses	280,635	255,235
		32,788,142	35,917,709
8	Other Current Liabilities		
	Other Current Liabilities	156,913	254,319
	Current Maturities Of Long Term Debts		
	-Vehicle Loan	1,217,115	1,101,838
	Rent Deposit	1,480,000	1,000,000
	Advance from Customer	-	5,000,000
		2,854,028	7,356,157
9	Short-Term Provisions		
	Provision for Current Tax	780,000	490,000
	Provision for Expenses	59,562	66,312
		839,562	556,312
NON CURRENT ASSETS			
11	Non Current Investment		
	Long Term Investments		
	(At Cost/Carrying Amount unless otherwise stated)		
	In Equity Shares		
	Madhya Pradesh Stock Exchange Ltd.	2,592,000	2,592,000
	(86,400 Equity shares of Rs. 1/- each fully paid up)		
	Medistar Health Solution Pvt. Ltd.	1,000,000	1,000,000
	(20,000 Equity shares of Rs. 10/- each fully paid up)		
	Allied News Network P. Ltd.	4,000,000	4,000,000
	(32,000 Equity shares of Rs. 10/- each fully paid up)		
		7,592,000	7,592,000

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013**

(Amount in Rs.)

NOTE	PARTICULARS	As at 31.03.2013	As at 31.03.2012
12	Long Term Loans And Advances :		
	(Unsecured Consider good)		
	Security Deposits With others	30,029	50,029
	Loans & Advances Recoverable in cash or kind	20,494,423	-
		20,524,452	50,029
	Other Non-Current Assets		
13	Misc. Expenditure		
	(To The Extent Not Written Off Or Adjusted)		
	Incurred during the year	97,064	121,330
	Less: 1/5 th Written Off During The Year	24,266	24,266
		72,798	97,064
	CURRENT ASSETS		
14	Inventories		
	(As Taken, Valued & Certified By The Management)		
	Land and Development cost	53,929,010	47,204,518
	Stock in trade	6,239,573	7,986,541
	In Equity Shares & Units	60,168,583	55,191,059
15	Trade Receivables		
	(Unsecured Considered Good Unless Otherwise Stated)		
	Debts Outstanding For A Period Exceeding 6 Months	-	97,000,000
	Other Debts	-	-
		-	97,000,000
16	Cash & Cash Equivalents		
	Balance With Scheduled Banks		
	Current Accounts	3,309,781	9,625,452
	Cash On Hand	1,390,043	1,729,798
	(As Verified and Certified By Management)		
	Fixed deposit account having maturity Less than 3 month	-	1,500,000
		4,699,824	12,855,250
17	Short Term Loans & Advances		
	(Unsecured Considered Good Unless Otherwise Stated)		
	Advances Recoverable In Cash Or In Kind For The Value To Be Received		
	(a) Receivable From Revenue Authorities	528,931	25,047
	(b) Advance Income Tax & TDS Receivable	1,212,709	377,677
	(c) Others Loans & Advances	131,231,612	24,885,294
	(d) Prepaid Insurance	18,963	15,558
		132,992,215	25,303,576
18	Other Current Assets		
	Advance to Creditors	2,126,398	29,425,000
		2,126,398	29,425,000
19	Revenue from operation		
	Sales-Derivatives, Equity & Unit	35,310,429	160,597,691
	Revenue from construction activity	5,000,000	-
	Liquidated Damages	-	61,150,000
		40,310,429	221,747,691

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013**

(Amount in Rs.)

NOTE	PARTICULARS	As at 31.03.2013	As at 31.03.2012
20	Other income :		
	Interest income	8,264,646	2,127,408
	Dividend income	106,521	100,913
	Sale of Copyright	2,500,000	-
	Rent received	-	200,000
	Short Term Capital Gain on Investment	13,200	-
		10,884,367	2,428,321
21	Purchase of Stock-in-Trade & Work-in Progress		
	Purchases-Derivatives, Equity & Unit	39,474,364	128,319,781
	Purchase & Development Cost	6,724,492	60,150,933
		46,198,856	188,470,804
22	Stock-in-trade & Work-in Progress		
	At the beginning of the accounting period	55,191,059	84,309,183
	At the end of the accounting period	60,168,583	55,191,059
		(4,977,523)	29,118,124
23	Trading Expenses		
	Service Tax & Other Charges	133,680	284,864
	Securities Transaction Tax	9,162	51,196
	Purchase of Copyright	1,047,850	-
	Freight Paid	13,702	-
		1,204,394	336,059
24	Employee Benefit Expenses		
	Director remuneration	1,500,000	750,000
	Salary and wages	1,075,020	995,500
		2,575,020	1,745,500
25	Finance costs		
	Interest On Borrowing from Bank	1,061,651	235,122
	Interest Paid to others	62,664	179,057
	Processing Charges	85,383	126,735
	Bank Charges & Commission	14,916	-
		1,224,614	540,913
26	Depreciation And Amortization Expenses		
	Depreciation	706,717	648,803
	Preliminary Expenses Written off	24,266	24,266
		730,983	673,069
27	Other Expenses		
	Administrative Expense		
	Audit Fees & expenses	67,416	66,180
	Communication Expenses	37,140	16,853
	Electricity & Water Expenses	47,096	52,813
	Insurance Expenses	109,587	85,589
	Legal & Professional Fees & Expenses	386,050	414,356
	Office Expenses	264,491	188,369
	Postage & Telegram	47,462	27,602
	Rent, Rates & Taxes	198,000	186,750
	Repairs & Maintenance	35,754	30,200

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013**

(Amount in Rs.)

NOTE	PARTICULARS	As at 31.03.2013	As at 31.03.2012
	Stationery & Printing Exp.	87,607	74,586
	Misc. Balance written off	42	149,115
	Donation	-	1,500
	Travelling & Conveyance Expenses	238,194	218,538
	Vehicle repairs & Maintenance	144,766	101,873
		1,708,605	1,614,324
28	PAYMENT TO THE AUDITORS AS		
	Audit Fees	60,000	60,000
	In other capacity	40,000	40,000
	Service Tax	12,360	10,300
		112,360	110,300
29	EARNING PER SHARE (EPS)		
	Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholder	1,794,769	1,125,564
	Weighted Average number of equity shares used as denominator for calculating EPS	26,331,000	26,331,000
	Basic and Diluted Earning per share (Rs.)	0.07	0.04
	Face Value per equity share (Rs.)	2.00	2.00
30	CONTINGENT LIABILITIES AND COMMITMENTS		
	No contingent liabilities exist as on the balance sheet date	NIL	NIL
31	Confirmation of amount due from Sundry Debtors and due to Sundry Creditors, deposits, Loans and Advances have been received from certain parties and necessary adjustments, if any, are made in the books of accounts.		
32	In the opinion of the Board of Directors, the current assets, Loans & Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated.		
33	Balances in respect of Sundry Creditors, Sundry Debtors, Loans and advances (including interest thereon) are subject to confirmation from respective parties.		
34	Previous year's figures have been re-grouped/re-arranged and re-classified wherever necessary.		
35	Segment Reporting		
	The business of the Company is under two segments i.e.		
	a) Construction & Infrastructure		
	b) Derivative, Equity & Unit.		
			(Rs. In Lacs)
		For The Year Ended March 31, 2013	For The Year Ended March 31, 2012
1.	Segment Revenues:		
	(a) Constructions & Infrastructure	50.00	611.50
	(b) Turnover in Derivatives, Equity & Unit	353.10	1,605.98
	(c) Unallocated.	108.84	24.28
	Total Revenues	511.95	2,241.76
	Less: Inter Segment Revenue	-	-
	Net Sales/Income From Operations	511.95	2,241.76
2.	Segment Results		
	(a) Constructions & Infrastructure	49.86	481.00
	(b) Derivatives, Equity & Unit	(82.19)	(453.65)
	(c) Unallocated	108.84	24.28
	Total	76.52	51.64



(In Lacs)		
	For The Year Ended March 31, 2013	For The Year Ended March 31, 2012
Less: (i) Financial Cost	12.25	5.41
(ii) Other Un-allocable Expenditure net off un-allocable income	38.98	29.45
Total Profit before Tax	25.30	16.77
3. Capital Employed (Segment assets – Segment Liabilities)		
(a) Constructions & Infrastructure	389.81	716.30
(b) Derivatives, Equity & Unit	(91.21)	694.21
(c) Unallocated	1477.10	347.55
Total	1775.71	1,758.06

36 Related Party Disclosure (As identified & certified by the management)

- (a) Associates: (1) KCL Stock Broking Ltd.
(2) KCL Realities Ltd.
- (b) Key Management Personal: Mr. Mohan Jhawar
Mrs. Alka Soni
- (c) Transaction during the year with related parties.

(Rs. In Lacs)

Particulars	Associates		Relatives of Key Managerial Personnel		Key Managerial Personnel		Total	
	2013	2012	2013	2012	2013	2012	2013	2012
Rent Paid	-	-	-	-	1.44	1.44	1.44	1.44
Salary Paid	-	-	-	-	15.00	7.50	15.00	7.50
Sales	-	(468.5)	-	-	-	-	-	(468.5)
Current Account Transaction	137.75	-	-	-	-	-	137.75	-

37. The company has not made any preferential allotment to parties and company covered under register maintain under section 301 of the company act 1956 and hence, the question of whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.

38. As per the clause 22 of chapter V of MSMED Act, 2006

Amounts

- The principal amount and interest remaining unpaid to any supplier Nil
- The amount of interest paid by the buyer along with the payments made to the suppliers Nil
- The amount of interest due and payable for the period of delay in making payment Nil
- The amount of interest accrued and remaining unpaid at the end of the year Nil
- The amounts of interest remaining unpaid and payable even in the succeeding years, until such date are actually paid to the small enterprise. Nil
- On the basis of information available with the company no such delay in payment to Micro/ Small Enterprises occurs.

As per our report of even date attached

For Mahesh C. Solanki & Co.

Chartered Accountants
Firm Regn No. 006228C

CA. Mahesh Solanki

Partner

M. No. 074991

For and on Behalf of the Board of Directors

For KCL Infra Projects Limited

Sd/-

Mohan Jhawar
Managing Director

Sd/-

Alka Soni
Director

Place : Thane

Dated : 30th May, 2013

NOTE-10 FIXED ASSETS

DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Cost as on 01/04/2012	Addition During the year	Deletions During the year	As on 31/03/2013	Upto 01/04/2012	For the year	Written Back	Upto 31/03/2013	As on 31.03.12	As on 31.03.13
Office Premises	91,000	-	-	91,000	172,542	30,427	-	202,969	738,458	708,031
Plant and Machinery	145,700	-	-	145,700	43,264	6,921	-	50,185	102,436	95,515
Furniture & Fittings	283,683	-	-	283,683	107,877	17,957	-	125,834	175,806	157,849
Office Equipments	373,182	65,198	-	438,380	72,166	25,527	-	97,693	301,016	340,687
Motor Vehicle	549,060	-	-	5,490,603	1,352,588	521,607	-	1,874,195	4,138,015	3,616,408
Computer	61,593	36,750	-	652,685	497,627	104,278	-	601,905	118,308	50,780
TOTAL	7,820,103	101,948	-	7,922,051	2,246,064	706,717	-	2,952,781	5,574,039	4,969,270
Previous Year	3,712,791	4,107,312	-	7,820,103	1,597,261	648,803	-	2,246,064	5,574,039	2,115,530

Depreciation is provided on Straight Line method on prorata basis at the rates, which are prescribed in Schedule XIV of the Companies Act, 1956.



KCL Infra Projects Limited

Registered Office: 402, Radhakrishan Apartment, Vijay Homes Bangladesh Naka,
Bhayandar West Thane - 401 101

PROXY FORM

Regd. Folio No./DP Client ID:

I/We.....resident. of.....in the district being a member/members of the above named Company hereby appoint..... resident ofin the district as my/our proxy to vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company at Food Zone IInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101at 2:30 P.M. on Monday, the 30th day of September 2013 and at any adjournment thereof.

Signed thisday of, 2013

Rupee
one
Revenue
Stamp

Signature

Note:

- 1. This form in order to be effective should be duly stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting

KCL Infra Projects Limited

Registered Office: 402, Radhakrishan Apartment, Vijay Homes Bangladesh Naka,
Bhayandar West Thane - 401 101

ATTENDANCE SLIP

Eighteenth Annual General Meeting – September 30, 2013

Name of the attending member (in Block letters)	
Folio Number	
*DP ID No.	
*Client No.	
No. of Shares held	
Name of proxy (to be field in if the proxy attends instead of the member)	

I hereby record my presence at the Eighteenth Annual General Meeting of KCL Infra Projects Ltd. at Food Zone IInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101 at 2:30P.M. on Monday the 30th day of September 2013

*Applicable in case of shares held in Electronic Form

.....
Signature of Member/Proxy

Book-Post

Printed by : Radiant Printers
Dial : (O) 2538485 (R) 2550453

To

If Undelivered please return to
KCL INFRA PROJECTS LIMITED
Regd. Office 1102, Radhakrishnan Apartment,
Vijay Homes Bangladesh Neka, Bheyandar West Thane - 401 101