

KAUSHALYA
INFRASTRUCTURE
Development Corporation Limited
BUILDING FOUNDATIONS FOR OUR TOMORROW



ANNUAL REPORT 2010-2011

Corporate Information

BOARD OF DIRECTORS

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

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Neha Jain

REGISTRAR AND SHARE TRANSFER AGENT

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

STATUTORY AUDITORS

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

BANKERS

Indian Overseas Bank
State Bank of India
Axis Bank

REGISTERED OFFICE

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

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Notice

NOTICE OF ANNUAL GENERAL MEETING

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

ORDINARY BUSINESS

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

"RESOLVED THAT M/s. Sumanta & Co., Chartered Accountants, be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to the provisions of Section 94(1)(a) of the Companies Act, 1956, and other applicable provisions if any, the authorized share capital of the company be and is hereby increased from ₹ 250,000,000/- (Rupees Twenty Five Crores only) divided into 25,000,000 Equity Shares of ₹10/- each to ₹ 350,000,000/- (Rupees Thirty Five Crores only) divided into 35,000,000 Equity Shares of ₹ 10/- each by creation of 10,000,000 Equity Shares of ₹ 10/- each ranking pari passu in all respect with the existing equity shares.

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

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

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

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

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

Notice

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

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

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

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

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

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

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

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

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

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

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

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

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

Neha Jain
Company Secretary

NOTES :

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

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

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

Item No. 1

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

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

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

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

Item No. 2

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

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

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

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

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

a) **Objects of the Issue**

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

b) **Relevant Date & Price**

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

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

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

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

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

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

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

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

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

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

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

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e) Proposed time within which allotment shall be completed

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

f) Identity and details of the proposed allottees :

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

Notice

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

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

h) **Auditors' Certificate :**

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

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

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

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

j) **Undertaking :**

The Company hereby undertakes that :

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

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

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

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

The Board recommends the resolution for your approval.

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

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

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

Neha Jain
Company Secretary

Notice

ANNEXURE

Details of Directors seeking appointment/reappointment at the Annual General Meeting as per clause 49 of the Listing Agreement with the stock exchanges.

Particulars	Mr. Parag Keshar Bhattacharjee	Mr. Sakti Pada Banerjee
Date of Birth	January 18, 1939	October 01, 1946
Date of Appointment	May 19, 2006	January 31, 2009
Educational Qualification	Masters in Economics and CAIIB	B. Sc in Civil and Municipal Engineering; ME in Public Health from the Institute of Hygiene & Public Health (AIH & PH), Kolkata.
Expertise in specific functional areas	Mr. Parag Keshar Bhattacharjee, have held various positions within the State Bank of India and retired in January 1999 as Deputy Managing Director & Chief Financial Officer. He is rich experience in various corporate field.	Mr. Sakti Pada Banerjee started his career as an Assistant Engineer in Ground Water and surface Water Investigation Unit under the Govt. of West Bengal. He has around 42 years of experience in Public Health Engineering in various districts of West Bengal.
Directorship in other Public Limited Companies as on March 31, 2011	<ol style="list-style-type: none"> 1. Cheviot Company Ltd. 2. Global Investment Trust Ltd 3. Kanco Enterprises Ltd. 4. Kilburn Chemicals Ltd. 5. M.S.M.Energy Ltd. 6. Quipo Telecom Infrastructure Ltd. 7. Stesalit Ltd. 8. Stesalit System Ltd. 9. Suryachakra Power Corporation Ltd. 	<ol style="list-style-type: none"> 1. Bengal KDC Housing Development Ltd.
Membership/Chairmanship in other Public Companies (only in Audit and Shareholders/Investor Grievance Committee) as on March 31, 2011	3	Nil
Number of shares held as on March 31, 2011	Nil	Nil

APPEAL TO SHAREHOLDERS

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. To put it precisely, MCA has issued Circular Nos. 17/2011 & 18/2011 dated April 21, 2011 and April 29, 2011 respectively stating that the service of notice / documents by a company to its shareholders can now be made through electronic mode.

Your company is always on the tip-toe to support such noble initiation by MCA, so it proposes to send documents such as the Notice of the Annual General Meeting, Audited Financial Statements, Directors' Report, Auditors' Report, etc., and all the statutory documents henceforth to the shareholders in Electronic Form, unless hear contrary from you.

In order to facilitate us in sending you documents in electronic mode, you may opt for any of the below mentioned options for registering your e-mail address :

- 1. In respect of electronic holdings you may register your e-mail address with your concerned Depository Participant (DP) at the earliest.**
- 2. Members who hold shares in physical form are requested to either send mail at info@kaushalyainfrastructure.com or fill the appropriate column at the link <http://www.cbmsl.com/entry.php> and register the same with CB Management Services Private Limited our registrar.**

They can also send the email id at the registered office of the company.

The annual report shall also be available on the website of the company on the below mentioned link in due course: www.kaushalyainfrastructure.com

We are sure you would appreciate the "Green Initiative" taken by MCA. We solicit your patronage and support in helping the Company to implement the e-governance initiatives of the Government.

Please note, as a valued shareholder, you are always entitled, upon receipt of a requisition to receive, free of cost, a printed copy of the annual report of the company and all other documents at any time.

We look forward to your support in this initiative.

Director's Report

Dear Shareholders,

Your Directors are pleased to present the 19th Annual Report and the audited accounts for the financial year ended March 31, 2011.

FINANCIAL PERFORMANCE

The Financial Performance of the Company, for the year ended March 31, 2011 is summarized as follows :

(₹ in Lacs)

	STANDALONE				CONSOLIDATED			
	31.03.11		31.03.10		31.03.11		31.03.10	
Contract Revenue & Other Income		9255.07		8336.04		9255.07		8336.04
Profit before Depreciation, Interest & Tax		1000.39		770.06		995.45		763.83
Less : Depreciation	45.21		46.36		47.60		46.36	
Interest	462.85	508.06	<u>292.43</u>	338.79	462.85	510.45	<u>292.43</u>	338.79
Profit Before Tax		492.33		431.27		485.00		425.04
Less : Provision for Tax								
- Current Tax	128.30		107.85		128.30		107.85	
- Deferred Tax	33.78		34.20		33.78		34.20	
- Fringe Benefit Tax	—		—		—		—	
- Income Tax for Earlier Year	43.93	206.01	—	142.05	43.93	206.01	—	142.05
Net Profit After Tax		286.32		289.22		278.99		282.99
Less : Minority Interest		N.A		N.A		(2.12)		(0.98)
Net Profit After Minority Interest		N.A		N.A		281.11		283.97
Balance b/f from previous year		1497.25		1208.03		1484.10		1200.13
Balance available for appropriations		1783.57		1497.25		1765.21		1484.10
APPROPRIATIONS								
Transfer to General Reserve		0.00		0.00		0.00		0.00
Balance Carried to Balance Sheet		1783.57		1497.25		1765.21		1484.10

OPERATIONS REVIEW

On a stand alone basis your Company has earned a total income of ₹ 9255.07 Lacs in the current financial year as against ₹ 8336.04 Lacs in the previous year. Your Company has earned a Profit Before Tax of ₹ 492.33 Lacs as against ₹ 431.27 Lacs incurred in the previous year registering a growth of 14%.

On Consolidated basis, during the financial year under review the Total Income of the Company is ₹ 9255.07 Lacs as against ₹ 8336.04 Lacs in the previous year. The Profit Before Tax increased to ₹ 485.00 Lacs from ₹ 425.04 Lacs registering a growth of 14%.

DIVIDEND

The Directors did not recommend any dividend for the year ended March 31, 2011 keeping in mind the fund requirements for the expansions under taken by the company.

PUBLIC DEPOSIT

The Company did not invite/accept any deposits from the public during the year and as such there are no outstanding deposits in terms of the Companies (Acceptance of Deposits) Rules, 1975.

Director's Report

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

As required under the Listing Agreements with the Stock Exchanges, Consolidated Financial Statements of the Company and all its subsidiaries are attached. The Consolidated Financial Statements have been prepared in accordance with Accounting Standards 21 and 23 issued by the Institute of Chartered Accountants of India and show the financial resources, assets, liabilities, income, profits and other details of the Company and its subsidiaries after elimination of minority interest, as a single entity.

Ministry of Corporate Affairs, Government of India has granted general exemption for the requirements to attach various documents in respect of Subsidiary Companies vide circular No. 2/2011 vide its letter No. 51/12/2007-CL-III dated 8th February, 2011. Details of major subsidiaries of the Company are covered in the Annual Report. The Company will make available the Annual Accounts of the subsidiary Companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary Companies will also be kept open for inspection at the Registered Office of the Company and that of the respective subsidiary Companies. The details on the accounts of the subsidiaries will be put on the Company's website viz. www.kaushalyainfrastructure.com. The Consolidated Financial Statements presented by the Company include financial results of its subsidiary Companies.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956, and the Company's Articles of Association, Mr. Parag Keshar Bhattacharjee and Mr. Sakti Pada Banerjee retire by rotation and being eligible offer themselves for reappointment at the ensuing Annual General Meeting.

The Board of Directors recommends their respective appointment.

The brief resume and other details relating to directors, who are to be re-appointed, as stipulated under Clause 49 of the Listing Agreement is furnished as Annexure to the Notice.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:

- i. in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed by the Company;
- ii. appropriate Accounting Policies, as mentioned in Schedule 17, have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the profit of the Company for the financial year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the annual accounts have been prepared on a going concern basis.

AUDITORS'

M/s. Sumanta & Co., Chartered Accountants, (Firm Registration No. 322554E) Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from them to the effect that their reappointment, if made, would be within the prescribed limits under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of section 226 of the said Act.

AUDITORS' REPORT AND NOTES ON ACCOUNTS

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors under section 217[3] of the Companies Act, 1956.

Director's Report

PARTICULARS OF EMPLOYEES

During the year under review, no employee of your Company was in receipt of remuneration in excess of the limits specified under the provision of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975; hence no such particulars are annexed.

CORPORATE GOVERNANCE

Adequate steps to ensure compliance of all the mandatory provisions of 'Corporate Governance' as amended in the Listing Agreements of the Stock Exchanges with which the Company's Shares are listed have been taken and your Company has ensured its required compliance. A certificate from the auditors of the Company on compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement with Stock Exchanges is annexed and form a part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A Management Discussion and Analysis Report forming part of the Directors' Report as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is discussed in a separate section of this Annual Report.

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

Particulars as per Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are as under :

A. Conservation of Energy

Though the Company's core activities are not energy intensive, substantial efforts were made towards energy conservation in all operational activities. Suitable measures have been taken to maximize savings in electricity, fuel and power consumption by the judicious use of equipments, machineries etc used in the construction.

Total energy consumption and energy consumption per unit as per form –A of Annexure to the rules of Industries specified in the schedule thereto : Not Applicable

B. Technology Absorption

As the Company's main business is civil contract works, the Company has not undertaken any research & development activity. The technology adopted and applied is the latest technology available in the Industry enabling your company to timely complete the challenging tasks successfully. Many innovative techniques developed and put to effective use to achieve cost efficiency in the construction activity and to be more and more competitive in the prevailing environment. Though it is not possible to quantify the impact, the measures are expected to result in considerable savings.

C. Foreign Exchange Earnings & Outgo

	(₹)
Earned	Nil
Outgo (Last Yr Nil)	Nil

ACKNOWLEDGEMENT

We wish to acknowledge the understanding, support and the services of the sincere workers, staff and executives of the Company, which have largely contributed to the efficient operations and management of the Company. Your Directors also wish to place on record the valuable co-operation and support received from the Financial Institutions, Banks, the Government of India, the State Governments and the local authorities concerned. We would also like to express sincere thanks to our Shareholders for their confidence and understanding.

For and on behalf of the Board

Place : Kolkata
Date : August 31, 2011

Ramesh Kumar Mehra
Chairman

Management Discussion and Analysis

ECONOMIC OVERVIEW

The strong level of economic growth achieved in India in recent years has led to an expansion of industry, commerce and per-capita income, which, in turn, have fuelled the demand for infrastructure services. India is one of the largest and most dynamic infrastructure and project finance markets in the world with the total number of project based Special Purpose Vehicles (SPVs) at around 800, according to Ratings Agency Fitch. The infrastructure sector accounts for 26.7 percent of India's industrial output. The investment in infrastructure is expected to increase to 8.37 per cent in the final year of the 11th Plan and likely to touch 10 per cent of GDP in the 12th Five Year Plan (2012-2017). With the increasing investment, the share of private sector in the total investment on infrastructure has increased rapidly.

The government has played a pivotal role in making Indian infrastructure sector an attractive investment destination for both domestic and foreign players. Steps taken by the government such as - opening up the sector to private players, liberalising foreign investment norms and huge spending on projects like National Highway Development Project (NHDP), National Maritime Development Programme (NMDP) etc all- have given a stupendous impetus to the sector in the past few years.

INDUSTRY STRUCTURE & DEVELOPMENT

The construction sector is characterized by mix of both organized and unorganized entities. More than half of construction activity is generated from infrastructure sectors, followed by industrial, commercial and residential sectors. Investment in the construction sector may be broadly classified into the following categories:

- Infrastructure construction investments (i.e. roads, bridges, power, irrigation and railways)
- Real estate construction investments (i.e. residential and commercial construction)

Below is a brief overview of the various sectors of infrastructure industry

Roads

Good road connectivity ensures all round- social and economic development of any region as it provides a baseline for growth in other industries. The Road Sector contributes nearly 5 % of GDP in India and as a proportion of investment is probably second only to power sector investments. Passenger traffic is projected to grow by 12-15 % by 2012. Roads form the most common type of transportation in India and accounted for approximately 80.0% of passenger traffic and 65.0% of freight traffic. National highways accounts for nearly 40.0% of the total road traffic in India. With the government's continued stress on the highway sector and the impetus put forth by the various NHDP programmes, the road and highway sector is poised for sustained growth and development in the country as a precursor to the overall economic development and growth of the nation.

Ports

India has 12 major ports and about 200 non-major ports spread across its 7,517-km coastline, which is divided into two: East Coast and West Coast (each coast has six major ports). The port capacity in the country, including major and non-major ports, crossed 1 billion tonnes during 2010-11. From the last few years, Indian ports managed about 95 percent of volume (of total trade in the country) and about 70 percent of the value (of total trade). The major ports handle about 72 percent of the total traffic. In order to handle the increase in the sea-borne traffic on account of increase in foreign and coastal trade, major expansion is required in the port infrastructure sector in the country and this will need mobilisation of substantial resources. The government is placing tremendous importance to development of this sector both with state sponsorship as well as by soliciting private sector participation.

Power

Power is an essential requirement for all facets of our life and has been recognized as a basic human need. It is the critical infrastructure on which the socio-economic development of the country depends. The latest figures released by the Central Electricity Authority (CEA) indicate a 5.5% growth in electricity generation in India during the financial year 2010-11. Power generation recorded a CAGR of 5.17% during the period 2001-02 to 2010-11.

Energy

With 15% of the world's population and an economic growth rate that increases the aspiration of its people to better quality of life, India has a voracious appetite for energy. But the country lacks sufficient domestic energy resources, particularly of petroleum and natural gas, and must import much of its growing requirements. Currently, about 35% of India's commercial energy needs are imported.

Management Discussion and Analysis

Real Estate

Real Estate Sector is a large, hugely diversified sector, one with many verticals such as land, design/construction, development, investment, lending etc. With the global slowdown in real estate sector, several high priced markets have seen a correction in realty prices leading to a more stable market environment. The demand of quality housing in urban and urbanizing markets in the country has seen sustained levels of growth in the affordable housing sector as well as in the reasonably priced high income group housing Market.

SECTOR SPECIFIC OPPORTUNITIES

Roads/Ports/Industrial Infrastructure (Kaushalya Nirman Initiative)

The road and highway sector in India is one of the core focus areas for infrastructure investment by the government and poised for tremendous growth over the next decade. NHAI, State Governments, Bodies and Authorities are taking on the herculean task of improving the vast road network across the country to enable better transportation of goods and services across the various states. The ontake of PPP models both at the central and state levels has attracted large private sector investments in the area. Maintenance activities on existing infrastructure facilities are also augmented with better road traffic and facilities management and prompt repair and rectification services becoming essential basic commitments of developing authorities.

A similar push is seen in the port sector activities with the tremendous need to augment port infrastructure either in the form of construction of new major and minor ports or expansion of existing ports. Competition has also increased between ports with private sector participation coming in play making service level commitments of port management authorities key for customer relations and repeat businesses. Hence the need for better infrastructure services is becoming more and more essential.

The industrialization of various states in the country is rapid, particularly in the east with various government initiatives coming in place to develop better infrastructure at industrial parks and creation of new parks either focused on one type of activity or being multifarious. Various subsidies are available for boosting sector specific parks and private sector initiatives as well as contribution by industry specific organizations. These initiatives are giving these development activities invigorated speeds.

Your Company's management foresees tremendous potential in this sector, particularly in the development of roads as an EPC business as well as in the BOT space, particularly in the OMT (Operations Maintenance and Tolling) sector. Simultaneously the company sees great potential in development of industrial parks and has taken on such construction in parts of Bengal as a turnkey EPC contractor.

Irrigation/ Power/Energy (Kaushalya Gram Initiative)

The core development after the road and transport sector investment in the country is concentrated in the power sector. With peak power shortages reaching stifling growth various industries are forced to use highly expensive and non-eco friendly diesel power to substitute grid based power. The government has thus focused in various schemes to augment these power sources. While thermal power remains a key source of power today, Renewable sources like Hydro, Solar and Wind play a key role and are expected to grow substantially over the next decades. It is projected that power from Solar itself would be more than half the total power generated world wide by the culmination of this century. The Indian government has put special focus on development of Hydro with allotment of various hydro power projects in the hilly regions of the state. Simultaneously the government has put a tremendous pressure on the Solar space with JNNSM guidelines targeting 20 Giga Watts of power by 2020 and various tariff and capital subsidies are in place for the same.

Your company is highly bullish on this sector and for the purpose has entered the sector to take on hydro power developments as a turnkey contractor for small hydro power projects. Simultaneously it has tied up with Azur Solar GmbH of Germany to bring highly efficient and sustainable solar energy technology into the country to cater to the Solar Energy requirement and poise itself for growth in this exponentially expanding market.

Real Estate (Kaushalya Parivar Initiative)

The last year has seen a slight but cautious uptick in the residential market after the global slump in the real estate sector with demand picking up in the lower middle and upper middle class segment for affordable quality housing. Various stimulus packages and interest rate benefits have been provided to boost this sector. The commercial real estate though has seen a sluggish recovery with rental rates remaining unchanged for the most part. However, with the uptick in the residential market and the commercial sector expected to be the next in line towards recovery your company feels it is poised for good growth with respect to its Rajarhat project and hopes it will provide a significant source of profits in the coming years.

Management Discussion and Analysis

OVERALL OUTLOOK

Looking at your Company as a whole the management feels that there are several areas requiring focus. Investment of time and resources in key areas in the infrastructure trade can yield sustained long term growth at reasonable rates. The Company's focus is primarily on incubating and developing such growth initiatives that impact overall strength of the organization and set it on firm ground for growth in the future.

Nirman : This being the core business area of the company, the management has put majority focus in this sector with tendering activities picking up. Construction, Operation & Maintenance, industrial infrastructure development projects as well as bridge works were bid. Simultaneously PPP projects are now being identified and strategic bids for the same are being planned either independently or in JV with other companies.

Gram : To further this initiative, focus has been given on the power sector. The first Hydro Power Project taken on a Turnkey Development basis in Uttarakhand has commenced designing and is now slated for commencement of construction activities. Another project in a developer role in West Bengal is under investigation. A Joint Venture has been signed with a German collaborator Azur Solar GmbH for EPC Solar Photovoltaic energy projects in various parts of the country providing the much needed technological edge over competition in this space.

Parivar : Real Estate market has been slow on the uptake with wary investors still very cautious with respect to real estate investments. The company has undertaken building construction contracts as well as school infrastructure development contracts. Due to a radical change in government in West Bengal and policy changes stemming from such developments the state's real estate demand has seen a good uptick in the recent months and while sanction procedures are taking some time, the company feels that its real estate investments through subsidiaries have gained considerably in valuations and should be ready for development shortly.

SEGMENT WISE PERFORMANCE

The construction segment, dominated by the Nirman vertical was the key contributor of revenue and profits during the year. The company bid for various large and small contracts across the country. With the increase in competition from local and national players bidding exercises were highly competitive and the company evaluated its pricing strategy cautiously. While success rates were lower than previous years and below expectation as a result of such a cautious approach in the midst of the competitive environment, the ones that were successful were strategic and expected to yield reasonable profits. Total Income from the construction division stood at around ₹ 9201.42 Lacs, up 10.88 % from prior year.

Of the contracts under execution, while the majority of the contracts were related to the Nirman initiative comprising of road sector and Industrial Infrastructure Development Projects, promising leads were seen for the Gram and Parivar verticals as well. Over the next few years, the other two verticals are poised for significant growth and development.

The hotel division revenue stood at ₹ 3.47 Lacs, down 35% from prior year. The hotel business with one hotel in Jhargram has been hit badly due to political instability in the region where our hotel is located causing tourists to avoid the region. Recently the political scenario has stabilized and hopefully these revenues will see an uptick hereon.

RISKS AND CONCERN

While, the Indian infrastructure industry has tremendous scope, it is also beset with a few risks :

1. Increased cost of Infrastructure financing for the company. The RBI has successively raised rates in the past few months resulting in an increase in cost of borrowing for the company. To fuel growth, borrowing levels have also been rising causing an overall increase in interest cost and debt levels. To effectively manage these costs, the company ensures adequate cushioning in price bids of contracts. Additionally the company converted a portion of its working capital debt to FCNR-B term debt at lower interest rates.
2. Increasing Competition. To mitigate this, your Company ensures that it is constantly moving up the value chain by taking up contracts of larger ticket size and greater complexity, thus ensuring that it is operating amidst fewer players.
3. Changes in government policies including change in tax structure. While of late, Government policies are tending to be more stable than they were in the past, the Company does provide for such contingencies at the time of bidding if the attendant costs cannot be passed on to the customer through the contract itself.
4. Inefficient fiscal control may threaten margins and profitability, especially during an industry downturn. The Company employs strict internal and budgetary controls adequately supported with an effective Management Information System (MIS) to keep costs under control.

Management Discussion and Analysis

5. The Company requires employees with correct skill sets for the execution of its projects and if it is unable to recruit and retain the employees, it may adversely affect the business. The Company lays considerable emphasis on training and leadership development.
6. Escalating raw material prices have been witnessed in the current year. The Company has a centralized purchase department to meet the requirements of all its projects and is therefore able to source large volumes at best price and terms.
7. Liquidity risk: The Company is into a highly capital intensive industry segment. Non availability of funds or increased cost of funding will result in pressurized margins. The Company requires a large amount of long term/short term funds to meet its requirement for various Infrastructure / Construction projects. To manage this the Company proactively manages the debt levels from banks to provide adequate liquidity for its operations.
8. Slowdown in Government Spending: The Company's business is highly dependent on government regulations and policies. Any adverse change or regulation can adversely impact the Company's plans. Given the current size of the order book and the number of infrastructure projects that are in the pipeline, your Company is confident of maintaining its healthy growth rate even if there is a slow down in the infrastructure spends in select sectors.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Our Company has laid enormous significance to developing internal control systems relating to all aspects of the business such as procurement, project execution, finance and management information systems as we realizes that the current levels of growth and volume can only be sustained efficiently with appropriate systems and procedures in place. Periodic reporting and MIS reports, project timeline charts, resource planning, auditing and purchase process rationalization is an ongoing process for the Company. The internal control systems of the Company are reviewed periodically by the Management and steps are taken as a part of continuous improvement. Company's mobile based reporting and control system also gives the Company a higher degree of control by enabling almost real time reporting and thus provides the ability to control inventory and progress even remotely. This tool has enhanced the internal control mechanism.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRY RELATIONS

The Company employed approximately 100 employees. The growth and sustained leadership of the Company is largely a function of the competence and quality of its human resource. The Company has always aimed to create a workplace where every person can achieve his optimum potential. The Company has a performance-rewarding culture throughout, enabling it to create leaders out of its own employees.

DISCUSSION ON FINANCIAL PERFORMANCE

Income

For the financial year ended March 31, 2011, Income from contracts stood at ₹ 9201.42 Lacs, up 10.88% YOY. Growth rate was higher than previous years showing an uptick in business activity as infrastructure spending of the government saw a similar rise. Contract bids, however, were slower than normal to materialise as bidding procedures became more complex and lengthy as well as several successful bids have been delayed in award procedures. Hotel income for the year was down 35% as tourism related activity slowed down to a near halt for a period in the area due to political turmoil in the district where the hotel is located. Total Income for the year stood at ₹ 9255.07 Lacs.

PBT/PAT/EPS

Profit Before Tax stood at ₹ 492.33 Lacs up 14% YOY resulting from increased construction efficiency and higher turnover than prior year. Profit After Tax for the year stood at ₹ 286.32 Lacs down 1% YOY because of provision of tax of earlier years. Weighted Average EPS for the year stood at ₹ 1.46 per share compared to ₹ 1.48 per share in the prior year.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward-looking within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, competitive actions, changes in Government regulations, tax regimes, economic developments in India and in countries in which the Company conducts business and other incidental factors.

Report on Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic philosophy of Corporate Governance in the Company is to achieve business excellence and to dedicate itself for increasing long term shareholder's value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. The Corporate Governance framework of the Company ensures that timely and accurate disclosure is being made on all material matters regarding the Company, including the financial statements, performance, ownership and governance of the Company. The Board believes good Corporate Governance is voluntary and self-disciplining. The Board supports principles of good governance and lays appropriate emphasis on regulatory compliance, integrity and accountability.

2. BOARD OF DIRECTORS

In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of the shareholders. The Company's Board comprises of adequate blend of professional, executive and independent Directors.

As on March 31, 2011, the Board of the Directors comprised of Nine (9) Directors of which Two (2) were Non-Executive Directors, Five (5) were Non-Executive / Independent Directors, One was Executive Director, and One was Managing Director & CEO of the Company. All the directors are liable to retire by rotation except the executive directors. As mentioned in the Annual Report for the year 2009-10, your Company appointed Mr. Pradip Kumar Agarwal as a Non-Executive Independent Director on the Board with effect from May 13, 2010.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees across all the Public Companies in which he is a Director. The necessary disclosures regarding other directorships and committee memberships have been made by all the Directors.

3. BOARD MEETINGS

During the financial year ended March 31, 2011, Eight (8) meetings of the Board of Directors were held on the following days and the maximum time gap between Two (2) meetings did not exceed Four (4) months :

Sl. No.	Date on which Board meetings were held	Sl. No.	Date on which Board meetings were held
1	April 17, 2010	5	August 27, 2010
2	May 13, 2010	6	September 1, 2010
3	July 22, 2010	7	November 15, 2010
4	August 13, 2010	8	February 14, 2011

Board Meetings are held at the registered office of the Company. The Agenda along with explanatory notes, wherever necessary are sent in advance to the Directors to get their input in the discussion. The information as required under Annexure IA of Clause 49 is being made available to the Board. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify the instances of non-compliance, if any.

The composition of Board of Directors, their attendance at the Board Meetings held during the year and at last Annual General Meeting and also number of directorships and Chairmanships/Memberships of Committees of each director held in various companies as at March 31, 2011 are as follows :

Name of Director	Category of Directorship	Board Meetings attended during 2010-11	Attendance in last AGM	No. of Directorships held in other Companies #	No. of Committee positions held in other Public Companies as ##	
					Chairman	Member
*Mr. Ramesh Kumar Mehra	Non-Executive Chairman/ Director	8	Yes	3	—	—
*Mr. Prashant Mehra	Managing Director	7	Yes	3	—	—
*Mr. Sidhnath Mehra	Whole Time Director	8	Yes	1	—	—
*Mr. Mahesh Mehra	Non-Executive Director	7	Yes	0	—	—
Mr. Rajesh Kumar Agarwal	Independent and Non-Executive Director	4	Yes	0	—	—

Report on Corporate Governance

Name of Director	Category of Directorship	Board Meetings attended during 2010-11	Attendance in last AGM	No. of Directorships held in other Companies #	No. of Committee positions held in other Public Companies as ##	
					Chairman	Member
Mr. Parag Keshar Bhattacharjee	Independent and Non-Executive Director	6	Yes	9	2	3
Mr. Shankar Saraf	Independent and Non-Executive Director	3	Yes	0	—	—
Mr. Sakti Pada Banerjee	Independent and Non-Executive Director	4	Yes	1	—	—
Mr. Pradip Kumar Agarwal	Independent and Non-Executive Director	0	Yes	0	—	—

Notes :

Other Directorship does not include alternate directorship, directorship of private companies, Section 25 companies and of other companies incorporated outside India.

Includes the Membership/Chairmanship of only Audit Committee and Shareholders' Grievance Committee.

* In terms of clause 49(IV)(G)(ia), it is hereby disclosed that Mr. Ramesh Kumar Mehra is the father of Mr. Prashant Mehra and brother of Mr. Sidhnath Mehra and Mr. Mahesh Mehra. Other than this, none of the other Directors are in any way related to any other Director as per Section 6 of the Companies Act, 1956.

4. CODE OF CONDUCT

As per the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges, the Board has laid down a code of conduct for all board members, senior management personnel and designated employees of the company. All Board members and senior management personnel affirm compliance with the code. A copy of the Code of Conduct is available at the website of the Company.

This is to confirm that the Company has adopted a Code of Conduct for all the Board Members and Senior Managerial Personnel of the Company. It is also confirmed that the Board Members and Senior Management Personnel have affirmed compliance with the same.

Prashant Mehra
Managing Director

5. COMMITTEES OF THE BOARD

▲ Audit Committee

Pursuant to the provisions of Section 292(A) of the Companies Act, 1956 and Clause 49 of the Listing Agreement, the Company has a qualified and independent Audit Committee comprising of three Directors of which two are Independent Directors. Mr. Rajesh Kumar Agarwal, a senior member of Institute of Chartered Accountants of India, having a sound accounting and financial background, is the Chairman of the Committee who also attended last Annual General Meeting of the company to provide clarification to the members on the matters relating to accounts and finance. Other members being Mr. Shankar Saraf, also a senior member of Institute of Chartered Accountants of India and Mr. Prashant Mehra, the Managing Director of the Company. The Company Secretary of the Company acts as the Secretary of the Committee. The Head of Finance Department and the Statutory Auditors are usual invitees to the Audit Committee Meeting. All other Functional Managers are invited to attend the meeting, as and when necessary. The broad terms and reference of Audit Committee are to review the annual/quarterly financial statements before submission to the Board, to recommend the appointment/re-appointment and the remuneration of Statutory Auditor, approval of appointment of CFO, to ensure that the disclosure of the financial information presented to the Board is sufficient and correct, to review reports of the Statutory Auditors and other matters as set out in the Listing Agreement.

During the year under review Five (5) Audit Committee Meetings were held on May 13, 2010, August 13, 2010, August 27, 2010, November 15, 2010 and February 14, 2011.

Report on Corporate Governance

The composition of Audit Committee and the attendance of members during these meetings are as follows :

Name	Designation	Status of Members	No. of meetings attended
Mr. Rajesh Kumar Agarwal	Chairman	Independent & Non-Executive	5
Mr. Prashant Mehra	Member	Executive	5
Mr. Shankar Saraf	Member	Independent & Non-Executive	5

▲ Shareholders' Grievance Committee

The Company has a "Shareholders'/Investors' Grievance Committee" consisting of Two (2) Non-Executive Directors namely Mr. Parag Keshar Bhattacharjee and Mr. Mahesh Mehra and One (1) Executive Director Mr. Sidhnath Mehra. This Committee specifically looks into redressal of Shareholders' and Investors' complaints with a primary objective to improve investor relations and had met once on October 19, 2010 during the financial year 2010-2011. Mr. Mahesh Mehra and Mr. Sidhnath Mehra attended the meeting. The minutes of the Shareholders' Grievance Committee meetings are reviewed and noted by the Board. The Company Secretary of the Company acts as the Compliance Officer of the Committee.

As per clause 47(f) of the listing agreement with stock exchanges, the Company has designated a separate e-mail-id (info@kaushalyainfrastructure.com) exclusively for redressal of investors' complaints. The company has not received any investor's complaints during the year 2010-2011.

▲ Remuneration Committee

The Company has Remuneration Committee comprising of Three (3) Non-Executive Independent Directors and One (1) Non-Executive Director. Mr. Parag Keshar Bhattacharjee is the Chairman of the Committee with Mr. Rajesh Kumar Agarwal, Mr. Shankar Saraf and Mr. Ramesh Kumar Mehra being other members. The committee, on behalf of the Board and the shareholders, determines, with agreed terms of reference, the Company's policy on specific remuneration packages for Executive Directors and senior management people. This Committee also acts as a Remuneration Committee under Schedule XIII and as Selection Committee under Section 314 of the Companies Act, 1956. One meeting of Remuneration Committee was held on April 17, 2010 during the year. All members attended the meeting.

The Company pays remuneration by way of salary to its Managing and Whole Time Director. The remuneration paid is within the limit specified under the Companies Act, 1956 and approved by the Board as well as by the shareholders of the Company. The Company does not have any policy for payment of remuneration to Non-Executive Directors except by way of sitting fees @ ₹ 4500/- for attending each meeting of the Board and ₹ 3000/- for attending each Committee meeting. No severance fees is payable to the Directors on termination of the employment. The Company has not yet introduced any stock option to its Directors/ Employees.

Remuneration/Sitting Fees paid to Executive and Non-Executive Directors of the Company during the Financial Year ended March 31, 2011 are detailed as under :

Executive Directors :

Name of Director	Salary & Perquisites (₹)	Period of Contract		Notice Period	No. of Shares held as on 31.03.2011
		From	To		
Mr. Prashant Mehra	13,80,000/-	18.04.2010	30.09.2014	2 Months	97760
Mr. Sidhnath Mehra	11,40,000/-	01.10.2009	30.09.2014	2 Months	373510

Report on Corporate Governance

Non Executive Director :

Name of Director	Sitting Fees (₹)		No. of Shares held as on 31.03.2011
	Board Meeting	Committee Meeting	
Mr. Ramesh Kumar Mehra	36,000/-	3,000/-	30,010
Mr. Mahesh Mehra	31,500/-	3,000/-	48,110
Mr. Rajesh Kumar Agarwal	18,000/-	18,000/-	NIL
Mr. Parag Keshar Bhattacharjee	27,000/-	3,000/-	NIL
Mr. Shankar Saraf	13,500/-	18,000/-	NIL
Mr. Sakti Pada Banerjee	18,000/-	NIL	NIL
Mr. Pradip Kumar Agarwal	NIL	NIL	NIL

▲ Executive Committee

The Executive Committee as at March 31, 2011 comprised of Mr. Sidhnath Mehra and Mr. Prashant Mehra. The Company Secretary acts as the Secretary to this committee. The Committee was constituted to decide matters pertaining to day to day business operations including opening of current accounts with various banks and changing the signatories when required, borrow funds and make investments up to a specified limit, to give necessary authorizations for various business requirements and to do all incidental acts, deeds and things. The Executive Committee meets as and when necessary to attend to important businesses. The minutes of the Executive Committee meetings are reviewed and noted by the Board.

6. DETAILS OF GENERAL MEETING :

The last Three Annual General Meetings of the Company were held as under :

Financial Year	Date	Time	Venue	Special Resolution Passed, if any
2009-2010	29th September, 2010	10.30 A.M.	"Rabindra Okakura Bhavan" DD 27/A/1, Salt Lake Kolkata - 700 064	YES
2008-2009	24th September, 2009	11.00 A.M.	"Rabindra Okakura Bhavan" DD 27/A/1, Salt Lake Kolkata - 700 064	YES
2007-2008	26th September, 2008	11.00 A.M.	R. N. Chowdhuri Auditorium, "Vidyut Bhavan", Salt Lake Kolkata - 700 091	NONE

6.1 **Extraordinary General Meeting** : During the Financial Year 2010-2011 no Extraordinary General Meeting of the members of the company was held.

6.2 **Postal Ballot** : No Special /Ordinary Resolution requiring a postal ballot was proposed last year. No Special /Ordinary Resolution requiring a postal ballot is being proposed in the forthcoming Annual General Meeting of the Company.

7. DISCLOSURES

- a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., which may have potential conflict with the interests of the Company at large: None.

Suitable disclosures as required by Accounting Standard (AS-18) on Related Party Transactions have been made in the Annual Report.

Report on Corporate Governance

- b) There have been no major instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty / strictures been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on such matters.
- c) There was no pecuniary relationship or transactions with Non-Executive Independent Directors.
- d) In the preparation of Financial Statements for the year ended on March 31, 2011, there was no treatment different from that prescribed in an Accounting Standard and applicable Laws and Regulations that had been followed.
- e) The Company does not have any material non-listed Indian subsidiary company and hence, it is not required to have an independent director of the Company on the Board of such subsidiary company. The minutes of the proceedings of meetings of the Board of Directors of subsidiary companies are periodically placed before the Board of Directors of the Company and the attention of the directors is drawn to significant transactions and arrangements entered into by the subsidiary companies.
- f) **Subsidiary Companies :**
As at March 31, 2011 the Company had following Subsidiaries :
 - Bengal KDC Housing Development Limited
 - Kaushalya Township Private Limited
 - Kaushalya Nirman Private Limited
 - Orion Abasaan Private Limited
 - Bengal Kaushalya Nirman Limited
 - Kaushalya Energy Private Limited
 - Kaushalya Solar Power Private Limited (Subsidiary of KEPL)

The Audit Committee reviews the financial statements of all the subsidiary companies including the investment made by the Company. The Minutes/Resolutions of the Board Meetings of all the subsidiary companies (including the step down Subsidiary Companies) are placed before the Board periodically. The management periodically reviews a statement of all significant transactions, if any, entered into by all the subsidiary companies.

- g) During the year under review, the Company has not raised any proceeds from public issue, right issue, ADRs, GDRs, warrants or any other convertible instruments.
- h) 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 properly defined framework.
- i) The CEO/CFO certificate has been placed before the board at their meeting held on August 31, 2011, in compliance with Clause V of the Listing Agreement with the stock exchanges duly signed by the Managing Director and the Chief Financial Officer.
- j) The company has fully complied with all the mandatory requirements of the Listing Agreement with the stock exchanges. Besides mandatory requirements, the Company has complied with the non-mandatory requirements with the constitution of a Remuneration Committee as prescribed in Clause 49 of the Listing Agreement with the Stock Exchanges.

8. MEANS OF COMMUNICATION

The quarterly results are being published in English Newspapers like Business Standard and/or Financial Express having all India circulation and one in vernacular language i.e. in Bengali. The annual reports are posted to every member of the Company. Quarterly Shareholding distribution and Quarterly/Half Yearly/Yearly results submitted to the Stock Exchanges are posted on the website of the Company www.kaushalyainfrastructure.com. The Company has created an email id info@kaushalyainfrastructure.com to facilitate redressal of investors' grievances.

9. CODE OF INSIDER TRADING

In pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Board has laid down "Code of Conduct for Prevention of Insider Trading" with objective of preventing purchase and or sale of shares of the company by an insider on the basis of unpublished price sensitive information. A copy of the Code of Conduct for Insider Trading is available at the website of the Company.

Report on Corporate Governance

10. DETAILS OF DIRECTORS APPOINTED/RE-APPOINTED

Brief resume of the Directors whose re-appointment is being considered at the ensuing annual general meeting; along with their expertise in specific functional areas and names of the companies in which they hold directorships and chairmanships/membership of Committees of the Board are provided in the notice of the ensuing Annual General Meeting.

11. GENERAL SHAREHOLDERS INFORMATION

a) Date, Time and Venue of the 19th AGM

30th day of September, 2011 at 10.30 a.m. at Rabindra Okakura Bhavan, DD 27/A/1, Saltlake, Kolkata –700064.

b) Book Closure Date

The Register of Members and Share Transfer Books of the Company will be closed from September 23, 2011 to September 30, 2011 (both days inclusive) for the purpose of 19th Annual General Meeting.

c) Financial Calendar

Financial year of the Company is 1st April to 31st March. The tentative calendar for consideration of financial results for the financial year 2011-12 is given below :

Particulars	Tentative Schedule
Results for quarter ending June 30,2011	Within 45 days from the end of the quarter.
Results for quarter/half year ending September 30, 2011	
Results for quarter ending December 31, 2011	
Results for quarter/year ending March 31, 2012(Unaudited)	
Results for year ending March 31, 2012 (Audited)	As soon as it is approved by the Board of Directors of the Company.
Annual General Meeting for the year, 2011-2012	In accordance with Section 166 of Companies Act, 1956.

d) Listing on Stock Exchanges

The Company's Shares are listed on the following Stock Exchanges with effect from December 14, 2007.

Name	Address	Scrip Code
The National Stock Exchange of India Limited (NSE)	Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai - 400 051	KAUSHALYA
The Bombay Stock Exchange Limited (BSE)	P. J. Towers, Dalal Street Mumbai - 400 001	532925

The Company has paid the listing fees payable to the Bombay Stock Exchange and the National Stock Exchange of India for the financial year 2011-12. The Company has also paid Annual Custodial Fees for the year 2011-12 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

e) Corporate Identity Number (CIN)

CIN of the Company, allotted by Ministry of Corporate Affairs, Government of India is L51216WB1992PLC055629 and our Company is registered within the jurisdiction of the Registrar of Companies, West Bengal, Kolkata.

f) ISIN No. for the Company

ISIN No. for the Company's Equity Share in De mat Form: INE234I01010.

g) Demat Suspense Account & Unclaimed Shares

During the year none shareholders claimed for their shares which remain unclaimed at the time of Initial Public Offer and was credited to the demat suspense account.. The balance of unclaimed shares as on March 31, 2011 was 2220.

Report on Corporate Governance

h) Registrar and Share Transfer Agent

The Company has changed its Registrar and Share Transfer Agent from Link Intime India Private Limited to CB Management Services Private Limited with effect from July 1, 2011. The Address of the new registrar is :

CB Management Services Private Limited
P-22, Bondel Road, Kolkata-700019
Ph : 033 22806692/93/94/2486; Fax: 033 22870263
Email : rta@cbmsl.com
Website : www.cbmsl.com

i) Share Transfer System

Application for transfer of shares held in physical form is received at the office of the Registrars & Share Transfer Agents of the Company. Share Transfer Committee approves valid transfer of shares and share certificates duly endorsed are dispatched within the time prescribed under the Listing Agreement/ SEBI Guidelines. Shares held in dematerialized form are electronically traded in the Depository and the Registrars & Share Transfer Agents of the Company periodically receive from the Depository the beneficiary holdings so as to enable them to update the records and to send all corporate communications.

All communications regarding change of address, transfer of shares and change of mandate (if the shares are held in physical form) can be addressed to our Registrar & Share Transfer Agent.

j) Dematerialisation of shares and liquidity as on March 31, 2011

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the Depositories in India – National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

Particulars of Shares (Equity Shares of ₹ 10/- each)	Dematerialised Form	
	Number	% of Total
Dematerialised Form		
NSDL	16080991	82.02
CDSL	3379375	17.24
Sub-total	19460366	99.26
Physical Form	145264	0.74
Total	19605630	100

k) Distribution of Shareholding

The distribution of shareholding of the Company as on March 31, 2011 is noted below :

Slab of Shareholding	No of Shareholders	%	No of Shares	%
UPTO 500	21981	87.32	3421927	17.45
501 TO 1000	1791	7.11	1480386	7.56
1001 TO 2000	767	3.05	1178720	6.01
2001 TO 3000	241	0.96	609490	3.11
3001 TO 4000	111	0.44	397999	2.03
4001 TO 5000	87	0.35	413970	2.11
5001 TO 10000	121	0.48	881827	4.50
10001 TO 50000	58	0.23	1161417	5.92
50001 TO 100000	9	0.04	678524	3.46
100001 AND ABOVE	7	0.03	9381370	47.85
TOTAL	25173	100.00	19605630	100.00

Report on Corporate Governance

Shareholding Pattern as on March 31, 2011

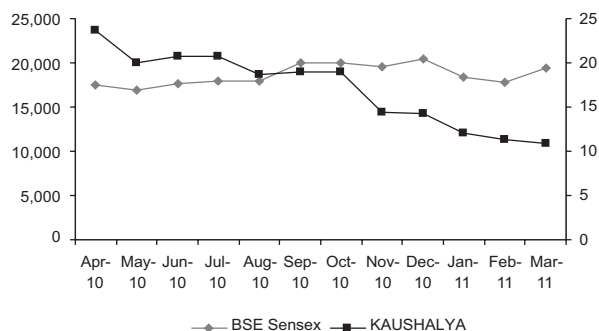
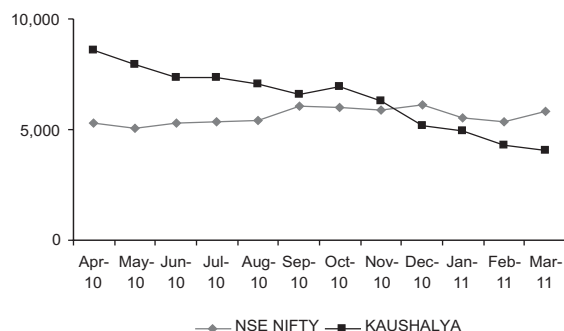
Category	No of Shares Held	% of shareholding
Promoters & Promoter Group	10105630	51.54
Institutional Investors	Nil	Nil
Bodies Corporate	1089674	5.56
Indian Public	8151058	41.58
NRIs /OCB/Others	259268	1.32
Total	19605630	100.00

i) Market price data

Monthly high, low quotations and trading volumes of the Company's equity shares during the financial year 2010-11 at BSE and NSE are noted below :

Months	Bombay Stock Exchange Ltd.			National Stock Exchange of India Ltd.		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2010	27.50	21.70	1657155	27.45	21.50	2411156
May, 2010	24.75	18.10	557958	24.75	17.80	855611
June, 2010	23.25	18.95	685571	23.00	18.80	1126611
July, 2010	22.55	20.35	605583	23.25	20.15	882141
August, 2010	21.85	18.50	482352	21.80	18.55	756811
September, 2010	20.40	18.65	419047	20.60	18.80	696783
October, 2010	21.90	18.70	647958	21.85	18.60	1032966
November, 2010	19.50	14.00	308579	19.45	14.00	568773
December, 2010	16.00	13.00	184311	15.90	13.10	352280
January, 2011	15.25	11.70	140956	15.05	11.70	280546
February, 2011	14.30	10.00	152181	15.15	9.65	392366
March, 2011	12.99	10.10	109757	13.40	10.45	247810

Performance of the Company in comparison with broad based indices



Report on Corporate Governance

m) Investor's Correspondence

Registered Office address :

Kaushalya Infrastructure Development Corporation Ltd.

HB - 170, Sector - III, Salt Lake, Kolkata - 700 106

Phone : + 91 33 2334 4166, Fax : + 91 33 2334 4148

E-mail : info@kaushalyainfrastructure.com

Company Secretary :

Ms. Neha Jain

HB - 170, Sector - III, Salt Lake, Kolkata - 700 106

Phone : + 91 33 2334 4166, Fax : + 91 33 2334 4148

E mail : info@kaushalyainfrastructure.com

For and on behalf of the Board

Ramesh Kumar Mehra

Chairman

Place : Kolkata

Date : August 31, 2011

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

The Members of Kaushalya Infrastructure Development Corporation Limited

We have examined the compliance of conditions of Corporate Governance by Kaushalya Infrastructure Development Corporation Limited (the company) for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of the Corporate Governance is the responsibility of the company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in clause 49 of the listing agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the 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 the abovementioned listing Agreement.

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

For **SUMANTA & CO.**

Chartered Accountants

Firm Registration No. 322554E

Pradeep Kumar Agarwal

Partner

Membership No. 056521

Place : Kolkata

Date : The 31st day of August, 2011

Section 212 Report

Sl. No.	Name of the Subsidiary	Kaushalya Nirman Pvt. Ltd. (KNPL)	Kaushalya Township Pvt. Ltd. (KTPL)	Orion Abasaan Pvt. Ltd. (OPAL)	Bengal KDC Housing Dev. Ltd. (BKNL)	Bengal Kaushalya Nirma Ltd. (BKNL)	Kaushalya Energy Pvt. Ltd. (KEPL)	Kaushalya Solar Power Pvt. Ltd. (Subsidiary of KEPL)
	b) Dealt with in the holding company's (KIDCO) accounts i) For the Financial year ended March 31, 2011 ii) Upto the previous financial years of the subsidiary company.	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

For and on behalf of Board of Directors

Prashant Mehra
Managing Director

Sidhnath Mehra
Wholetime Director

Neha Jain
Company Secretary

Date : August 31, 2011
Place : Kolkata

Section 212 (8) Report

STATEMENT PURSUANT TO SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATED TO SUBSIDIARY COMPANIES

(Amount in ₹)

Name of the Subsidiary Companies	Issued and Subscribed Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/Loss Before Taxation	Provision for Taxation	Profit/Loss After Taxation	Proposed Dividend
Bengal KDC Housing Development Ltd.	2,000,000	(815,718)	130,792,786	130,792,786	1,700,000	NIL	(249,305)	NIL	(249,305)	NIL
Bengal Kaushalya Nirman Ltd.	2,000,000	(216,286)	1,848,465	1,848,465	NIL	NIL	(60,816)	NIL	(60,816)	NIL
Kaushalya Township Pvt. Ltd.	3,548,570	13,318,089	309,465,575	309,465,575	NIL	NIL	(31,833)	NIL	(31,833)	NIL
Kaushalya Nirman Pvt. Ltd.	470,000	1,314,942	70,099,686	70,099,686	NIL	NIL	(15,179)	NIL	(15,179)	NIL
Orion Abasaan Pvt. Ltd.	300,000	619,848	52,164,846	52,164,846	NIL	NIL	(5,524)	NIL	(5,524)	NIL
Kaushalya Energy Pvt. Ltd.	100,000	(537,259)	205,159	205,159	99,000	NIL	(239,554)	NIL	(239,554)	NIL
Kaushalya Solar Power Pvt. Ltd.	100,000	(11,458)	186,636	186,636	NIL	NIL	(11,458)	NIL	(11,458)	NIL

For and on behalf of the Board of Directors

Place : Kolkata

Dated : August 31, 2011

Neha Jain

Company Secretary

Prashant Mehra

Managing Director

Sidh Nath Mehra

Wholetime Director

Auditors' Report

To The Members of Kaushalya Infrastructure Development Corporation Limited

1. We have audited the attached Balance Sheet of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (the company) as at 31st March, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Section 227(4A) of the Companies Act, 1956 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 give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (a) 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;
 - (b) 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;
 - (c) the Balance sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - (e) on the basis of the written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2011 from being appointed as director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - i. in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011;
 - ii. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Kolkata

Date : The 31st day of August, 2011

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E
Pradeep Kumar Agarwal
Partner
Membership No. 056521

Annexure to the Auditors' Report

[Referred to in Para 3 of the Auditor's Report of even date to the members of Kaushalya Infrastructure Development Corporation Limited on the Financial Statements for the year ended 31st March, 2011]

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situations of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) In our opinion and according to the information and explanations given to us, the company has not been disposed off any substantial part of fixed assets during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of such verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of inventory records, in our opinion, the Company is maintaining proper records of inventory and no material discrepancies were noticed on verification between the physical stocks with the book records.
- (iii) As informed to us, the Company has not granted/taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and accordingly the provisions of Clause 4 (iii) (a) to 4 (iii) (g) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) (a) In our opinion and according to the information and explanations given to us and based on our verification, we are of the opinion that the particulars of contracts and arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, and based on our verification, we report that the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of Rupees Five Lacs in respect of any party during the year has been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government has not prescribed cost records u/s 209(1)(d) of the Companies Act, 1956 for any of the activities of the company and accordingly the provisions of Clause 4 (viii) of the order is not applicable to the company.
- (ix) (a) Accordingly to the information and explanations given to us and the records of the company examined by us, in our opinion, the company generally regular in depositing the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, cess and other statutory dues applicable to it.
- (b) According to information and explanations given to us, undisputed amounts payable in respect of Duties & Taxes ₹ 22,37,761/- were in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.

Annexure to the Auditors' Report

- (c) According to the information and explanations given to us, the following dues of Sales tax, Income tax, Wealth tax, Service tax, Customs duty, Excise duty and Cess (as applicable) have not been deposited by the Company on account of disputes.

Name of the Statute	Nature of Dues	Amount (₹ in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act	Income Tax	42.72	Assessment Year 2004-2005	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax	6.16	Assessment Year 2005-2006	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax	92.36	Assessment Year 2006-2007	Commissioner of Income Tax (Appeals)
Income Tax Act	Income Tax	69.16	Assessment Year 2007-2008	Commissioner of Income Tax (Appeals)

- (x) The company has no accumulated losses as at 31st March, 2011 and it has not incurred cash loss in the current and immediately preceding Financial Year.
- (xi) According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. The company has no dues to any debenture holders.
- (xii) The company has not granted any 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, the company is not a dealer or trade in shares, securities, debentures and other investments.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans 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 purposes for which they were obtained.
- (xvii) On the basis of an overall examination of the Balance Sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xviii) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (xix) During the year, the company has not issued any debentures and accordingly the provisions of Clause 4(xix) of the order are not applicable to the company.
- (xx) The company has not raised any money by public issues during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the Generally Accepted Auditing Practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

Place : Kolkata
Date : 31st day of August, 2011

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E
Pradeep Kumar Agarwal
Partner
Membership No. 056521

Balance Sheet as at 31st March, 2011

	Schedule	As at		(Amount in ₹)	
		31st March, 2011		31st March, 2010	
I Sources of Funds					
1	Shareholders' Funds :				
	(a) Share Capital	1	196,056,300	196,056,300	
	(b) Reserves & Surplus	2	691,204,073	662,571,173	858,627,473
2	Loan Funds				
	(a) Secured Loans	3	394,878,338		284,100,002
3	Deferred Tax Liability	20.B.10	4,147,856		770,011
	TOTAL		1,286,286,567		1,143,497,485
II Application of Funds					
1	Fixed Assets	4			
	(a) Gross Block		114,611,287	113,283,840	
	(b) Less : Depreciation		28,552,090	24,110,831	
	(c) Net Block		86,059,198		89,173,010
2	Investments	5	21,112,115		21,112,115
3	Current Assets, Loans & Advances :				
	(a) Inventories	6	38,534,339	36,389,700	
	(b) Sundry Debtors	7	777,687,104	580,447,364	
	(c) Cash and Bank Balances	8	116,671,185	76,302,676	
	(d) Loans and Advances	9	774,888,629	690,083,709	
			1,707,781,257	1,383,223,449	
	Less : Current Liabilities & Provisions				
	(a) Current Liabilities	10	475,497,625	314,145,879	
	(b) Provisions	11	53,168,378	35,865,209	
			528,666,004	350,011,089	
	Net Current Assets		1,179,115,254		1,033,212,360
	TOTAL		1,286,286,567		1,143,497,485

Schedule "20": Notes on Accounts and Significant Accounting Policies
The Schedules referred above form an integral part of the Balance Sheet.
This is a Balance Sheet referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Profit & Loss Account for the year ended 31st March, 2011

	Schedule	For the year ended 31st March, 2011	(Amount in ₹) For the year ended 31st March, 2010
I. INCOME			
Income from Operations	12	920,488,531	830,330,545
Increase/(Decrease) in WIP	13	139,907	(1,855,429)
Other Income	14	4,878,175	5,128,676
TOTAL		925,506,613	833,603,792
II. EXPENDITURE			
Material Consumption	15	128,473,936	157,550,966
Contract Operating Expenses	16	665,549,127	569,173,667
Payments to & Provisions for Employees	17	11,183,093	10,721,467
Administrative & Other Expenses	18	14,714,466	14,717,333
TOTAL		819,920,622	752,163,434
III. PROFIT			
Profit Before Interest, Depreciation and Tax		105,585,991	81,440,357
Interest & Financial Charges	19	51,831,411	33,678,470
Profit Before Depreciation and Tax		53,754,580	47,761,887
Depreciation		4,520,666	4,635,829
Profit Before Taxation		49,233,914	43,126,058
Provision for Taxations			
- Current		12,830,083	10,784,557
- Earlier Years		4,393,086	—
- Deferred		3,377,845	3,420,427
		20,601,014	14,204,984
Profit After Taxation		28,632,900	28,921,075
Profit Brought Forward		149,724,316	120,803,241
Profit Available for Appropriation		178,357,216	149,724,316
IV. APPROPRIATIONS			
General Reserve		—	—
Proposed Dividend on Equity Shares		—	—
Income Tax on Proposed Dividend		—	—
Surplus Carried to Balance Sheet		178,357,216	149,724,316
		178,357,216	149,724,316
V. EARNING PER SHARE			
Per Equity Share of ₹ 10/- Basic & Diluted (₹)		1.46	1.48

Statement on Significant Accounting Policies and Notes on Accounts

20

The Schedules referred to above form an integral part of the Profit & Loss Account. This is a Profit & Loss Account referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 32254E

Pradeep Kumar Agarwal
Partner
Membership No. 056521
Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Cash Flow Statement

	(Amount in ₹)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	49,233,914	43,126,058
Adjustment For :		
Depreciation	4,520,666	4,635,829
Interest & Financial Charges	51,831,411	33,678,470
Interest Received	(4,542,160)	(2,744,282)
Dividend Income	—	(213,917)
(Profit)/Loss on Sale of Current Investments	—	(677,106)
(Profit)/Loss on Sale of Fixed Assets	97,448	—
Operating profit before working capital changes	101,141,279	77,805,053
Adjustment For :		
Inventories	(2,144,639)	(738,297)
Debtors	(197,239,740)	(257,887,063)
Loans and Advances	(64,700,719)	(32,169,131)
Current Liabilities	161,431,746	188,075,143
Cash Generated from Operations	(1,512,073)	(24,914,295)
Direct Taxes Paid (Net)	(20,104,201)	(14,732,006)
Net Cash from/(used in) Operating Activities (A)	(21,616,274)	(39,646,301)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets (Net)	(1,504,302)	(1,755,944)
Sale/(Purchase) of Investments (Net)	—	20,814,248
Interest Received	4,542,160	2,744,282
Dividend Income	—	213,917
Net Cash from/(used in) Investing Activities (B)	3,037,858	22,016,503
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Shares (including premium)	—	—
Share Issue Expenses	—	—
Proceeds/ (Repayment) from/of borrowings	110,778,336	55,471,186
Interest & Financial Charges	(51,831,411)	(33,678,470)
Net Cash from/(used in) Financing Activities (C)	58,946,925	21,792,716
Net Increase/(decrease) in Cash & Cash Equivalents (A)+(B)+(C)	40,368,510	4,162,918
Opening Cash & Bank Balances	76,302,676	72,139,758
Closing Cash & Bank Balances	116,671,185	76,302,676
	40,368,510	4,162,918

This is a Cash Flow Statement referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner

Membership No. 056521
Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Schedules to the Accounts

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE

	As at 31st March, 2011	(Amount in ₹) As at 31st March, 2010
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
25,000,000 Equity Shares of ₹ 10/- each	<u>250,000,000</u>	<u>250,000,000</u>
	<u>250,000,000</u>	<u>250,000,000</u>
Issued, Subscribed & Paid up		
19,605,630 Equity Shares of ₹ 10/- each fully paid-up for cash	<u>196,056,300</u>	<u>196,056,300</u>
	<u>196,056,300</u>	<u>196,056,300</u>
SCHEDULE 2 : RESERVES & SURPLUS		
Securities Premium Account		
- As at the commencement of the year	<u>464,359,836</u>	<u>464,359,836</u>
	(A) <u>464,359,836</u>	<u>464,359,836</u>
Revaluation Reserve		
- As at the commencement of the year	<u>23,987,021</u>	<u>23,987,021</u>
	(B) <u>23,987,021</u>	<u>23,987,021</u>
General Reserve		
- As at the commencement of the year	<u>24,500,000</u>	<u>24,500,000</u>
	(C) <u>24,500,000</u>	<u>24,500,000</u>
Balance in Profit & Loss Account	<u>178,357,216</u>	<u>149,724,316</u>
	(D) <u>178,357,216</u>	<u>149,724,316</u>
Total	<u>691,204,073</u>	<u>662,571,173</u>
SCHEDULE 3 : SECURED LOANS		
Term Loans		
From Banks	<u>46,575,000</u>	327,300
(Secured against hypothecation of batching plant, hydro excavator, transit mixture and respective car.)		
From Others	—	3,421,420
(Secured against hypothecation of Tata Hyva)		
Short Term Loans		
Cash Credit from Banks	<u>348,303,338</u>	280,351,282
(Secured by way of hypothecation of stock of raw material, work-in-progress, book debts and personal guarantee of directors and their relatives, collateral security of property of the company and group companies)	<u>394,878,338</u>	<u>284,100,002</u>

Schedules to the Accounts

SCHEDULE 4 : FIXED ASSETS

(Amount in ₹)

Particulars	Gross Block				Depreciation				Net Block		
	SLM Rate of Dep.	As at 01.04.2010	Additions	Deductions	Total	Upto 31.03.2010	For the year	Sales/Adjustments	Total	As at 31.03.2011	As at 31.03.2010
Construction Division											
Land	0.00%	23,548,100	—	—	23,548,100	—	—	—	—	23,548,100	23,548,100
Site Building	1.63%	107,298	—	—	107,298	107,298	—	—	107,298	—	—
Computer	16.21%	760,817	110,530	—	871,347	535,031	136,422	—	671,454	199,893	225,786
Furniture & Fittings	6.33%	1,902,165	83,542	—	1,985,707	584,639	120,549	—	705,188	1,280,519	1,317,526
JCB Excavator	11.31%	3,067,096	—	—	3,067,096	2,969,684	97,412	—	3,067,096	—	97,412
Plant & Machinery	4.75%	59,380,484	1,534,279	—	60,914,763	10,947,044	2,883,669	—	13,830,713	47,084,050	48,433,440
Motor Cars	9.50%	3,803,803	—	400,904	3,402,899	2,026,243	345,423	79,407	2,292,259	1,110,640	1,777,560
Vehicles	11.31%	4,177,289	—	—	4,177,289	3,538,532	472,451	—	4,010,984	166,305	638,757
Cycles	7.07%	35,995	—	—	35,995	6,669	2,545	—	9,214	26,781	29,326
Sub-total		96,783,047	1,728,351	400,904	98,110,494	20,715,140	4,058,472	79,407	24,694,205	73,416,289	76,067,907
Hotel Division											
Land	0.00%	3,012,900	—	—	3,012,900	—	—	—	—	3,012,900	3,012,900
Building	1.63%	9,886,621	—	—	9,886,621	1,084,262	161,152	—	1,245,414	8,641,207	8,802,359
Computer	16.21%	36,550	—	—	36,550	36,550	—	—	36,550	—	—
Furniture & Fixtures	9.50%	2,757,046	—	—	2,757,046	1,995,053	261,919	—	2,256,972	500,074	761,993
Plant & Machinery	4.75%	796,118	—	—	796,118	272,973	37,816	—	310,789	485,329	523,145
Vehicles	11.31%	11,558	—	—	11,558	6,852	1,307	—	8,159	3,399	4,706
Sub-total		16,500,793	—	—	16,500,793	3,395,690	462,194	—	3,857,884	12,642,909	13,105,103
Grand Total		113,283,840	1,728,351	400,904	114,611,287	24,110,831	4,520,666	79,407	28,552,090	86,059,198	89,173,010
Previous year		111,527,896	1,755,944	—	113,283,840	19,475,002	4,635,829	—	24,110,831	89,173,010	

Schedules to the Accounts

SCHEDULE 5 : INVESTMENTS

	FV	Nos.	As at 31st March, 2011		As at 31st March, 2010	
			₹	Nos.	₹	
Long Term Investments (At Cost)						
Unquoted, Trade						
Subsidiary Companies :						
- Bengal Kaushalya Nirman Ltd.	10	102,000	1,020,000	102,000		1,020,000
- Bengal KDC Housing Development Ltd.	10	102,000	1,020,000	102,000		1,020,000
- Kaushalya Energy Pvt. Ltd.	10	5,500	55,000	5,500		55,000
- Kaushalya Nirman Pvt. Ltd.	10	46,000	1,940,000	46,000		1,940,000
- Kaushalya Township Pvt. Ltd.	10	317,357	15,507,850	317,357		15,507,850
- Orion Abasaan Pvt. Ltd.	10	29,000	1,090,000	29,000		1,090,000
		601,857	20,632,850	601,857		20,632,850
Unquoted, Other than Trade						
Gold Coins [50 Gms. Each]		10	479,265	10		479,265
		10	479,265	10		479,265
Total			21,112,115			21,112,115
Investments purchased during the year						
Current, Other than Trade, Unquoted						
Mutual Funds :						
- Birla Sunlife Savings Fund- Retail - Daily Div.		—	—	1,590,992		15,883,264
		—	—	1,590,992		15,883,264
Investments sold during the year						
Current, Other than Trade, Unquoted						
Mutual Funds :						
- Birla Sunlife Income Fund- Qtr. Div.		—	—	1,916,360		20,137,142
- Birla Sunlife Savings Fund- Retail - Daily Div.		—	—	1,590,992		15,920,739
		—	—	3,507,352		36,057,882

(Amount in ₹)

	As at 31st March, 2011	As at 31st March, 2010
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SCHEDULE 6 : INVENTORIES

(As taken, valued and certified by the management)

Construction Contract Work-in-Progress	3,832,737	3,692,830
Raw Material	33,122,692	29,931,546
Consumable Stores	1,578,910	2,765,324
	38,534,339	36,389,700

SCHEDULE 7 : SUNDRY DEBTORS

(Trade, Unsecured and considered good)

Debts outstanding for a period exceeding six months	119,013,391	61,568,235
Other Debts	658,673,713	518,879,129
	777,687,104	580,447,364

Schedules to the Accounts

	As at 31st March, 2011	(Amount in ₹) As at 31st March, 2010
SCHEDULE 8 : CASH & BANK BALANCES		
Cash on hand (As Certified by the Management)	6,336,969	14,639,229
Cash at Bank		
With Scheduled Banks		
- On Current Accounts	25,335,401	13,695,973
- On Deposit Accounts (Including interest thereon)*	84,835,135	47,803,793
IPO Refund Account	163,680	163,680
	<u>116,671,185</u>	<u>76,302,676</u>
* Includes ₹ 82,460,878/- (Prev. Yr. ₹ 40,160,126/- pledged with bank.		
SCHEDULE 9 : LOANS & ADVANCES		
Advances		
(Unsecured and considered good)		
Advances*	585,034,658	521,409,151
(Recoverable in cash or in kind or for value to be received)		
Security and Earnest Money Deposits	104,099,924	103,024,712
Income Tax & FBT Payments	85,754,047	65,649,846
	<u>774,888,629</u>	<u>690,083,709</u>
* Includes Advance to Subsidiaries ₹ 386,265,816/- (P.Y. - ₹ 327,699,995/-)		
SCHEDULE 10: CURRENT LIABILITIES		
Sundry Creditors	406,981,132	226,978,209
Duties & Taxes	1,262,078	27,313,069
Share Application Money Refunds- Not Claimed	163,680	163,680
Advances/Deposit from Customers/Contractors	57,260,429	59,690,921
Advances from JV/Subsidiaries	9,830,306	-
	<u>475,497,625</u>	<u>314,145,879</u>
SCHEDULE 11: PROVISIONS		
Provision for Income tax	47,553,545	34,723,462
Provision for Income tax for earlier years	4,393,086	-
Provision for FBT	435,336	435,336
Provision for Employees Benefits	786,411	706,411
	<u>53,168,378</u>	<u>35,865,209</u>

Schedules to the Accounts

	For the year ended 31st March, 2011	(Amount in ₹) For the year ended 31st March, 2010
SCHEDULE 12 : INCOME FROM OPERATIONS		
Contract Receipts	920,141,951	829,793,246
Profit from Hotel Business [Schedule 12A]	<u>346,580</u>	<u>537,299</u>
	<u>920,488,531</u>	<u>830,330,545</u>
SCHEDULE 12A : PROFIT FROM HOTEL BUSINESS		
INCOME		
Direct Income		
Food Sale	19,826	187,101
Room Rent	140,090	360,680
Indirect Income		
Cultivation Income	639,905	781,659
Service Income	<u>2,395</u>	<u>24,930</u>
Total (A)	<u>802,216</u>	<u>1,354,370</u>
EXPENDITURE		
Raw Food Purchased	13,844	129,854
Fuel (Cooking)	4,498	25,467
Banquet Hall and Lawn Maintenance	—	—
Repairs & Maintenance - Buildings	2,450	20,713
Vehicle Maintenance	—	—
Transport Expenses	90	917
Customer Entertainment Exp.	—	—
Stores	1,016	10,993
Salary, Allowances & Bonus		
Salary	52,500	132,700
Site Allowance	10,130	22,200
Staff Welfare	—	—
Administrative & Other Expenses		
Advertisement	—	11,000
Bank Charges	550	765
Books & Periodicals	1,609	3,593
Commission	—	5,505
Electricity Charges	61,327	125,977
Cultivation Expenses	235,055	173,170
General Expenses	1,200	10,590
Generator Expenses	189	6,556
Gardening Expenses	196	2,040
Insurance	1,893	1,893
Interest (Other)	—	571
Labour Charges incl. Allowances	22,450	43,700
Laundry Expenses	411	3,782
Postage/Fax/Courier	200	372
Printing & Stationery	67	2,592
Rates & Taxes	3,000	5,827
Security Expenses	40,519	67,064
Subscription	2,000	2,804
Telephone Expenses	—	360
Travelling & Conveyance	443	6,067
Total (B)	<u>455,637</u>	<u>817,072</u>
Profit/(Loss) before Depreciation (A-B)	<u>346,580</u>	<u>537,298</u>

Schedules to the Accounts

(Amount in ₹)

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
--	--	--

SCHEDULE 13 : INCREASE/DECREASE IN WIP

Closing WIP	3,832,737	3,692,830
Less: Opening WIP	3,692,830	5,548,259
	139,907	(1,855,429)

SCHEDULE 14 : OTHER INCOME

Interest (Gross)	4,542,160	2,744,282
(TDS ₹ 361,749/- Previous Year ₹ 240,355/-)		
Dividend from Current Investment, Other than Trade	—	213,917
Profit from Current Investment, Other than Trade	—	677,106
Other Income	336,015	1,493,371
	4,878,175	5,128,676

SCHEDULE 15 : MATERIAL CONSUMPTION

Raw Materials	123,164,016	154,702,314
Consumable Stores	5,309,920	2,848,653
	128,473,936	157,550,966

SCHEDULE 16 : CONTRACT OPERATING EXPENSES

Subcontractor Charges	576,930,615	447,721,514
Hire Charges	25,708,479	36,124,902
Labour Charges & Allowances	25,166,233	19,435,269
Power & Fuel	14,098,175	24,581,022
Equipment Repairs & Maintenance	4,496,385	1,840,343
Freight Charges	803,663	761,087
Royalty	3,701,763	1,124,430
Service Tax	5,444,980	24,971,552
Works Contract Tax	8,951,889	12,511,489
Survey Charges	246,945	102,060
	665,549,127	569,173,667

SCHEDULE 17 : PAYMENTS TO AND PROV. FOR EMPLOYEES

Salary, Allowances & Bonus	8,611,385	6,961,407
Contribution to PF, ESI & Other Funds	186,094	177,517
Staff Welfare	2,305,614	3,247,132
Employee Retirement Benefits	80,000	335,411
	11,183,093	10,721,467

Schedules to the Accounts

	(Amount in ₹)	
	For the year ended	For the year ended
	31st March, 2011	31st March, 2010
SCHEDULE 18 : ADMINISTRATIVE AND OTHER EXPENSES		
Rent	2,190,560	2,418,865
Rates & Taxes	369,022	848,342
Insurance	463,966	305,423
Consultancy & Professional Charges	2,564,326	1,739,329
Directors' Remuneration	2,520,000	2,520,000
Directors' Sitting Fee	189,000	178,500
Electricity Charges	416,327	287,621
Post, Telegraph, Telephone & Internet	814,862	974,414
Travelling & Conveyance	2,360,806	1,876,552
Printing & Stationery	1,358,410	974,311
Security Guard Expenses	351,383	697,253
Audit Fees	84,270	84,270
Miscellaneous Expenses	536,508	1,560,201
Advertisement	366,361	180,613
Subscription	31,217	71,639
Loss on Sale of Fixed Assets	97,448	—
	<u>14,714,466</u>	<u>14,717,333</u>

SCHEDULE 19: INTEREST & FINANCIAL EXPENSES

Interest to Bank on Term Loans	1,885,110	77,156
Interest to Bank on Working Capital Loans	42,564,258	25,489,159
Interest to Others on Equipment Finance Loans	1,025,548	887,009
Interest to Others	809,795	2,790,032
Bank Commission & Other Charges	5,546,700	4,435,114
	<u>51,831,411</u>	<u>33,678,470</u>

Schedules to the Accounts

Schedule 20 : SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

The Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Accounting Principles generally accepted in India (Indian GAAP) and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Companies Act 1956 except where otherwise stated.

For recognition of Income and Expenses mercantile system of accounting is followed except in case of insurance claims. The accounting policies have been consistently applied by the Company unless otherwise stated.

Use of Estimates:

The preparation of financial statements requires estimates and assumptions to be made that affect reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known.

Inventories

The stock of raw materials, stores and spares, other construction materials and fuel are valued at cost under FIFO method or net realizable value whichever is lower.

Work-in-progress is valued at cost.

Depreciation / Amortization

Depreciation on fixed assets is charged on Straight Line Method at the rates and in the manner prescribed under Schedule-XIV of the Companies Act 1956.

Revenue Recognition

On Construction Contracts:

The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage completion method. Further, it is recognized whether completed works are certified by the principal or not.

The revenue from hotel business is recognized on completion of service rendered,

Interest income is recognized on an accrual basis.

Income from plant and Machinery/Equipments on hire contract are recognized on accrual basis over the contract period.

Price escalation claims and other additional claims including those under arbitration are recognized as revenue when :

- They are realized or receipts thereof are mutually settled or reasonably ascertained.
- Negotiations with the client have reached an advanced stage such that client will accept the claim.
- Amount that is probable, if accepted by the client can be measured reliably by the Company.

Fixed Assets

Fixed Assets are stated at cost of acquisition together with any incidental costs for bringing the asset to its working condition for its intended use less accumulated depreciation and impairment losses, if any.

Capital work in progress is stated at amounts spent up to the date of the Balance Sheet.

Investment

Long-term investments are stated at cost, provision is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are carried at cost or market rates whichever is less, on individual investment basis.

Schedules to the Accounts

Accounting of Joint Venture contracts

The contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed.

In joint venture contracts under profit sharing arrangements, services rendered to joint ventures are accounted as income on accrual basis, profit or loss is accounted as when determined by the joint venture and Net Investment in the joint venture is reflected as investments or loans and advances or current liabilities. Share of the company in the Profit or Loss from Joint Ventures is shown in Profit & Loss Account.

Employee Benefit (Retirement and Post Employment Benefit)

Contribution to defined benefit schemes such as Provident Fund, ESI, Medical reimbursement etc. are charged to profit and loss account as incurred. The contributions are made to Government administered Provident Fund and ESI towards which the Company has no further obligations beyond its monthly contributions.

Gratuity

The present value of the obligation is determined based on an actuarial valuation. The provision made but not paid.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets which take substantial period of time to get ready for its intended use are capitalized as part of the cost of those assets. Other borrowing costs are recognized as expenses in the period in which they are incurred.

Earnings Per Share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net Profit or Loss for the year attributable to the equity share holders and weighted average number of share outstanding if any are adjusted for the effects of all dilutive potential equity shares.

Taxation

Tax expenses comprise of current tax and deferred tax.

Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

Deferred tax is recognized, subject to consideration of prudence, on timing difference being the difference between taxable income and accounting income that originates in one period and one capable of set off in one or more subsequent year and is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are reviewed at each balance sheet date to re-assess excess realization.

Impairment of Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of the asset is exceeds the recoverable value. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Transaction in Foreign Exchange

Transaction in respect of foreign exchange are recorded at exchange rates prevailing on the date of transaction.

Prior period and Extraordinary items and changes in Accounting policies :

Prior period and Extraordinary items and changes in Accounting policies having material impact on the financial affairs of the company are disclosed.

Schedules to the Accounts

(a) Prior period items :

Provision of sub.contractor expenses of ₹ 1,837,687/- reversed during the year.

(b) Extra Ordinary Items :

Provision of sub-contractor expenses of ₹ 100,108,163/- provided during the year.

B. NOTES OF ACCOUNTS

1. Contingent Liabilities

(Amount in ₹)

Sl. No.	Particulars	As on 31.03.2011	As on 31.03.2010
1.	a. Counter guarantees given to Bankers to obtain various Bank Guarantees against which fixed deposit receipts have been pledged by the Company.	63,106,070	138,289,895
	b. Performance Guarantee given on behalf of Joint Venture Entities	29,625,050	Nil
	c. Share of the company in the Contingent Liability of Joint Venture Entities	Nil	Nil
	d. Capital Commitment of the company in Joint Venture Entities	Nil	Nil
	e. Share of the company in the Capital Commitment of the Joint Venture Entities	Nil	Nil
2.	Claims not acknowledged as debts		
	Income Tax Demant (Assessment Year 2004-05)	4,271,602	Nil
	Income Tax Demand (Assessment Year 2005-06)	616,467	3,735,712
	Income Tax Demand (Assessment Year 2006-07)	923,573	11,797,002
	Income Tax Demand (Assessment Year 2007-08)	7,616,064	5,434,446
	Income Tax Demand (Assessment Year 2009-10)	2,870,090	Nil

2. Disclosure in accordance with Accounting Standard - 7 (Revised 2002) on "Accounting for Construction Contract" issued by The Institute of Chartered Accountants of India is as under:

Particulars	2010-11	2009-10
Contract Revenue	920,141,951	829,793,246
Contract Cost incurred	793,883,156	728,580,063
Recognized Profit/(Losses)	126,258,795	101,213,184
Gross Amount due from Customers for Contract Work	777,687,104	580,447,369
Gross Amount due to Customers (i.e. Advances) for Contract Work	31,919,579	34,679,703

3. Managerial Remuneration

Sl. No	Particulars	2010-11	2009-10
1.	Salary paid to Executive Directors	2,520,000	2,520,000
2.	Sitting Fees to Other Directors	189,000	178,500

Schedules to the Accounts

(Amount in ₹)

Computation of Managerial Remuneration in accordance with Section 309(5) of the Companies Act, 1956

	2010-11	2009-10
Profit After Tax	28,632,900	28,921,075
Add : Provision for Income Tax (Current and Deferred)	20,601,014	14,204,984
Add : Directors Remuneration and Sitting Fees	2,709,000	2,698,500
Add : Depreciation charged to Profit & Loss Account	4,520,666	4,635,829
Add : Loss on Sale of Fixed Assets	97,448	—
	56,561,028	50,460,387
Less : Depreciation u/s 350 of the Companies Act, 1956	4,520,666	4,635,829
Less : Loss on Sale of Fixed Assets	97,448	—
	4,618,114	4,635,829
Net Profit as per Section 349 of the Companies Act, 1956	51,942,914	45,824,558
Maximum Managerial Remuneration payable to two Whole Time Directors (including commission) @ 10% of Net Profit	5,194,291	4,582,456
Remuneration Paid to Whole Time Directors	2,520,000	2,520,000
Commission Payable for the year	—	—

- The Company is in the process of identifying the suppliers, who would be covered under the Micro, Small and Medium Enterprises Development Act, 2006. In this process the Company has given notice to its vendors/ suppliers to inform about whether any of them are registered under the said Act. The Company has not yet received any information about such registration from the vendors. Such information will be provided as and when confirmation is received from them.
- Information about Business Segments as required under AS-17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India.

(Amount in ₹)

Particulars	2010-11			2009-10		
	Construction	Hotel	Total	Construction	Hotel	Total
Segment Revenue	920,141,951	802,216	920,944,167	829,793,246	1,354,370	831,147,616
Unallocable Revenue	—	—	4,878,175	—	—	5,128,676
Total Revenue	920,141,951	802,216	925,822,343	829,793,246	1,354,370	836,276,292
Segment Expenditures	875,590,597	917,831	876,508,428	791,535,557	1,279,266	792,814,823
Total Expenditures	875,590,597	917,831	876,508,428	791,535,557	1,279,266	792,814,823
Segment Results						
Segment Profit Before Tax	44,551,354	(115,615)	49,313,914	38,257,689	75,105	43,461,469
Unallocable Expenditures	—	—	80,000	—	—	335,411
Profit Before Tax			49,233,914			43,126,058
Segment Assets	1,692,929,921	15,156,487	1,708,086,408	1,391,477,383	15,269,230	1,406,746,612
Unallocable Assets	—	—	106,866,162	—	—	86,761,961
Total Assets	1,692,929,921	15,156,487	1,814,952,570	1,391,477,383	15,269,230	1,493,508,574
Segment Liabilities	1,757,607,032	29,305	1,757,636,337	1,456,846,521	26,833	1,456,873,354
Unallocable Liabilities	—	—	57,316,234	—	—	36,635,220
Total Liabilities	1,757,607,032	29,305	1,814,952,571	1,456,846,521	26,833	1,493,508,574

Schedules to the Accounts

6. Disclosure on Related Party Transactions as per AS 18 on "Related party disclosures" issued by The Institute of Chartered Accountants of India.

I. Parties Where Control Exists

Subsidiaries

- 1 Bengal Kaushalya Nirman Ltd.
- 2 Bengal KDC Housing Development Ltd.
- 3 Kaushalya Energy (P) Ltd.
- 4 Kaushalya Nirman (P) Ltd.
- 5 Kaushalya Township (P) Ltd.
- 6 Orion Abasaan (P) Ltd.

Step Down Subsidiaries

- 7 Kaushalya Solar Power (P) Ltd.

II. Joint Ventures

Jointly Controlled Entities

- 1 New Asian Construction Co.

III. Key Management Personnel

- 1 Mr. Prashant Mehra, Managing Director
- 2 Mr. Ramesh Kumar Mehra, Director
- 3 Mr. Mahesh Mehra, Director
- 4 Mr. Sidhnath Mehra, Wholetime Director

IV. Other Related Parties with whom the company had transactions during the year

Relatives of Key Management Personnel

- 1 Mr. Kartik Mehra
- 2 Mr. Karan Mehra
- 2 Mrs. Neeru Mehra

V. Transactions with Related Parties

(Amount in ₹)

Sl. No.	Type of Transactions	2010-11		
		Subsidiaries/ JV	Key Mgt Personnel	Relatives of KMP
(a)	Valued of Services Received	—	2,593,500	480,000
(b)	Rent Paid	—	720,000	600,000
(c)	Investment in Shares	—	—	—
(d)	Advances Given (Net)	48,735,515	—	—
(e)	Balance Receivable as at 31.03.2011	386,265,816	—	—
(f)	Balance Payable as at 31.03.2011	9,830,306	—	—

Schedules to the Accounts

Sl. No.	Type of Transactions	Previous		
		2009-10		
		Subsidiaries/ JV	Key Mgt Personnel	Relatives of KMP
(a)	Value of Services Received	—	2,562,000	—
(b)	Rent Paid	—	720,000	600,000
(c)	Investment in Shares	—	—	—
(d)	Advances Given (Net)	53,907,906	—	—
(e)	Balance Receivable as at 31.03.2011	327,699,995	—	—
(f)	Balance Payable as at 31.03.2011	—	13,500	—

7. **Since the business of the Company is construction activities, quantitative data as required by Part II, Para - ii 4c, 4d of Schedule VI of the Companies Act, 1956 is not furnished.**

Additional information pursuant to the provisions of part II of Schedule VI to the Companies Act, 1956 (Wherever applicable)

Particulars	2010-11		2009-10	
	Rs.	% age	Rs.	% age
Value of imports calculated on CIF Basis :				
(i) Capital Goods	Nil	N.A.	Nil	N.A.
Expenditure in foreign currencies :				
(i) Traveling Expenses	10,002	N.A.	Nil	N.A.
(ii) Consultancy Charges	Nil	N.A.	Nil	N.A.
Value of imported and indigenous components, embedded goods and spare parts consumed :				
(i) Imported	Nil	N.A.	Nil	N.A.
(ii) Indigenous	128,524,578	100.00	157,550,966	100.00
Earnings in Foreign Currency (on accrual basis)				
Export of goods or services on F.O.B. basis and work bills realized on contracts	Nil	N.A.	Nil	N.A.

8. Loans & Advances include advances Nil (Previous Year Nil) paid to various parties as advances for purchase of capital items.

9. **Earnings Per Share (EPS)**

	Current Year	Previous Year
Number of Ordinary shares at the end of the year	19,605,630	19,605,630
Nominal Value of each Ordinary Share (₹)	10	10
Profit/(Loss) after Tax (₹)	28,632,900	28,921,075
Weighted Average number of equity shares used as denominator for calculating EPS	19,605,630	19,605,630
Earning per Share (Basic and Diluted) (₹)	1.46	1.48

Schedules to the Accounts

10. Disclosure on Deferred tax as per AS 22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.

Deferred Tax Assets/(Liability)

(Amount in ₹)

Particulars	Gross Amount	Timing Difference	Deferred Tax @ 33.22%
On A/c of Depreciation			
WDV as per Income Tax Act, 1961	63,314,607		
WDV as per Companies Act, 1956	86,059,198	(22,744,591)	(7,380,620)
On A/c of IPO Expenses			
Available for Amortization as per Income Tax Act, 1961	9,103,353		
Available for Amortization as per Companies Act, 1956	—	9,103,353	2,954,038
On A/c of Employee Benefits			
Balance of Provision as at 31.03.11	786,411		
Allowed under IT Act, 1961	—	786,411	255,190
Expenses Disallowed U/s. 43B	72,529	72,529	23,536
Deferred Tax Assets/(Liability)		(12,782,298)	(4,147,856)
Less: Deferred Tax Assets/(Liability) b/f	—	—	(770,011)
Deferred Tax Provision for the year			3,377,845

11. Joint Venture Disclosure as per Accounting Standard 27 on Financial reporting on interests in Joint Venture :
 Details of Joint Ventures entered into by the Company
 Financial Interest in Jointly Controlled Entities

Sl. No.	Name of the JV	Description of Interest	% of Share	Country of Incorporation	Investment	
					As at 31.03.2011	As at 31.03.2010
1	KIDCO-NACC Consortium	Joint Venture Entity	90.00%	Unincorporated	(9,830,306)	Not Applicable

Current Year

Name of the JV	Assets	Liabilities	Turnover	Other Income	Expenses
KIDCO-NACC Consortium	11,486,277	11,486,277	Nil	Nil	Nil

Previous Year

Name of the JV	Assets	Liabilities	Turnover	Other Income	Expenses
Nil	Nil	Nil	Nil	Nil	Nil

12. The Company has reviewed the possibility of any impairment of the fixed assets of the Company in terms of the Accounting Standard AS 28 – "Impairment of Assets" issued by The Institute of Chartered Accountants of India as at the balance sheet date and is of the opinion that no such provision for impairment is required.

Schedules to the Accounts

13. Loans & Advances includes advances given to the Associate Companies as follows :

(Amount in ₹)

Sl. No.	Name of the Subsidiaries/ Step Down Subsidiaries	Balance as at 31.03.2011	Maximum Balance 2010-11
1	Bengal Kaushalya Nirman Ltd.	34,500	34,500
2	Bengal KDC Housing Development Ltd.	123,589,066	123,589,066
3	Kaushalya Energy (P) Ltd.	629,900	629,900
4	Kaushalya Nirman (P) Ltd.	67,484,681	67,484,681
5	Kaushalya Township (P) Ltd.	165,242,825	165,242,825
6	Orion Abasaan (P) Ltd.	29,191,556	29,191,556
7.	Kaushalya Solar Power (P) Ltd.	93,288	93,288

Previous Year

(Amount in ₹)

Sl. No.	Name of the Subsidiaries/ Step Down Subsidiaries	Balance as at 31.03.2010	Maximum Balance 2009-10
1	Bengal Kaushalya Nirman Ltd.	13,400	13,400
2	Bengal KDC Housing Development Ltd.	123,390,233	123,390,233
3	Kaushalya Energy (P) Ltd.	271,400	271,400
4	Kaushalya Nirman (P) Ltd.	56,784,681	56,784,681
5	Kaushalya Township (P) Ltd.	120,048,725	120,048,725
6	Orion Abasaan (P) Ltd.	27,191,556	27,191,556

14. Disclosure pertaining to Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets” issued by The Institute of Chartered Accountants of India. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Disputed demands in respect of Income Tax, Sales Tax are disclosed as contingent liability. Payments in respect of such demands, if any, are shown as advance, till the final outcome of the matter. Contingent Assets are neither recognized nor disclosed in the financial statements.
15. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have valued on realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet.
16. Service Tax of ₹ 5,444,980/- (Previous Year ₹ 24,971,552/-) charged on works contract is included in contract received and shown under the head income from operation.
17. Income from operation is total of contract revenue received and net profit from Hotel Business.
18. Previous year's figure have been re-grouped and rearranged wherever necessary to make those comparable with the figures for the current year.

In terms of our report of even date

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

For and on behalf of the Board of Directors

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

Balance Sheet Abstract

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Information pursuant to the Provision of Part IV of Schedule VI to the Companies Act, 1956

I. Registration Details

Registration No.	L51216WB1992PLC055629	State Code	21
Balance Sheet Date	31.03.2011		

II. Capital raised during the year (Amount in ₹ Thousand)

Public Issue	—	Right Issue	—
Bonus Issue	—	Private Placement	—

III. Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousand)

Total Liabilities	1,814,953	Total Assets	1,814,953
Share Capital	196,056	Reserves & Surplus	691,204
Secured Loans	394,878		
Deferred Tax Liabilities	4,148		

Application of Funds

Net Fixed Assets	86,059	Investments	21,112
Net Current Assets	1,179,115	Misc. Expenditure	—
Accumulated Losses	—	Deferred Tax Asset	—

IV. Performance of Company (Amount in ₹ Thousand)

Gross Income	925,507	Total Expenditure	876,223
Profit/Loss Before Tax	49,234	Profit/Loss After Tax	28,633
Earning Per Share (in ₹)	1.46	Dividend Rate (%)	—

V. Generic Names of Three Principal Products/Services of Company (As per Monetary Terms)

Infrastructure Development & Contract Business		
Item Code No. (ITC code)	Nil	Nil
Product Description	Infrastructure	Hotel

In terms of our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Consolidated Auditors' Report

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

1. We have audited the attached **Consolidated** Balance Sheet of KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED (the company) and its subsidiaries and joint ventures (hereinafter together referred to as the consolidated entities) as at 31st March, 2011, and the related Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated Financial Statements have been prepared by the company's management in accordance with the requirement of the Accounting Standard 21 "Consolidated Financial Statements" and Accounting Standard 23 "Accounting for Investment in Associates" in Consolidated Financial Statements and Accounting Standard 27, Financial Reporting of Interests in Joint Ventures notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended).
4. On the basis of the information and explanations given to us and on consideration of the separate Audit Reports on individual Audited Financial Statements of the Company and its aforesaid consolidated entities, in our opinion, the Consolidate Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i. in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the company and its consolidated entities as at 31st March, 2011;
 - ii. in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the company and its consolidated entities for the year ended on that date; and
 - iii. in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the company and its consolidated entities for the year ended on that date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Date : 31st day of August, 2011

Consolidated Balance Sheet as at 31st March, 2011

	Schedule	As at		(Amount in ₹)	
		31st March, 2011		As at 31st March, 2010	
I SOURCES OF FUNDS					
1	Shareholders' Funds:				
	(a) Share Capital	1	196,056,300	196,056,300	
	(b) Reserves & Surplus	2	<u>689,272,750</u>	<u>661,161,716</u>	857,218,016
2	Loan Funds				
	(a) Secured Loans	3	394,878,338		284,100,002
3	Minority Interest		1,690,202		1,900,793
4	Deferred Tax Liability	21.C.9	<u>4,147,856</u>		<u>770,011</u>
	TOTAL		<u>1,286,045,446</u>		<u>1,143,988,822</u>
II APPLICATION OF FUNDS					
1	Fixed Assets	4			
	(a) Gross Block		560,042,297	528,937,510	
	(b) Less: Depreciation		<u>28,791,668</u>	<u>24,110,831</u>	
	(c) Net Block		531,250,630		504,826,680
2	Investments	5	479,265		479,265
3	Current Assets, Loans & Advances :				
	(a) Inventories	6	38,534,339	36,389,700	
	(b) Sundry Debtors	7	777,687,104	580,447,364	
	(c) Cash and Bank Balances	8	129,929,844	83,457,705	
	(d) Loans and Advances	9	<u>457,096,265</u>	<u>421,013,061</u>	
			<u>1,403,247,552</u>	<u>1,121,307,830</u>	
	Less:				
	Current Liabilities & Provisions				
	(a) Current Liabilities	10	597,007,528	447,024,002	
	(b) Provisions	11	<u>53,204,382</u>	<u>35,901,213</u>	
			<u>650,211,910</u>	<u>482,925,215</u>	
	Net Current Assets		753,035,641		638,382,615
4	Miscellaneous Expenditures (To the extent not w/off and/or adjusted)	12	<u>1,279,910</u>		<u>300,263</u>
	TOTAL		<u>1,286,045,446</u>		<u>1,143,988,822</u>

Schedule "21": Notes on Accounts and Significant Accounting Policies
The Schedules referred above form an integral part of the Balance Sheet.
This is a Balance Sheet referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Consolidated Profit & Loss Account for the year ended 31st March, 2011

	Schedule	For the year ended 31st March, 2011	(Amount in ₹) For the year ended 31st March, 2010
I. INCOME			
Income from Operations	13	920,488,531	830,330,545
Increase/(Decrease) in WIP	14	139,907	(1,855,429)
Other Income	15	4,878,175	5,128,676
TOTAL		925,506,613	833,603,792
II. EXPENDITURE			
Material Consumption	16	128,473,936	157,550,967
Contract Operating Expenses	17	665,549,127	569,173,667
Payments to & Provisions for Employees	18	11,183,093	10,721,467
Administrative & Other Expenses	19	15,193,910	15,309,733
Interest & Financial Charges	20	51,845,847	33,708,875
Depreciation		4,760,244	4,635,829
TOTAL		877,006,156	791,100,538
III. PROFIT BEFORE TAXATION AND MINORITY INTEREST		48,500,457	42,503,253
Provision for Taxations			
- Income Tax (Current)		12,830,083	10,784,557
- Income Tax (Earlier Year)		4,393,086	-
- Income Tax (Deferred)		3,377,845	3,420,427
		20,601,014	14,204,984
IV. PROFIT AFTER TAXATION AND BEFORE MINORITY INTEREST		27,899,443	28,298,269
Less : Minority Interest		(211,592)	(97,798)
V. NET PROFIT AFTER MINORITY INTEREST		28,111,034	28,396,067
Profit Brought Forward		148,409,070	120,013,003
Profit Available for Appropriation		176,520,104	148,409,070
VI. APPROPRIATIONS			
General Reserve		—	—
Proposed Dividend on Equity Shares		—	—
Income Tax on Proposed Dividend		—	—
Surplus Carried to Balance Sheet		176,520,104	148,409,070
		176,520,104	148,409,070
VII. EARNING PER SHARE			
Per Equity Share of ₹ 10/- : Basic & Diluted (₹)		1.43	1.45

Statement on Significant Accounting Policies and Notes on Accounts

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The Schedules referred above form an integral part of the Profit & Loss Account.
This is a Profit & Loss Account referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

For and on behalf of the Board of Directors

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

Consolidated Cash Flow Statement

	(Amount in ₹)	
	For the year ended 31st March, 2011	For the year ended 31st March, 2010
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	48,500,457	42,503,253
Adjustment For :		
Depreciation	4,760,244	4,635,829
Deferred Revenue Expenses W/off	126,421	120,387
Interest & Financial Charges	51,845,847	33,708,875
Interest Received	(4,542,160)	(2,744,282)
Dividend Income	—	(213,917)
(Profit)/Loss on Sale of Current Investments	—	(677,106)
(Profit)/Loss on Sale of Fixed Assets	97,448	—
Operating Profit before Working Capital Changes	100,788,256	77,333,040
Adjustment For :		
Inventories	(2,144,639)	(738,297)
Debtors	(197,239,740)	(257,887,063)
Loans and Advances	(15,750,215)	38,651,427
Current Liabilities	160,763,526	154,304,156
Cash Generated from Operations	46,417,188	11,663,263
Direct Taxes Paid (Net)	(20,332,988)	(14,732,007)
Net Cash from/(used in) Operating Activities (A)	(26,084,200)	(3,068,744)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/(Purchase) of Fixed Assets (Net)	(31,281,642)	(27,929,917)
Sale/(Purchase) of Investments (Net)	—	20,814,248
Minority Interest	1,000	—
Interest Received	4,542,160	2,744,282
Dividend Income	—	213,917
Net Cash from/(used in) Investing Activities (B)	(26,738,482)	(4,157,470)
CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Equity Shares (including premium)	—	1,895
Share Issue Expenses	(1,106,068)	—
Refund of Share Application Money	(10,700,000)	(13,200,000)
Proceeds/(Repayment) from/of Borrowings	110,778,336	55,471,186
Interest & Financial Charges	(51,845,847)	(33,708,875)
Net Cash from/(used in) Financing Activities (C)	47,126,422	8,564,206
Net Increase/(Decrease) in Cash & Cash Equivalents (A)+(B)+(C)	46,472,140	1,337,991
Opening Cash & Bank Balances	83,457,705	82,119,715
Closing Cash & Bank Balances	129,929,844	83,457,705
	46,472,139	1,337,990

This is a Cash Flow Statement referred to in our report of even date.

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

For and on behalf of the Board of Directors

Consolidated Schedules to the Accounts

Schedules annexed to and forming part of Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date.

	As at 31st March, 2011	(Amount in ₹) As at 31st March, 2010
SCHEDULE 1 : SHARE CAPITAL		
Authorised		
25,000,000 Equity Shares of ₹ 10/- each	<u>250,000,000</u>	<u>250,000,000</u>
	<u>250,000,000</u>	<u>250,000,000</u>
Issued, Subscribed & Paid-up		
19,605,630 Equity Shares of ₹ 10/- each fully paid-up for cash	<u>196,056,300</u>	<u>196,056,300</u>
	<u>196,056,300</u>	<u>196,056,300</u>
SCHEDULE 2 : RESERVES & SURPLUS		
Securities Premium Account		
- As at the commencement of the year	<u>464,265,625</u>	<u>464,265,625</u>
(A)	<u>464,265,625</u>	<u>464,265,625</u>
Revaluation Reserve		
- As at the commencement of the year	<u>23,987,021</u>	<u>23,987,021</u>
(B)	<u>23,987,021</u>	<u>23,987,021</u>
General Reserve		
- As at the commencement of the year	<u>24,500,000</u>	<u>24,500,000</u>
(C)	<u>24,500,000</u>	<u>24,500,000</u>
Balance in Profit & Loss Account		
	<u>176,520,104</u>	<u>148,409,070</u>
(D)	<u>176,520,104</u>	<u>148,409,070</u>
Total (A+B+C+D)	<u>689,272,750</u>	<u>661,161,716</u>
SCHEDULE 3 : SECURED LOANS		
Term Loans		
From Banks	<u>46,575,000</u>	327,300
(Secured against hypothecation of batching plant, hydro excavator, transit mixture and respective car)		
From Others	—	3,421,420
(Secured against hypothecation of Tata Hyva)		
Short Term Loans		
Cash Credit from Banks	<u>348,303,338</u>	280,351,282
(Secured by way of hypothecation of stock of raw material, work-in-progress, book debts and personal guarantee of directors and their relatives, collateral security of property of the company and group companies.)		
	<u>394,878,338</u>	<u>284,100,002</u>

Consolidated Schedules to the Accounts

SCHEDULE 4 : FIXED ASSETS

(Amount in ₹)

Particulars	SLM Rate of Dep.	Gross Block			Depreciation			Net Block			
		As at 01.04.2010	Additions	Deductions	Total	Upto 31.03.2010	For the year	Sales/ Adjustments	Total	As at 31.03.2011	As at 31.03.2010
Construction Division											
Land	0.00%	437,309,370	29,777,340	—	467,086,710	—	—	—	—	467,086,710	437,309,370
Site Building	1.63%	107,298	—	—	107,298	107,298	—	—	107,298	—	—
Computer	16.21%	760,817	110,530	—	871,347	535,031	136,422	—	671,454	199,893	225,786
Furniture & Fixtures	6.33%	3,794,565	83,542	—	3,878,107	584,639	360,127	—	944,766	2,933,341	3,209,926
JCB Excavator	11.31%	3,067,096	—	—	3,067,096	2,969,684	97,412	—	3,067,096	—	97,412
Plant & Machinery	4.75%	59,380,484	1,534,279	—	60,914,763	10,947,044	2,883,669	—	13,830,713	47,084,050	48,433,440
Motor Cars	9.50%	3,803,803	—	400,904	3,402,899	2,026,243	345,423	79,407	2,292,259	1,110,640	1,777,560
Vehicles	11.31%	4,177,289	—	—	4,177,289	3,538,532	472,451	—	4,010,984	166,305	638,757
Cycles	7.07%	35,995	—	—	35,995	6,669	2,545	—	9,214	26,781	29,326
Sub-total		512,436,717	31,505,691	400,904	543,541,504	20,715,140	4,298,050	79,407	24,933,783	518,607,721	491,721,577
Hotel Division											
Land	0.00%	3,012,900	—	—	3,012,900	—	—	—	—	3,012,900	3,012,900
Building	1.63%	9,886,621	—	—	9,886,621	1,084,262	161,152	—	1,245,414	8,641,207	8,802,359
Computer	16.21%	36,550	—	—	36,550	36,550	—	—	36,550	—	—
Furniture & Fixtures	9.50%	2,757,046	—	—	2,757,046	1,995,053	261,919	—	2,256,972	500,074	761,993
Plant & Machinery	4.75%	796,118	—	—	796,118	272,973	37,816	—	310,789	485,329	523,145
Vehicles	11.31%	11,558	—	—	11,558	6,852	1,307	—	8,159	3,399	4,706
Sub-total		16,500,793	—	—	16,500,793	3,395,690	462,194	79,407	3,857,884	12,642,909	13,105,103
Grand Total		528,937,510	31,505,691	400,904	560,042,297	24,110,831	4,760,244	—	28,791,668	531,250,630	504,826,680
Previous year		501,007,593	27,929,917	—	528,937,510	19,475,002	4,635,829	—	24,110,831	504,826,680	—

Consolidated Schedules to the Accounts

SCHEDULE 5 : INVESTMENTS

	As at 31st March, 2011		As at 31st March, 2010	
	Nos.	₹	Nos.	₹
Long Term Investments (At Cost)				
Unquoted, Other than Trade				
Gold Coins [50 Gms. Each]	10	479,265	10	479,265
	<u>10</u>	<u>479,265</u>	<u>10</u>	<u>479,265</u>
Investments purchased during the year				
Current other than Trade, Unquoted				
Mutual Fund :				
- Birla Sunlife Savings Fund - Retail - Daily Div.	—	—	1,590,992	15,883,264
	<u>—</u>	<u>—</u>	<u>1,590,992</u>	<u>15,883,264</u>
Investments sold during the year				
Current, Other than Trade, Unquoted				
Mutual Funds :				
- Birla Sunlife Income Fund - Qtr. Div.	—	—	1,916,360	20,137,142
- Birla Sunlife Savings Fund - Retail - Daily Div.	—	—	1,590,992	15,920,739
	<u>—</u>	<u>—</u>	<u>3,507,352</u>	<u>36,057,882</u>

	As at 31st March, 2011	(Amount in ₹) As at 31st March, 2010
SCHEDULE 6 : INVENTORIES		
(As taken, valued and certified by the management)		
Construction Contract Work-in-Progress	3,832,737	3,692,830
Raw Material	33,122,692	29,931,546
Consumable Stores	1,578,910	2,765,324
	<u>38,534,339</u>	<u>36,389,700</u>

SCHEDULE 7 : SUNDRY DEBTORS

	As at 31st March, 2011	As at 31st March, 2010
(Trade, Unsecured and considered good)		
Debts outstanding for a period exceeding six months	118,875,487	61,568,235
Other Debts	658,811,617	518,879,129
	<u>777,687,104</u>	<u>580,447,364</u>

SCHEDULE 8 : CASH & BANK BALANCES

	As at 31st March, 2011	As at 31st March, 2010
Cash in hand (As Certified by the Management)	19,472,992	23,606,183
Cash at Bank		
With Scheduled Banks		
- On Current Accounts	25,458,037	11,884,049
- On Deposit Accounts (Including interest thereon)*	84,835,135	47,803,793
IPO Refund Account	163,680	163,680
	<u>129,929,844</u>	<u>83,457,705</u>

* Includes ₹ 82,460,878/- (Previous year - ₹ 40,160,126/-) pledged with bank

Consolidated Schedules to the Accounts

	As at 31st March, 2011	(Amount in ₹) As at 31st March, 2010
SCHEDULE 9 : LOANS & ADVANCES		
Loans & Advances		
(Unsecured and considered good) Advances*	266,850,861	252,189,358
(Recoverable in cash or in kind or for value to be received) Security and Earnest Money Deposits	104,167,424	103,078,712
Income Tax & FBT Payments	86,077,980	65,744,991
	457,096,265	421,013,061
SCHEDULE 10 : CURRENT LIABILITIES		
Sundry Creditors	408,046,424	227,170,332
Duties & Taxes	1,857,625	27,313,069
Share Application Money	—	10,700,000
Share Application Money Refunds - Not Claimed	163,680	163,680
Advances/Deposit from Customers/Contractors	186,939,799	181,676,921
	597,007,528	447,024,002
SCHEDULE 11 : PROVISIONS		
Provision for Income Tax	47,589,549	34,759,466
Provision for earlier year	4,393,086	—
Provision for FBT	435,336	435,336
Provision for Employees Benefits	786,411	706,411
	53,204,382	35,901,213
SCHEDULE 12 : MISCELLANEOUS EXPENDITURES		
(To the extent not written off and/or adjusted)		
Preliminary Expenses		
- Balance B/f	300,263	420,650
- Add : Incurred during the year	30,170	—
	330,433	420,650
- Less : Amortised during the year	126,421	120,387
	204,012	300,263
Deferred Revenue Expenses		
- Balance B/f	—	—
- Add : Incurred during the year	1,075,898	—
	1,075,898	—
- Less : Charged to P & L Account	—	—
	1,075,898	—
(a)	204,012	300,263
(b)	1,075,898	—
Total (a) + (b)	1,279,910	300,263

Consolidated Schedules to the Accounts

	Year ended 31st March, 2011	(Amount in ₹) Year ended 31st March, 2010
SCHEDULE 13 : INCOME FROM OPERATIONS		
Contract Receipts	920,141,951	829,793,246
Profit from Hotel Business (Schedule 13A)	<u>346,580</u>	<u>537,299</u>
	<u>920,488,531</u>	<u>830,330,545</u>
SCHEDULE 13A : PROFIT FROM HOTEL BUSINESS		
INCOME		
Direct Income		
- Food Sale	19,826	187,101
- Room Rent	140,090	360,680
Indirect Income		
- Cultivation Income	639,905	781,659
- Service Income	2,395	24,930
Total (A)	<u>802,216</u>	<u>1,354,370</u>
EXPENDITURE		
- Raw Food Purchased	13,844	129,854
- Fuel (Cooking)	4,498	25,467
- Banquet Hall and Lawn Maintenance	—	—
- Repairs & Maintenance - Buildings	2,450	20,713
- Vehicle Maintenance	—	—
- Transport Expenses	90	917
- Customer Entertainment Exp	—	—
- Stores	1,016	10,993
Salary, Allowances & Bonus		
- Salary	52,500	132,700
- Site Allowance	10,130	22,200
- Staff Welfare	—	—
Administrative & Other Expenses		
- Advertisement	—	11,000
- Bank Charges	550	765
- Books & Periodicals	1,609	3,593
- Commission	—	5,505
- Electricity Charges	61,327	125,977
- Cultivation Expenses	235,055	173,170
- General Expenses	1,200	10,590
- Generator Expenses	189	6,556
- Gardening Expenses	196	2,040
- Insurance	1,893	1,893
- Interest (Other)	—	571
- Labour Charges incl. Allowances	22,450	43,700
- Laundry Expenses	411	3,782
- Postage/Fax/Courier	200	372
- Printing & Stationery	67	2,592
- Rates & Taxes	3,000	5,827
- Security Expenses	40,519	67,064
- Subscription	2,000	2,804
- Telephone Expenses	—	360
- Travelling & Conveyance	443	6,067
Total (B)	<u>455,637</u>	<u>817,072</u>
Profit/(Loss) before Depreciation (A-B)	<u>346,580</u>	<u>537,298</u>

Consolidated Schedules to the Accounts

	Year ended 31st March, 2011	(Amount in ₹) Year ended 31st March, 2010
SCHEDULE 14 : INCREASE/DECREASE IN WIP		
Closing WIP	3,832,737	3,692,830
Less : Opening WIP	3,692,830	5,548,259
	<u>139,907</u>	<u>(1,855,429)</u>
SCHEDULE 15 : OTHER INCOME		
Interest (Gross) (TDS ₹ 361,749/- , Previous Year ₹ 240,355/-)	4,542,160	2,744,282
Dividend from Current Investment, Other than Trade	—	213,917
Profit from Current Investment, Other than Trade	—	677,106
Other Income	336,015	1,493,371
	<u>4,878,175</u>	<u>5,128,676</u>
SCHEDULE 16 : MATERIAL CONSUMPTION		
Raw Materials	123,164,016	154,702,314
Consumable Stores	5,309,920	2,848,653
	<u>128,473,936</u>	<u>157,550,967</u>
SCHEDULE 17 : CONTRACT OPERATING EXPENSES		
Subcontractor Charges	576,930,615	447,721,514
Hire Charges	25,708,479	36,124,902
Labour Charges & Allowances	25,166,233	19,435,269
Power & Fuel	14,098,175	24,581,022
Equipment Repairs & Maintenance	4,496,385	1,840,343
Freight Charges	803,663	761,087
Royalty	3,701,763	1,124,430
Service Tax	5,444,980	24,971,552
Works Contract Tax	8,951,889	12,511,489
Survey Charges	246,945	102,060
	<u>665,549,127</u>	<u>569,173,667</u>
SCHEDULE 18 : PAYMENTS TO AND PROV. FOR EMPLOYEES		
Salary, Allowances & Bonus	8,611,385	6,961,407
Contribution to PF, ESI & Other Funds	186,094	177,517
Staff Welfare	2,305,614	3,247,132
Employee Retirement Benefits	80,000	335,411
	<u>11,183,093</u>	<u>10,721,467</u>

Consolidated Schedules to the Accounts

	Year ended 31st March, 2011	(Amount in ₹) Year ended 31st March, 2010
SCHEDULE 19 : ADMINISTRATIVE AND OTHER EXPENSES		
Rent	2,420,060	2,634,865
Rates & Taxes	369,022	870,222
Insurance	463,966	305,423
Consultancy & Professional Charges	2,576,776	1,768,130
Directors' Remuneration	2,520,000	2,520,000
Directors' Sitting Fee	189,000	178,500
Electricity Charges	416,327	287,621
Post, Telegraph, Telephone & Internet	814,862	981,441
Travelling & Conveyance	2,360,934	1,964,212
Printing & Stationery	1,358,500	990,590
Security Guard Expenses	351,383	697,253
Audit Fees	99,712	94,200
Preliminary Expenses W/off	126,421	120,387
Miscellaneous Expenses	631,921	1,642,746
Advertisement	366,361	180,613
Subscription	31,217	71,639
Loss on Sale of Fixed Assets	97,488	—
Prior Period Adjustment	—	1,890
	15,193,910	15,309,733

SCHEDULE 20 : INTEREST & FINANCIAL EXPENSES

Interest to Bank on Term Loans	1,885,110	77,156
Interest to Bank on Working Capital Loans	42,564,258	25,489,159
Interest to Others on Equipment Finance Loans	1,025,548	887,009
Interest to Others	809,795	2,790,032
Bank Commission & Other Charges	5,561,136	4,465,519
	51,845,847	33,708,875

SCHEDULE 21: NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to the company and have been accounted for in accordance with Accounting Standard 21- Consolidated Financial Statements, Accounting Standard 23-Accounting for Investments in Associates in Consolidated Financial Statements and Accounting Standard 27- Financial Reporting of Interests in Joint Ventures respectively of the Companies Accounting Standards (Rules), 2006 (as amended). The Consolidated Financial Statements are prepared on the following basis :

- i. Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra group transactions and also unrealized profit or loss, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.
- ii. Interests in the assets, liabilities, income and expenses of the Joint Ventures are consolidated using proportionate consolidation method. Intra group balances, transactions and unrealized profit/loss are eliminated to the extent of the Company's proportionate share, except where cost cannot be recovered.

Consolidated Schedules to the Accounts

- iii. The difference between the cost to the Group of investment in Subsidiaries and Joint Ventures and the proportionate share in the equity of the investee Company as at the date of acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is tested for impairment annually.
- iv. Minorities' interest in net profits of consolidated subsidiaries for the year is identified and adjusted against the income in order to arrive at the net income attributable to the shareholders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding company.
- v. Investments in Associates are accounted for using the equity method, under which the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the Associate. However, the share of losses is accounted for only to the extent of the cost of investment. Subsequent profits of such Associates are not accounted for unless the accumulated losses (not accounted for by the Group) are recouped. Where the associate prepares and presents consolidated financial statements, such consolidated financial statements of the associate are used for the purpose of equity accounting. In other cases, Standalone financial statements of associates are used for the purpose of consolidation.
- vi. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's Standalone financial statements. Differences in accounting policies are disclosed separately.
- vii. The financial statements of the entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company i.e. year ended March 31, 2011.
- viii. As per Accounting Standard 21- Consolidated Financial Statements notified by Companies (Accounting Standards) Rules, 2006 (as amended), only the notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or the parent having no bearing on the true and fair view of the consolidated financial statements is not disclosed in the consolidated financial statements.

The subsidiary companies and joint ventures considered in the consolidated Financial Statements in each of the years are listed below :-

Name of the company	Country of Incorporation	Relationship	Percentage age of Ownership Interest directly and indirectly	
			31st March, 2011	31st March, 2010
Bengal Kaushalya Nirman Ltd.	India	Subsidiary	51%	51%
Bengal KDC Housing Development Ltd.	India	Subsidiary	51%	51%
Kaushalya Energy (P) Ltd.	India	Subsidiary	55%	55%
Kaushalya Solar Power (P) Ltd. (Subsidiary of Kaushalya Energy (P) Ltd.)	India	Step down Subsidiary	55% of 99%	Nil
Kaushalya Nirman (P) Ltd.	India	Subsidiary	97.87%'	97.87%'
Kaushalya Township (P) Ltd.	India	Subsidiary	99.01%	99.01%
Orion Abasaan (P) Ltd.	India	Subsidiary	96.67%	96.67%
KIDCO NACC – Consortium	Unincorporated	JV Entity	90%	Nil

Consolidated Schedules to the Accounts

B. SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of Financial Statements

These Financial Statements have been prepared and presented under the historical cost convention on the accrual basis of accounting and in accordance with Accounting Principles generally accepted in India (Indian GAAP) and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India, and the relevant provisions of the Companies Act 1956 except where otherwise stated.

For recognition of Income and Expenses mercantile system of accounting is followed except in case of insurance claims. The accounting policies have been consistently applied by the Company unless otherwise stated.

Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known.

Inventories

The stock of raw materials, stores and spares, other construction materials and fuel are valued at cost under FIFO method or net realizable value whichever is lower.

Work-in-progress is valued at cost

Depreciation / Amortization

Depreciation on fixed assets is charged on Straight Line Method at the rates and in the manner prescribed under Schedule-XIV of the Companies Act 1956.

Revenue Recognition

On Construction Contracts :

The contract revenue is recognized by reference to the stage of completion of the contract activity at the reporting date of the financial statements on the basis of percentage completion method. Further, it is recognized whether completed works are certified by the principal or not.

The revenue from hotel business is recognized on completion of service rendered.

Interest income is recognized on an accrual basis.

Income from plant and Machinery/Equipments on hire contract are recognized on accrual basis over the contract period.

Price escalation claims and other additional claims including those under arbitration are recognized as revenue when :

- They are realized or receipts thereof are mutually settled or reasonably ascertained.
- Negotiations with the client have reached an advanced stage such that client will accept the claim.
- Amount that is probable, if accepted by the client can be measured reliably by the Company.

Fixed Assets

Fixed Assets are stated at cost of acquisition together with any incidental costs for bringing the asset to its working condition for its intended use less accumulated depreciation and impairment losses, if any.

Capital work in progress is stated at amounts spent up to the date of the Balance Sheet.

Investment

Long-term investments are stated at cost, provision is made to recognize a decline, other than temporary, in the value of long term investments.

Current investments are carried at cost or market rates whichever is less, on individual investment basis.

Consolidated Schedules to the Accounts

Employee Benefit (Retirement and Post Employment Benefit)

Contribution to defined benefit schemes such as Provident Fund, ESI, Medical reimbursement etc. are charged to profit and loss account as incurred. The contributions are made to Government administered Provident Fund and ESI towards which the Company has no further obligations beyond its monthly contributions.

Gratuity

The present value of the obligation is determined based on an actuarial valuation. The provision made but not paid.

Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of assets which take substantial period of time to get ready for its intended use are capitalized as part of the cost of those assets. Other borrowing costs are recognized as expenses in the period in which they are incurred.

Earnings Per Share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net Profit or Loss for the year attributable to the equity share holders and weighted average number of share outstanding if any, are adjusted for the effects of all dilutive potential equity shares.

Taxation

Tax expenses comprise of current tax and deferred tax.

Current tax is determined in respect of taxable income for the year based on applicable tax rates and laws.

Deferred tax is recognized, subject to consideration of prudence, on timing difference being the difference between taxable income and accounting income that originates in one period and one capable of set off in one or more subsequent year and is measured using tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are reviewed at each balance sheet date to re-assess excess realization.

Impairment of Assets

On annual basis the Company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of the asset exceeds the recoverable value. Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Transaction in Foreign Exchange

Transaction in respect of foreign exchange are recorded at exchange rates prevailing on the date of transaction.

Prior period and Extraordinary items and changes in Accounting policies :

Prior period and extraordinary items and changes in accounting policies having material impact on the financial affairs of the company are disclosed.

(a) Prior period items :

Provision of sub.contractor expenses of ₹ 1,837,687/- reversed during the year.

(b) Extra Ordinary Items :

Provision of sub-contractor expenses of ₹ 100,108,163/- provided during the year.

Consolidated Schedules to the Accounts

C. NOTES OF ACCOUNTS

1. Contingent Liabilities

Sl. No.	Particulars	As on 31.03.2011	As on 31.03.2010
1.	a. Counter guarantees given to Bankers to obtain various Bank Guarantees against which fixed deposit receipts have been pledged by the Company.	63,106,070	138,289,895
	b. Performance Guarantee given on behalf of Joint Venture Entities	29,625,050	Nil
	c. Share of the company in the Contingent Liability of Joint Venture Entities	Nil	Nil
	d. Capital Commitment of the company in Joint Venture Entities	Nil	Nil
	e. Share of the company in the Capital Commitment of the Joint Venture Entities	Nil	Nil
2.	Claims not acknowledged as debts		
	Income Tax Demand (Assessment Year 2004-05)	4,271,602	Nil
	Income Tax Demand (Assessment Year 2005-06)	616,467	3,735,712
	Income Tax Demand (Assessment Year 2006-07)	923,573	11,797,002
	Income Tax Demand (Assessment Year 2007-08)	7,616,064	5,434,446
	Income Tax Demand (Assessment Year 2009-10)	2,870,090	Nil

2. Disclosure in accordance with Accounting Standard – 7 (Revised 2002) on “Accounting for Construction Contract” issued by The Institute of Chartered Accountants of India is as under :

	2010-11	2009-10
Contract Revenue	920,141,951	829,793,246
Contract Cost incurred	793,883,156	728,580,063
Recognized Profit/(Losses)	126,258,795	101,213,184
Gross Amount due from Customers for Contract Work	777,687,104	580,447,364
Gross Amount due to Customers (i.e. Advances) for Contract Work	31,919,576	34,679,703

- Current tax is determined in respect of taxable income for the year based on applicable tax rates and Laws.
- The Company is in the process of identifying the suppliers, who would be covered under the Micro, Small and Medium Enterprises Development Act, 2006. In this process the Company has given notice to its vendors/ suppliers to inform about whether any of them are registered under the said Act. The Company has not yet received any information about such registration from the vendors. Such information will be provided as and when confirmation is received from them.
- Information about Business Segments as required under AS-17 on “Segment Reporting” issued by The Institute of Chartered Accountants of India.

Consolidated Schedules to the Accounts

Particulars	2010-11			2009-10		
	Construction	Hotel	Total	Construction	Hotel	Total
Segment Revenue	920,141,951	802,216	920,944,167	829,793,246	1,354,370	831,147,616
Unallocable Revenue	-	-	4,878,175	-	-	5,128,676
Total Revenue	920,141,951	802,216	925,822,342	829,793,246	1,354,370	836,276,292
Segment Expenditures	876,324,055	917,831	877,241,885	792,158,362	1,279,266	793,437,628
Total Expenditures	876,324,055	917,831	877,241,885	792,158,362	1,279,266	793,437,628
Segment Results						
Segment Profit Before Tax	43,817,896	(115,615)	48,580,457	37,634,884	75,104	42,838,664
Unallocable Expenditures	-	-	80,000	-	-	335,411
Profit Before Tax			48,500,457			42,503,253
Segment Assets	1,834,543,625	15,156,487	1,849,700,112	1,545,420,551	15,269,230	1,560,689,781
Unallocable Assets	-	-	86,557,245	-	-	66,224,256
Total Assets	1,834,543,625	15,156,487	1,936,257,356	1,545,420,551	15,269,230	1,626,914,037
Segment Liabilities	1,878,875,813	29,305	1,878,905,118	1,590,215,980	26,833	1,590,242,813
Unallocable Liabilities	-	-	57,352,238	-	-	36,671,224
Total Liabilities	1,878,875,813	29,305	1,936,257,356	1,590,215,980	26,833	1,626,914,037

6. Disclosure on Related Party Transactions as per AS 18 on "Related party disclosures" issued by The Institute of Chartered Accountants of India :

I. Parties Where Control Exists

II. Key Management Personnel :

- 1 Mr. Prashant Mehra, Managing Director
- 2 Mr. Ramesh Mehra, Director
- 3 Mr. Mahesh Mehra, Director
- 4 Mr. Sidhnath Mehra, Wholetime Director

III. Other Related Parties with whom the company had transactions during the year

Relatives of Key Management Personnel :

- 5 Mr. Kartik Mehra
- 6 Mr. Karan Mehra
- 7 Mr. Rahul Mehra
- 8 Mrs. Neeru Mehra
- 9 Mrs. Shrishty Mehra
- 10 M/s. Bajjnath Mehra, HUF
- 11 Rainy Guard Polysheets Pvt. Ltd.

Consolidated Schedules to the Accounts

IV. Transactions with Related Parties

(Amount in ₹)

Current Year

Sl. No.	Type of Transactions	Key Mgt Personnel	Relatives of KMP	Other Parties
(a)	Value of Services Received	2,593,500	480,000	-
(b)	Rent Paid	720,000	600,000	-
(c)	Share Application Money Recd/(Refunded)	-	(10,700,000)	-
(d)	Advance Received/(Paid) Net	-	5,971,000	(400,000)
(e)	Balance Payable as at 31.03.2011	-	6,007,000	703,000

Previous Year

Sl. No.	Type of Transactions	Key Mgt Personnel	Relatives of KMP	Other Parties
(a)	Value of Services Received	2,562,000	-	-
(b)	Rent Paid	720,000	600,000	-
(c)	Share Application Money Recd/(Refunded)	(13,200,000)	-	-
(d)	Advance Received/(Paid) Net	(37,249)	-	-
(e)	Balance Payable as at 31.03.2010	10,749,500	-	1,103,000

7. Loans & Advances include advances of ₹ 66,085,202/- (Previous Year ₹ 57,980,202/-) paid to various parties as advances for purchase of capital items.

8. Earnings Per Share (EPS)

Particulars	Current Year	Previous Year
Number of Ordinary shares at the end of the year	19,605,630	19,605,630
Nominal Value of each Ordinary Share (₹)	10	10
Profit/(Loss) after Tax (₹) After Minority Interest	28,111,034	28,396,067
Weighted Average number of equity shares used as denominator for calculating EPS	19,605,630	19,605,630
Earning per Share (Basic and Diluted) (₹)	1.43	1.44

9. Disclosure on Deferred tax as per AS 22 on "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.

Deferred Tax Assets/(Liability)

Particulars	Gross Amount	Timing Difference	Deferred Tax @ 32.45%
On A/c of Depreciation			
WDV as per Income Tax Act, 1961	63,314,607		
WDV as per Companies Act, 1956	86,059,198	(22,744,591)	(7,380,620)
On A/c of IPO Expenses			
WDV as per Income Tax Act, 1961	9,103,353		
WDV as per Companies Act, 1956	-	9,103,353	2,954,038
On A/c of Employee Benefits			
Balance of Provision as at 31.03.11	786,411		
Allowed under IT Act, 1961	-	786,411	255,190
Expenses Disallowed U/s. 43B	72,529	72,529	23,536
Deferred Tax Assets/(Liability)		(12,782,298)	(4,147,856)
Less : Deferred Tax Assest/(Liability) b/f			(770,011)
Deferred Tax Provision for the year			3,377,845

Consolidated Schedules to the Accounts

10. The Company has reviewed the possibility of any impairment of the fixed assets of the Company in terms of the Accounting Standard AS 28 – “Impairment of Assets” issued by The Institute of Chartered Accountants of India as at the balance sheet date and is of the opinion that no such provision for impairment is required.
11. Disclosure pertaining to Accounting Standard 29 – “Provisions, Contingent Liabilities and Contingent Assets” issued by The Institute of Chartered Accountants of India. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes to accounts. Disputed demands in respect of Income Tax, Sales Tax are disclosed as contingent liability. Payments in respect of such demands, if any, are shown as advance, till the final outcome of the matter. Contingent Assets are neither recognized nor disclosed in the financial statements.
12. In the opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realization in the ordinary course of business at least equal to the amount at which they have been stated in the Balance Sheet.
13. Service Tax of ₹ 5,444,980/- (Previous Year ₹ 24,971,552/-) charged on works contract is included in contract received and shown under the head income from operation.
14. Income from operation is total of contract revenue received and net profit from Hotel Business.
15. Figures for the previous year’ have been re-grouped and rearranged wherever found necessary to make those comparable with the figures for the current year.

In terms of our referred to in our report of even date

For **SUMANTA & CO.**
Chartered Accountants
Firm Registration No. 322554E

Pradeep Kumar Agarwal
Partner
Membership No. 056521

Place : Kolkata
Dated : 31st August, 2011

For and on behalf of the Board of Directors

Neha Jain
Company Secretary

Prashant Mehra
Managing Director

Sidh Nath Mehra
Wholetime Director

KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

Registered Office : HB 170, Sector III, Salt Lake, Kolkata - 700106

ATTENDANCE SLIP

DP ID Client ID :

Registered Folio No. No of Shares held

I/We hereby record my/our presence at the Nineteenth Annual General Meeting of the Members of Company on Friday, the 30th day of September 2011 at 10.30 A.M. at Rabindra Okakura Bhavan, DD 27/A/1, Saltlake, Kolkata - 700 064.

Name of Member/Proxy (in Block Letters) :

.....
Signature of Member / Proxy

Notes :

- 1. Members attending the Meeting in person or by proxy are requested to complete the Attendance Slip and handover the same at the entrance of the Meeting Hall.
- 2. Members are also requested to bring their copies of Annual Report to the Meeting as no extra copies will be available for distribution in the Meeting.

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KAUSHALYA INFRASTRUCTURE DEVELOPMENT CORPORATION LIMITED

Registered Office : HB 170, Sector III, Salt Lake, Kolkata - 700106

PROXY FORM

DP ID Client ID :

Registered Folio No. No of Shares held

I/WeS/o, D/o, W/o

residing at being a Member/

Members of the abovenamed Company hereby appoint Mr./Ms.

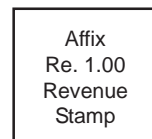
residing at or failing him/her Mr./Ms.

residing at as my/our Proxy to attend and vote for me/us and

on my/our behalf at the Nineteenth Annual General Meeting of the Company on Friday, the 30th day of September 2011 at 10.30 A.M. and at any adjournment thereof.

Signed this day of 2011

NOTE : This Proxy Form in order to be effective should be duly stamped, completed and signed and must reach the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.



Signature
(Please sign across the Stamp)

BOOK POST



If undelivered Please Return to :
Kaushalya Infrastructure Development Corporation Ltd.
HB 170, Sector III, Salt Lake
Kolkata - 700106