

## FORM A

### Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the company	VKJ INFRADEVELOPERS LIMITED
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by-	
	<ul style="list-style-type: none"> <li>• CEO/Managing Director</li>   <li>• CFO</li>   <li>• Auditor of the company</li>   <li>• Audit Committee Chairman</li> </ul>	      

# VKJ INFRADEVELOPERS LIMITED

## FIFTH ANNUAL REPORT

FOR FY 2013-14



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# COMPANY INFORMATION

## BOARD OF DIRECTORS

MANOJ KUMAR  
Whole-time Director

ARUN KUMAR CHALUKYA  
Non-Executive Director

AAYUSH GOLASH  
Independent Director

ARJUN SINGH  
Independent Director

## REGISTERED OFFICE

B-25, First Floor, Dayanand Colony,  
Lajpat Nagar, New Delhi – 110 024  
Tel: +91 11 3231 9722  
Fax: +91 11 3231 9722  
Email: [vkjinfradevelop@yahoo.com](mailto:vkjinfradevelop@yahoo.com)  
Website: [www.vkjinfra.com](http://www.vkjinfra.com)

## AUDITORS

**M/s Agrawal Goyal & Co., Chartered Accountants**  
**FRN: 004977C**  
Chartered Accountants  
D-251/10, 3rd Floor,  
Laxmi Nagar, New Delhi – 110 092

## BANKERS

HDFC Bank Limited  
A-38, AnandVihar, Delhi – 110 092

## REGISTRAR & TRANSFER AGENT

**Sharepro Services (I) Pvt. Ltd.**  
13 AB Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400 072  
Tel: +91 22 6191 5402/ 5404  
Fax: +91 22 6191 5444  
Email: [sme.ipo@shareproservices.com](mailto:sme.ipo@shareproservices.com)  
Website: [www.shareproservices.com](http://www.shareproservices.com)

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# NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of the Members of VKJ INFRADEVELOPERS LIMITED will be held on Friday, September 26, 2014 at 10.00 a.m. at the Registered office of the Company at B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024, to transact the following business:-

## ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended March 31, 2014 including the Audited Balance Sheet as at March 31, 2014 and the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Arun Kumar Chalukya (DIN: 05167558), who retires by rotation and being eligible, offers himself for re-appointment.
3. 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 139 of the Companies Act, 2013 and the Rules made thereunder, M/s Agrawal Goyal & Co., Chartered Accountants FRN: 004977C, Chartered Accountants, Delhi, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the tenth Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the Company.”

## 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 149, 152 and all other applicable provisions and Schedule IV to the Companies Act, 2013, the Companies (Appointment and Qualifications of Directors) Rules, 2014, as may be amended, from time to time and Clause 52 of the Listing Agreement, Mr. Aayush Golash, who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.”

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

**“RESOLVED THAT** Mr. Arjun Singh who was co-opted as an Additional Director on the board of the company with effect from 27/03/2014 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a

member along with requisite deposit proposing his candidature for the office of an Independent Director on the Board of the Company, be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.”

**By Order of the Board  
For VKJ Infradevelopers Limited  
Sd/-  
Manoj Kumar  
Whole-time Director  
DIN: 06590962**

**Place: New Delhi**

**Date: 23.08.2014**

## **NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY / PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

2. Members/Proxies should bring the Attendance Slip duly filled in for attending the Meeting and also their copy of the Annual Report.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 24, 2014 to Friday, September 26, 2014 (both days inclusive) for the purpose of the Annual General Meeting of the Company.
4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.

The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.

5. The Members are requested to:
  - (a) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, **M/s. Sharepro Services (I) Pvt. Ltd.** at 13 AB Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 in respect of their holdings in physical form.

- (b) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
- (a) Register their email address and changes therein from time to time with **M/s. Sharepro Services (I) Pvt. Ltd.** for shares held in physical form and with their respective Depository Participants for shares held in demat form.
6. Corporate Members intending to send their authorized representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting of the Company.
7. In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, **M/s.Sharepro Services (I) Pvt. Ltd.** and have it duly filled and sent back to them.
8. Members may also note that the Notice of the 05<sup>th</sup> Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website <http://www.vkjinfra.com/> for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days.
9. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the Company's investoremail id: [vkjinfradevelop@yahoo.com](mailto:vkjinfradevelop@yahoo.com).
10. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1 pm on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

**By Order of the Board**  
**For VKJ Infradevelopers Limited**  
**Sd/-**  
**Manoj Kumar**  
**Whole-time Director**  
**DIN: 06590962**

**Place: New Delhi**  
**Date: 23.08.2014**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO.4**

Pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of upto 5 consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of upto 5 years each. Mr. Aayush Golash is the Independent Directors of the Company. As per their existing terms of

appointment, he is liable to retire by rotation. However, under the new act and the Listing Agreement, they may be appointed afresh with a fixed period of upto 5 years.

Mr. Aayush Golash is the independent director of the company and has been holding the office of Directorship. As per existing terms of appointment, the period of their office is liable to determination by retirement by rotation in terms of section 152 of the Act. The company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of him for appointment as Independent Director of the Company. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from him that he meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Listing agreement.

The Board considered the independence of him in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that he fulfill the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Director. he possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Company business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended his appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of 4th Annual General Meeting of the Company.

#### **Item 5.**

Mr. Arjun Singh, who was appointed as an Additional Director and Independent Director of the Company with effect from 27/03/2014, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Arjun Singh for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of upto 5 consecutive years and shall not be liable to retire by rotation. He may be appointed for a maximum of two consecutive terms of upto 5 years each. Mr. Arjun Singh is the Independent Directors of the Company. As per their existing terms of appointment, he is liable to retire by rotation. However, under the new act and the Listing Agreement, they may be appointed afresh with a fixed period of upto 5 years.

Mr. Arjun Singh is the independent director of the company and has been holding the office of Directorship. As per existing terms of appointment, the period of their office is liable to determination by retirement by rotation in terms of section 152 of the Act. The company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of him for appointment as Independent Director of the Company. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given his consent to act as Director. The Company has also received declarations from him that he meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Listing agreement.



The Board considered the independence of him in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that he fulfill the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Director. he possess requisite qualifications, appropriate skills, experience and knowledge in one or more fields of finance, law management, marketing, administration, technical operations and other disciplines related to Company business, positive attributes, already being on the Board of the Company and benefits that the Company will derive with their appointment, the Board has recommended his appointment as Independent Directors of the Company to hold office for a term of five consecutive years commencing from the date of Annual General Meeting of the Company.

**By Order of the Board  
For VKJ Infradevelopers Limited  
Sd/-**

**Place: New Delhi  
Date: 23.08.2014**

**Manoj Kumar  
Whole-time Director  
DIN: 06590962**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**

**(Pursuant to Clause 52 of the Listing Agreement)**

**ARJUN SINGH**, aged 27 years, is a Non Executive and Independent Director of our Company. He is an Arts Graduate. He has 3 years of experience in administration and commercial operations of the textile industry. He predominantly involved at the strategic level.

**He is the director in the following Companies as on date:**

1. Thy Projects Private Limited
2. K D Trend Wear Limited
3. Dj Yatayat Private Limited
4. Triveni Capin Limited

**ARUN KUMAR CHALUKYA**, aged 45 Years, is the Non-Executive Director of our Company. He has completed his Bachelors in Commerce from Delhi University. Further, he is having an experience of over 20 Years in the field of real estate development and logistics sector. He was appointed as Non-Executive Director of our Company from June 26, 2013.

**He is the director in the following companies as on date: Nil**

**MR. AYUSH GOLASH**, aged 24 years, is a non-executive independent Director of our Company. He has completed his Bachelors in Computer Application from Guwahati University. He is having a family business of Property dealings and real estate development and his experience in this field comes naturally to him. He was appointed as an Independent Director of our Company from June 26, 2013.

**He is the director in the following companies as on date: Nil**

**By Order of the Board  
For VKJ Infradevelopers Limited  
Sd/-**

**Place: New Delhi  
Date: 23.08.2014**

**Manoj Kumar  
Whole-time Director  
DIN: 06590962**

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# DIRECTORS REPORT

To,  
The Members of  
M/s VKJ INFRADEVELOPERS LIMITED

## 1. Report

Your Directors are pleased to present the 05<sup>th</sup> Annual Report together with the Audited Financial Statements for the year ended March 31, 2014.

## 2. Financial Highlights

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<b>Particulars</b>	<b>Year ended March 31, 2014</b>	<b>Year ended March 31, 2013</b>
<b>Revenue from Operation</b>	<b>22,225,184</b>	<b>34,486,102</b>
<b>Add: Other Income</b>	<b>1,156,070</b>	<b>1,826,710</b>
<b>Total Income</b>	<b>23,786,254</b>	<b>36,312,812</b>
<b>Less: Total Expenses</b>	<b>22,953,498</b>	<b>35,519,680.58</b>
<b>Profit / (Loss) before tax</b>	<b>832,755.32</b>	<b>793,131.42</b>
<b>Less: Current Tax</b>	<b>275,497</b>	<b>211,267</b>
<b>Less: Deferred Tax Charge/(Credit)</b>	<b>(21,538)</b>	<b>26,678</b>
<b>Profit/(Loss) after Tax</b>	<b>578,796.32</b>	<b>555,186.42</b>

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## 3. Dividend

Your Directors feel that Company should re-invest the profit in the business and to target growth in the existing business areas. In order to meet its growing fund requirement and to conserve its resources for future expansions, the Directors have decided not to recommend the dividend for the current year.

## 4. Public Deposits

Your Company has not accepted any deposits from the public, or its employees during the year under review.

## 5. Corporate Governance

As per Clause 52 of the Listing Agreement with the Stock Exchanges, a separate Chapter on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms part of this Report.

## **6. Conversion from Private Limited to Public Limited**

Your directors pleased to inform you that the status of our Company converted from private limited to public limited w.e.f. May 29, 2013. Further, the name of the Company changed from **M/s VKJ Infradevelopers Private limited** to **M/s VKJ Infradevelopers Limited**. Pursuant to the provisions of Section 14 of the Companies Act, 2013 (Corresponding to 31 of the Companies Act, 1956) the existing Articles of Association of the Company be substituted with the new set of Articles having all the provisions of the Public Limited Company.

## **7. Alteration in Object Clause**

Your directors pleased to inform you that the other object clause of the Company altered w.e.f. June 17, 2013 vide passing special resolution.

## **8. Directors**

Mr. Sushil Kumar and Mr. Nitin Kumar Jain have resigned as a Director of the Company w.e.f. June 05, 2013. Mr. Rajesh Kumar Chauhan and Mr. Vinay Kumar have resigned as a Director of the Company w.e.f. June 26, 2013 and October 10, 2013 respectively.

The Board places on record their appreciation for the valuable guidance and services rendered by these Directors of the Company.

Mr. Manoj Kumar appointed as a whole-time director on the board with five year tenure from 20.06.2013 to 19.06.2018 w.e.f June 20, 2013 vide passing special resolution.

The Companies Act, 2013 provides for appointment of Independent Directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective from April 01, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the company.

Sub-section (11) states that no independent director shall be eligible for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in sub-section (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

Our non-executive (independent) directors were appointed as directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956. The Board has been advised that non-executive (independent) directors so appointed would continue to serve the term that was ascertained at the time of appointment as per the resolution pursuant to which they were appointed. Therefore, it stands to reason that only those non-executive (independent) directors who will complete their present term, at the ensuing AGM of the Company, being eligible and seeking re-appointment, be considered by the shareholders for re-appointment for a term of up to five consecutive years.

Non-executive (independent) directors who do not complete their term at the ensuing AGM, will continue to hold office till expiry of their term (based on retirement period calculation) and would

thereafter be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013.

## **9. Listing on SME Platform**

Your Directors are pleased to inform you that the Company's securities have now been listed on the SME Platform of BSE Limited on August 30, 2013 and the Company has paid listing fee to the Exchange for the year 2013-14.

## **10. Initial Public Offering**

During the year the Company came out with an initial public offering of 51,00,000 Equity shares of the face value of Rs. 10/- each for cash at a price of Rs. 25/- per share (including a share premium of Rs. 15/- per Equity share) aggregating to Rs. 1275 Lacs.

The public issue opened for subscription on August 12, 2013 and closed on August 16, 2013. The basis of allotment was finalized in consultation with the Designated Stock Exchange – Bombay Stock Exchange Limited.

The Company's shares got listed on the SME platform of BSE Limited on August 30, 2013.

## **11. Directors' Responsibility Statement**

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- (b) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- (c) 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
- (d) the annual accounts have been prepared on a going concern basis.

## **12. Industrial Relations**

The industrial relations continued to be generally peaceful and cordial.

## **13. Subsidiary Companies**

The Company does not have any subsidiary.

## **14. Consolidated Financial Statements**

Since there is no subsidiary of the Company at present, hence no consolidated financial statements have been prepared.

## **15. Particulars of Employees and other additional information**

The information required under Section 217(2A) of the Companies Act, 1956 and the Rules made there under is given in the Annexure to this Report and forms part of the Report. However, in terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the members excluding the aforesaid Annexure. Any member interested in obtaining copy of the same may write to the Compliance Officer at the Registered Office of the Company.

## **16. Share Capital**

### **Authorised Share Capital**

During the year under review, your Company's Authorized Share Capital has changed two times:

- (a) From Rs. 5,25,00,000/- (Rupees Fifty Two Lacs and Fifty Thousand only) to Rs. 16,25,00,000/- (Rupees One Crore Sixty Two Lacs and Fifty Thousand only) by creation of 110,00,000 Equity Shares of Rs.10/- each vide passing ordinary resolution on April 29, 2013; and
- (b) From Rs. 16,25,00,000/- (Rupees One Crore Sixty Two Lacs and Fifty Thousand only) to Rs. 24,75,00,000/- (Rupees Two Crore Forty Seven Lacs and Fifty Thousand only) by creation of 8,50,00,000 Equity Shares of Rs.10/- vide passing ordinary resolution on June 14, 2013.

### **Paid up Share Capital**

During the year under review, your Directors recommend allotment of equity shares of the Company:

- (a) Allotment of 20,000 Equity Shares of Rs.10/- each at a premium of Rs.15/- w.e.f June 18, 2013;
- (b) Allotment of 75,00,000 Equity Shares of Rs.10/- each w.e.f June 26, 2013; and
- (c) Allotment of 51,00,000 Equity Shares of Rs.10/- each at a premium of Rs.15/- w.e.f. August 27, 2013.

## **17. Public Deposits**

Your Company has not accepted any deposits from the public, or its employees during the year under review.

## **18. Auditors**

M/s Agrawal Goyal & Co, Chartered Accountants, Delhi are proposed to be appointed as Auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the next Annual General Meeting of the Company.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s Agrawal Goyal & Co. to such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

## **19. Auditor's Report**

The Auditors' Report to the members on the Accounts of the Company for the financial year ended March 31, 2014 does not contain any qualification.

## **20. Particulars of Employees**

As required by the provision of section 217(2A) of the Companies Act, 1956. Read with the Companies (particulars of employee) rules, 1975 as amended, no employee was in receipt of remuneration exceeding 60,00,000/- per annum or 5,00,000/- per month for any part thereof.

## **21. Energy, Technology & Foreign Exchange**

Information in accordance with the provision of Section 217 (I) (e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 being not relevant/significant, are not given. There were no foreign exchange earnings or outgo during the year under review.

## **22. Management Discussion And Analysis Report**

As required under Clause 52 of the Listing Agreement with the Stock Exchange, the Management and Discussion and Analysis of the financial condition and results of the operations of the Company under review form part of the Annual Report

## **23. Acknowledgment**

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

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

**Place: New Delhi**  
**Date: 23.08.2014**

**By Order of the Board**  
**For VKJ Infra developers Limited**  
Sd/-  
**Arun Kumar Chalukya**  
**Director**  
**DIN: 05167558**

Sd/-  
**Manoj Kumar**  
**Director**  
**DIN: 06590962**

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# CORPORATE GOVERNANCE

VKJ's business strategy focuses on creating sustainable long term value for all its stakeholders including members, customers, partners, employees and the society at large. The Company's governance structure including systems, processes and principles enable VKJ to realize its long term goals.

VKJ takes pride in being a responsible corporate citizen and has strong ethics. This is reflected in its sense of principles, which focuses on integrity and fairness in all dealings, which are periodically disclosed in the most transparent manner possible.

In addition, the Company has a strong sense of participation in community development. Its established systems encourage and recognize employee participation in environmental and social initiatives that contribute to organizational sustainability, conservation of energy, and promotion of safety and health.

The entire governance structure is actively supervised by a Board of Directors, who oversee management activities and ensure their effectiveness in delivering member value. To implement this, VKJ has always strived to promote an informed Board that functions independently.

This Chapter reports the Company's compliance with the Clause 52 of the Listing Agreement with the Stock Exchange and also highlights some of the better practices, which are non-mandatory.

## **I) BOARD OF DIRECTORS**

### **(i) Composition of the Board**

The composition of the Board is in conformity with Clause 52 of the Listing Agreement, which stipulates that at least 50% of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

As on March 31, 2014, the Board comprised of three Directors. Out of these, two are Non-Executive Directors. All the Directors possess the requisite qualifications and experience in general corporate management, finance, banking, insurance and other allied fields enabling them to contribute effectively in their capacity as Directors of the Company.

### **(ii) Number of Board Meetings**

The Board of Directors met 19 times during 2013-14. The meetings were held on 01.04.2013, 19.04.2013, 30.04.2013, 17.05.2013, 01.06.2013, 05.06.2013, 14.06.2013, 18.06.2013, 26.06.2013, 05.07.2013, 02.08.2013, 03.08.2013, 27.08.2013, 05.09.2013, 08.10.2013, 15.10.2013, 14.11.2013, 14.02.2014, 27.03.2014. The maximum time gap between any two consecutive meetings did not exceed four months.

### **(iii) Directors' attendance record and details of Directorships/Committee Positions held**

As mandated by Clause 52 of the Listing Agreement, none of the Directors on Board is a member of more than ten Board-level committees and Chairman of more than five such committees, across all such Companies in which he is a Director.

**Table 1** gives the names and categories of Directors, their attendance at the Board Meetings held during the year and at the last Annual General Meeting as also the number of Directorships and Board-level committee positions held by them in other Public Companies.

**Table 1: Details of the Board of Directors as on March 31, 2014**

<b>Name of the Director</b>	<b>Category</b>	<b>Number of Board Meetings held</b>	<b>Number of Board Meeting attended</b>	<b>Whether attended last AGM</b>	<b>Number of Directorships of other public companies*</b>
<b>Manoj Kumar</b>	<b>Whole-time Director</b>	<b>19</b>	<b>13</b>	<b>Yes</b>	<b>Nil</b>
<b>Arun Kumar Chalukya</b>	Non-executive Director	<b>19</b>	19	Yes	Nil
<b>Aayush Golash</b>	Independent Director	<b>19</b>	<b>10</b>	<b>No</b>	<b>Nil</b>
<b>Sushil Kumar<sup>1</sup></b>	Independent Director	<b>19</b>	5	<b>No</b>	NA
<b>Nitin Kumar Jain<sup>2</sup></b>	Independent Director	<b>19</b>	5	<b>No</b>	NA
<b>Rajesh Kumar Chauhan<sup>3</sup></b>	Executive Director	<b>19</b>	8	<b>No</b>	NA
<b>Vinay Kumar<sup>4</sup></b>	Independent Director	<b>19</b>	14	<b>No</b>	NA
<b>Arjun Singh<sup>5</sup></b>	Independent Director	<b>19</b>	18	<b>No</b>	Nil

1. Sushil Kumar resigned from Director w.e.f. June 05, 2013
2. Nitin Kumar resigned from Director w.e.f. June 05, 2013
3. Rajesh Kumar resigned from Director w.e.f. June 26, 2013
4. Mr. Vinay Kumar had resigned as a Director w.e.f. October 08, 2013
5. Mr. Arjun Singh appointed as additional director w.e.f. 27.03.2014

(iv) **Information to the Board**



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A detailed agenda folder is sent to each Director in advance of the Board Meetings. As a policy, all major decisions involving investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. Inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda papers.

- Annual operating plans and budgets and any updates
- Capital budget-purchase and disposal of plant, machinery and equipment.
- Quarterly, Half yearly and Annual results of the Company
- Minutes of the Meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the Board level.
- Materially important show cause, demand, prosecution notices and penalty notices, if any
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems
- Any material default in financial obligations to and by the Company, or substantial non-payments by clients
- Any issue, which involves possible public or product liability/claims of substantial nature, including any judgments or orders which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company
- Non-compliance of any regulatory, statutory or listing requirements and members' service such as nonpayment of dividend, delay in share transfer, etc.

The Board periodically reviews compliance reports of all laws applicable to the Company, prepared by the Management as well as steps taken by the Company to rectify instances of non-compliance, if any.

## **II) BOARD COMMITTEES**

The Board of Directors has constituted two Board Committees viz. Audit Committee and Shareholder / Investor Grievances Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference / role of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

### **(a) Audit Committee**

[ During the year ended on 31st March, 2014, the composition of Audit Committee has been as under:

- a) Mr. Arjun Singh (Chairman) – attended all meeting held after their appointment.
- b) Mr. Aayush Golash (Member) – attended all meetings.
- c) Mr. Arun Kumar Chalukya (Member) – attended all meetings.

During the financial year 2013-14, four (4) meeting of Audit Committee was held dated 28.06.2013, 05.09.2014, 14.11.2013, 14.02.2014.

### **(b) Shareholders/ Investor Grievance Committee:**

(c)

The Shareholders/ Investor Grievance Committee was formed w.e.f. June 26, 2013 as per the requirements of SME Equity Listing Agreement. After the formation one (3) meeting were held during the financial year 2013-14 to take note its responsibilities and powers.

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The constitution of the Committee and the attendance of each member of the Committee are given below:

- a) Mr. Arjun Singh (Chairman)
- b) Mr. Aayush Golash (Member)
- c) Mr. Arun Kumar Chalukya (Member)

During the financial year 2013-14, four (4) meeting of Audit Committee was held dated 28.06.2013, 05.09.2014, 14.11.2013, 27.03.2014.

### III) MANAGEMENT

#### Management Discussion and Analysis Report

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

#### Disclosures

##### (a) Accounting treatment in preparation of financial statements

The Company has followed the Accounting standards notified by The Companies (Accounting Standards) Rules, 2006, as amended from time to time, in preparation of its financial statements.

##### (b) Risk Management

The Company has established a well-documented and robust risk management framework. Under this framework, risks are identified across all business processes of the Company on continuous basis. Once identified, these risks are systematically categorized as strategic risks, business risks or reporting risks. The former looks at all risks associated with the longer-term interests of the Company. The latter look at risks associated with the regular functioning of each of the processes and the risks associated with incorrect or untimely financial and non-financial reporting. To address these risks in a comprehensive manner, each risk is mapped to the concerned department for further action. Based on this framework, VKJ has set in place various procedures for Risk Management.

##### (c) Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive Code for prevention of Insider Trading, for its Directors and designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.

##### (d) CEO / CFO Certification

As required under Clause 52 (V) of the Listing Agreement with the Stock Exchanges, the Whole-time Director of the Company have certified to the Board regarding the Financial Statements for the year ended March 31, 2014 which is annexed to this Report.

### IV) SHAREHOLDER INFORMATION

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### (a) Means of Communication

In accordance with the Listing Agreement, the Company has maintained a functional website at [www.vkjinfradevelop.com](http://www.vkjinfradevelop.com) containing basic information about the Company viz., details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievances etc. The contents of the said website are updated from time to time. The quarterly and annual results are published in the newspaper and also displayed on the Company's website for the benefit of the public at large.

Further, the Company disseminates to the Stock Exchanges (i.e. BSE), wherein its equity shares are listed, all mandatory information and price sensitive/ such other information, which in its opinion, are material and/or have a bearing on its performance/operations and issues press releases , wherever necessary, for the information of the public at large.

### (b) General Body meetings

The Company convenes the Annual General Meeting (AGM) generally within six months from the end of the financial year.

#### Postal Ballot

No resolutions were passed by postal ballot in the year under review.

None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

#### Details of the AGM held in the last three years along with special resolutions passed thereat:

Financial Year	Day, Date & Time	Venue	SR Passes
2012-13	Monday, 30 <sup>th</sup> September, 2013 at 10.00 A.M.	The Retreat Motel/ Resort, Alipur, Main G.T. Karnal Road, Near Palla Mod, Delhi – 110036	No
2011-12	Saturday, 29 <sup>th</sup> September, 2012 at 10:30 A.M.	27, Kilokari Village, Opposite Thapar Business Centre, Sunlight Colony, Delhi – 110014	No
2010-11	Thursday, 25th August, 2011 At 10:30 A.M.	B-419/1, Main Market, Bhajan Pura, Delhi - 110053	No

### (c) General Shareholder Information

#### Forthcoming Annual General Meeting

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Date: September 26, 2014

Day: Friday

Time: 10.00 A.M.

Venue: B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024

**(d) Financial Year**

The financial year of the Company covers the financial period from April 1 to March 31.

The tentative dates of the Board Meetings for consideration of financial results for the year ending March 31, 2015 are as follows:

1st Quarter Results : Second week of November, 2014

2nd Quarter Results : Fourth week of May, 2015

**(e) Dates of Book Closure**

Wednesday, September 24, 2014 to Friday, September 26, 2014 (both days inclusive)

**(f) Listing**

Presently, the Equity Shares of the Company are listed on the BSE Limited (BSE). The Company has paid the annual listing fees for the year 2014-15 to BSE.

**(g) Stock Codes**

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<b>ISIN</b>	<b>INE211P01013</b>
<b>BSE Scrip Code</b>	536128
<b>BSE Scrip ID</b>	VKJINFRA

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**(h) Corporate Identification Number**

Corporate Identity Number (CIN) of the Company, allotted by the Ministry of Corporate Affairs, Government of India is L45400DL2010PLC200014

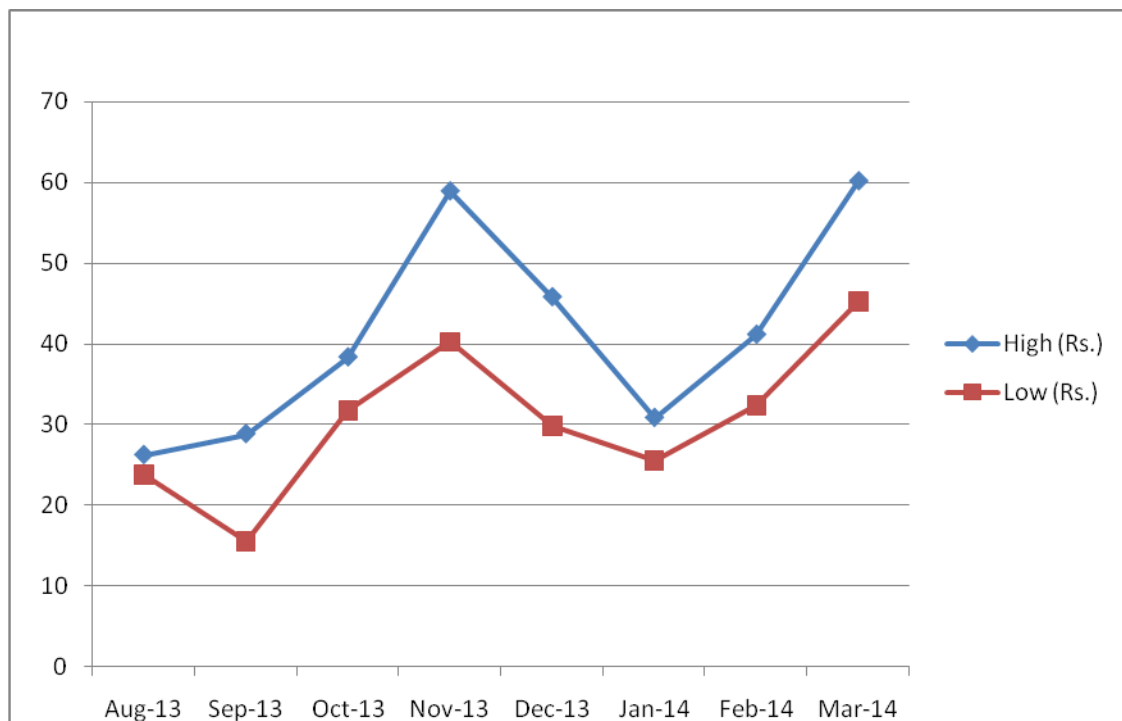
**Share Price Data : High/Low and Volume during each month of 2013-2014 at BSE**

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<b>Month</b>	<b>High (Rs.)</b>	<b>Low (Rs.)</b>	<b>Volume</b>
<b>Aug 13</b>	26.25	23.80	798000
<b>Sep 13</b>	28.85	15.55	4608000

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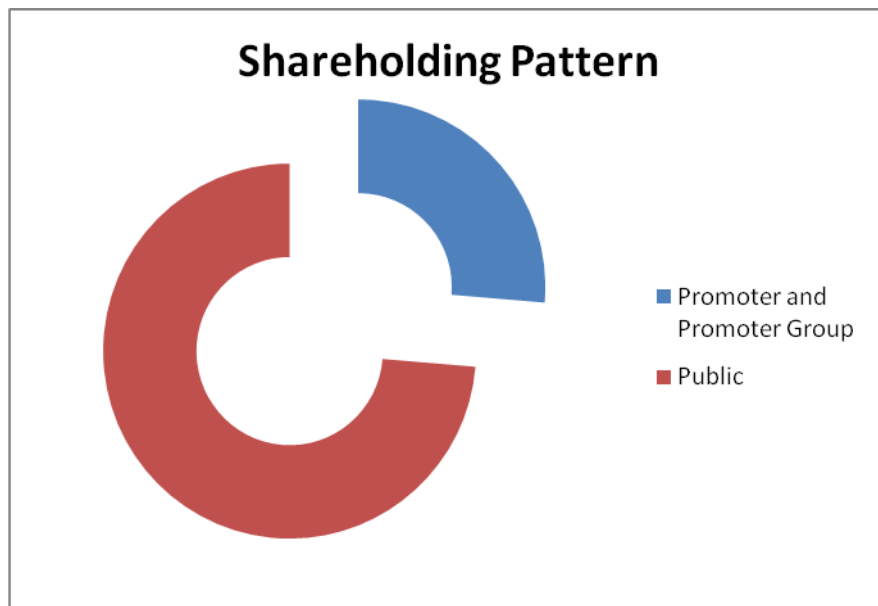
<b>Oct 13</b>	38.35	31.70	36000
<b>Nov 13</b>	58.90	40.25	138000
<b>Dec 13</b>	45.80	29.80	318000
<b>Jan 14</b>	30.85	25.55	120000
<b>Feb 14</b>	41.15	32.35	486000
<b>Mar 14</b>	60.15	45.25	114000



### (i) Shareholding Pattern

Categories	As on March 31, 2014	
	No. of Shares	Percentage of Shareholding
<b>Promoter and Promoter Group and Directors and Relatives</b>		
Individual / HUF	4690000	26.27
Bodies Corporate	10000	0.06
<b>Total</b>	<b>4700000</b>	<b>26.33</b>
<b>Public</b>		
Bodies Corporate	8364000	46.86

<b>Individual</b>	4785770	26.81
<b>Total</b>	<b>13149770</b>	<b>73.67</b>
<b>Grand Total</b>	<b>17849770</b>	<b>100</b>



#### (j) Dematerialization of Shares and Liquidity

As on March 31, 2014, 1,23,00,000 equity shares representing 68.91% of the total equity share capital of the Company, were held in dematerialized form with National Securities Depository Limited and Central Depository Services (India) Limited.

The break-up of equity shares held in Physical and Dematerialized form as on March 31, 2014, is given below:

<b>Particulars</b>	<b>No. of shares</b>	<b>Percentage (%)</b>
<b>Physical Segment</b>	5549770	31.09
<b>Demat Segment</b>		
<b>NSDL</b>	7274000	40.75
<b>CDSL</b>	5026000	28.16
<b>Total</b>	<b>17849770</b>	<b>100</b>

#### (k) Share Transfer System

The Registrars and Share Transfer Agents have put in place an appropriate Share Transfer system to ensure timely share transfers. Share Transfers are registered and returned in the normal course within an average period of 30 days from the date of receipt, if the documents are clear in all respects. Requests for

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dematerialization of shares are processed and confirmation is given to the respective depositories ie. NSDL and CDSL within 21 days.

**(l) Address for members' correspondence**

Members are requested to correspond with the Registrars and Share Transfer Agents at the below given address on all matters relating to transfer/dematerialization of shares, payment of dividend and any other query relating to Equity Shares of the Company.

**(m) Registrars and Share Transfer Agents**

**Sharepro Services (I) Pvt. Ltd.**

13 AB Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri-Kurla Road, Sakinaka,  
Andheri (E), Mumbai - 400 072  
Tel: +91 22 6191 5402/ 5404  
Fax: +91 22 6191 5444  
Email: [sme.ipo@shareproservices.com](mailto:sme.ipo@shareproservices.com)  
Website: [www.shareproservices.com](http://www.shareproservices.com)

Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for related matters.

Members may contact the Compliance Officer and/or the Investor Relations Officer at the following address

**(n) Compliance Officer**

Manoj Kumar  
Whole-time Director  
B-25, First Floor, Dayanand Colony,  
Lajpat Nagar, New Delhi – 110 024  
Tel: +91 11 3231 9722  
Fax: +91 11 3231 9722  
Email: [vkjinfradevelop@yahoo.com](mailto:vkjinfradevelop@yahoo.com)  
Website: [www.vkjinfra.com](http://www.vkjinfra.com)

**V) COMPLIANCES**

**Compliance under Clause 52 of Listing Agreement**

**(i) Details of non-compliance, if any**

The Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

**(a) Compliance with mandatory requirements**

The Company is fully complied with the applicable mandatory requirements of Clause 52 of the Listing agreement with the Stock Exchanges, relating to Corporate Governance.

**(b) Adoption of non-mandatory requirements**

**Audit Qualifications:**

During the year under review, there is no audit qualification in the Company’s financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

**(c) Auditors’ Certificate on Corporate Governance**

The Company has obtained a Certificate from its Statutory Auditors regarding compliance of the conditions of Corporate governance, as stipulated in Clause 52 of the Listing Agreement, which together with this Report on Corporate Governance is annexed to the Directors’ Report and shall be sent to all the members of the Company and the Stock Exchanges along with the Annual Report of the Company.

**(d) Distribution Of Shareholding As At March 31, 2014**

SHARE OR DEBENTURE HOLDING OF		SHARE/DEBENTURE HOLDERS		SHARE/DEBENTURE AMOUNT	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)		(2)	(3)	(4)	(5)
Upto	- 5,000	0	0	0	0
5,001	- 10,000	0	0	0	0
10,001	- 20,000	0	0	0	0
20,001	- 30,000	0	0	0	0
30,001	- 40,000	0	0	0	0
40,001	- 50,000	0	0	0	0
50,001	- 1,00,000	107	48.636	654000	3.664
1,00,001 and above		113	51.364	17195770	96.336
TOTAL		220	100.00	17849770	100.00

Place: NewDelhi  
Date:23.08.2014

**For VKJ Infradevelopers Limited**  
Sd/-  
**Arun Kumar Chalukya**  
Director  
Din: 05167558

**For VKJ Infradevelopers Limited**  
Sd/-  
**Manoj Kumar**  
Director  
Din: 06590962



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**CERTIFICATION BY MD/CFO**  
**(ISSUED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE 52 OF THE LISTING**  
**AGREEMENT)**

**To,**  
**The Board of Directors**  
**VKJ Infradevelopers Limited.**

**SUBJECT: MD/CFO Certificate**

Dear Sirs,

We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief, we state that:

- a.
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the financial year which are fraudulent, illegal or in violation of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
  - i. Significant changes in internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours Sincerely

Sd/-

Manoj Kumar  
Whole – Time Director

Place: New Delhi  
Date: 23.08.2014.

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**ANNUAL DECLARATION BY CEO / MANAGING DIRECTOR PURSUANT TO CLAUSE 52  
(1)(D)(ii) OF THE LISTING AGREEMENT**

I, Manoj Kumar, Whole Time Director of VKJ Infradevelopers Limited hereby declare that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Company in terms of Clause 52(1)(D)(ii) of the Listing Agreement entered into with the Stock Exchanges for the financial year ended 31<sup>st</sup> March, 2014.

**By Order of the Board**

For **VKJ Infradevelopers Limited**

Sd/-

**Manoj Kumar**

**Director**

**DIN: 06590962**

**Date: 23.08.2014**

**Place: New Delhi**

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**AUDITORS' CERTIFICATE REGARDING COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE**

The Members,  
VKJ Infradevelopers Limited

We have examined the compliance of the conditions of Corporate Governance procedures implemented by VKJ Infradevelopers Limited for the year ended on March 31, 2014, as stipulated in Clause 52 of the Listing Agreement entered into with the Delhi Stock Exchange Limited.

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is either an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 52 of the above mentioned Listing Agreement.

We further 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.

**AGRAWAL GOYAL & CO.**

**Chartered Accountants**

**Sd/-**

**(SAROJ KUMAR THAKUR)**

**PARTNER**

**M No.:524561**

**FRN: 024812N**

Place: New Delhi.

Date: 23/08/2014

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# Management Discussion & Analysis Report

## 1. Industry Structure and Development

The real estate sector in India has emerged as one of the most dynamic sectors. The country's real estate sector is witnessing changing trends with every passing day. Currently, the real estate market is flooded with low cost, medium or with luxury housing projects. Now-a-days, more and more builders and developers are hooked on to medium housing segment realizing its vast potential in the country.

The real estate companies are coming up with various residential and commercial projects to fulfill the demand for residential and office properties in Tier-II and Tier-III cities. The growth in real estate in Tier-II and Tier-III cities is mainly due to increase in demand for organized realty and availability of land at affordable prices.

Today, India is one of the fastest growing economies in the world. The Indian construction industry is an integral part of the economy. It is poised for growth on account of industrialization, urbanization, economic development and people's rising expectations for improved quality of living. Construction is expected to be the biggest beneficiary of the surge in infrastructure investment.

With property boom spreading in all directions, real estate in India is touching new heights.

## 2. Opportunities & Threats

Your Company has operations in the Delhi and NCR regions of North India. In the last few years, the growth story of Delhi NCR real estate market has been quite interesting. The migration of multinational establishments across the city and availability of great housing options have initiated new trends, making it highly popular and expensive real estate destination. Delhi, Noida and Gurgaon – the triangle cities have recorded an impressive growth in all spheres of their development. The development of attractive infrastructure, availability of world-class transportation facilities, metro-rail connectivity, finer dining and accommodation facilities and unparalleled amenities of residential and commercial properties, have further reshaped the viability of real estate market in Delhi NCR. Moreover, mushrooming web of multinational companies in the triangle cities have raised the pulse of the real estate growth in the Delhi NCR region.

There have been constant additions to the NCR area with latest three new inclusions viz Mahendragarh and Bhiwani in Haryana and Bharatpur in Rajasthan. NCR expansion will help to ease burden in some selected cities. At the same time, balanced development in each city is also very important so that the developers and people would move to those cities.

The slowdown of consumer demands and reduction of real estate prices, affect the momentum of growth of the Company.

Real estate business of the Company is dependent on the performance of the real estate market in India. Fluctuations in market conditions affect capacity of the Company to sell projects at expected prices, which could unfavorably affect the revenues and earnings. Potential limitations on the supply of land could reduce revenues of the Company or negatively impact the results of its operations. Real estate business is subject to extensive Statutory or Governmental regulations.

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### **3. Segment wise performance**

The company has mainly one reportable business segment. Hence no further disclosure is required under Accounting Standard (AS) 17 on Segment Reporting.

### **4. Outlook**

The real estate industry in India is yet in a promising stage. The sector happens to be the second largest employer after agriculture and is expected to grow at the rate of 30 per cent over the next decade. A growing migrant population due to increasing job opportunities, together with healthy infrastructure development, is underpinning demand in the region's residential real estate market.

### **5. Risks & Concerns**

In open markets, demand and supply decide prices. But residential property prices have been defying this basic principle. In many markets, the number of buyers is down but prices are not cooling off. Many developers are facing fund crunch.

The Indian Real estate market is still in its infancy, largely unorganized and dominated by a large number of small players, with very few corporate or large players having national presence. The Construction Industry is still subject to a number of taxes and is considered as one of the over burdened tax segment.

The Company will continue to remain alert and adapt to the evolving market realities and will like to remain proactive in scheduling the construction and sales based on these market realities.

### **6. Internal Control System & their adequacy**

The Company has a proper adequate internal control system to ensure that all the assets are safe guarded and protected against the loss from unauthorized used or disposition and that transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

### **7. Material Development in Human Resource**

Manpower is the biggest strength in Real Estate Sector. The Company maintains its focus on human resources.

The Company has made significant progress in building its team after analyzing varied sets of skills, knowledge, attitude and behavior of its manpower.

Industrial relations during the year remained cordial and initiatives were taken to enhance the productivity of employees. All employees are working in harmonious and teamwork atmosphere which are at all time high.

**Place: New Delhi**  
**Date:23.08.2014**

**Sd/-**  
**Arun Kumar Chalukya**  
**Director**

**By Order of the Board**  
**For VKJ Infradevelopers Limited**  
**Sd/-**  
**Manoj Kumar**  
**Director**



Agrawal Goyal & Co  
Chartered Accountants

D-251/10, 3<sup>rd</sup> Floor, Laxmi  
Nagar, New Delhi- 110092

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## **INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS  
VKJ INFRADEVELOPERS LIMITED**

### **REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of “***VKJ INFRADEVELOPERS LIMITED***”, which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies

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used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date;
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is

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disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

AGRAWAL GOYAL & CO.  
Chartered Accountants

Sd/-  
(SAROJ KUMAR THAKUR)  
PARTNER  
M No.:524561  
FRN: 004977C

Place: New Delhi.  
Date: 30/05/2014

Annexure referred to Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
2. (a) As per explained to us the company does not have not any inventory. So clause (b), and (c) are not applicable.



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3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

b) As per information & explanations given to us and in our opinion, the transaction entered into by the company with parties covered u/s 301 of the Act does not exceed five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arise.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act for the company.

9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the

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information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2014 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

10. The Company does not have accumulated losses and has not incurred any cash losses during the current year and immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has made any preferential allotment of shares during the year which is not prejudicial to the company.
19. The Company has no outstanding debentures during the period under audit.

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20. The Company has not raised any money by public issue during the year.

21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

AGRAWAL GOYAL & CO.  
Chartered Accountants  
Sd/-  
(SAROJ KUMAR THAKUR)  
PARTNER  
M No.:524561  
FRN: 024812N

Place: New Delhi.  
Date: 30/05/2014

VKJ INFRADEVELOPERS LTD.  
CIN: L45400DL2010PLC200014

Balance Sheet as at 31st March, 2014

Amount in Rs.

Particulars	Note No	As at 31.03.2014	As at 31.03.2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	178,497,700.00	52,297,700.00
(b) Reserves and Surplus	2	79,651,837.55	2,273,041.23
(c) Money received against share warrants		-	-
<b>(2) Share application money pending allotment</b>		-	68,183,280.00
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	-	-
(b) Deferred tax liabilities (Net)	4	18,176.00	39,714.00
(c) Other Long term liabilities	5	101,212,496.00	-
(d) Long term provisions	6	-	703,521.00
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings	7	7,879,521.00	-
(b) Trade payables	8	6,628,736.00	5,486,200.00
(c) Other current liabilities	9	591,752.00	400,000.00
(d) Short-term provisions	10	275,497.00	211,267.00
<b>Total</b>		<b>374,755,715.55</b>	<b>129,594,723.23</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
<b>(a) Fixed assets</b>			
(i) Tangible assets	11	965,315.58	1,220,087.00
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	12	93,404,700.00	85,904,700.00
(c) Deferred tax assets (net)	13	-	-
(d) Long term loans and advances	14	248,678,168.00	35,278,510.00
(e) Other non-current assets	15	4,226,476.00	-
<b>(2) Current assets</b>			
(a) Current investments	16	-	-
(b) Inventories	17	-	-
(c) Trade receivables	18	9,861,557.00	6,835,503.00
(d) Cash and cash equivalents	19	2,251,626.97	77,642.23
(e) Short-term loans and advances	20	15,059,850.00	-
(f) Other current assets	21	308,022.00	278,281.00
<b>Total</b>		<b>374,755,715.55</b>	<b>129,594,723.23</b>

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**NOTES TO ACCOUNTS**

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Notes referred to above and notes attached there to form an integral part of Balance Sheet  
As per our report of even date attached.

**AGRAWAL GOYAL & CO.**

Chartered Accountants

Sd/-

CA Saroj Kumar Thakur

Partner

Membership No. : 524561

FRN: 004977C

**For VKJ Infradevelopers Ltd.**

Sd/-

Arun Kumar Chalukya

(Director)

DIN: 05167558

Sd/-

Manoj Kumar

(Director)

DIN: 06590962

PLACE : Delhi

DATE : 30/05/2014

**Profit and Loss statement for the year ended 31st March, 2014**

Particulars	Note No	As at 31.03.2014	As at 31.03.2013
I. Revenue from operations		22,225,184.00	34,486,102.00
II. Other Income	22	1,561,070.00	1,826,710.00
<b>III. Total Revenue (I +II)</b>		<b>23,786,254.00</b>	<b>36,312,812.00</b>
<u>IV. Expenses:</u>			
Cost of materials consumed	23	19,787,566.00	33,650,500.00
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	-	-
Employee benefit expense	25	1,027,479.00	1,140,000.00
Financial costs	26	-	-
Depreciation and amortization expense	27	272,171.44	39,875.98
Other expenses	28	1,866,282.24	689,304.60
<b>Total Expenses</b>		<b>22,953,498.68</b>	<b>35,519,680.58</b>
<b>V. Profit before exceptional and extraordinary items and tax.</b>	(III - IV)	832,755.32	793,131.42
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		832,755.32	793,131.42
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>832,755.32</b>	<b>793,131.42</b>
<b>X. Tax expense:</b>			
(1) Current tax		275,497.00	211,267.00
(2) Deferred tax		(21,538.00)	26,678.00
(3) Income tax Adjustment		-	-
(4) Deffered tax Adjustment		-	-
<b>XI. Profit(Loss) from the perid from continuing operations.</b>	(IX-X)	578,796.32	555,186.42
XII. Profit/(Loss) from discontinuing operations		1,178,241.23	623,054.81
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>1,757,037.55</b>	<b>1,178,241.23</b>
XVI. Earning per equity share:			
(1) Basic		0.04	0.11
(2) Diluted		0.04	0.11

Notes referred to above and notes attached there to form an integral part of Profit & Loss Statement  
As per our report of even date attached.

**AGRAWAL GOYAL & CO.**  
Chartered Accountants

For VKJ Infradevelopers Ltd.

Sd/-

CA Saroj Kumar Thakur  
Partner  
Membership No. : 524561

Sd/-  
Arun Kumar  
Chalukya  
(Director)  
DIN: 05167558

Sd/-  
Manoj Kumar  
(Director)  
DIN: 06590962

FRN: 004977C  
 PLACE : Delhi  
 DATE : 30/05/2014

Note : 1 Share Capital

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	<b>AUTHORIZED CAPITAL</b>		
	17849770 Equity Shares of Rs. 10/- each.	178,497,700.00	52,297,700.00
2	<b>ISSUED</b>		
	17849770 Equity Shares of Rs. 10/- each.	178,497,700.00	52,297,700.00
3	<b>SUBSCRIBED &amp; PAID UP CAPITAL</b>		
	17849770 Equity Shares of Rs. 10/- each.	178,497,700.00	52,297,700.00
	<b>Total</b>	<b>178,497,700.00</b>	<b>52,297,700.00</b>
<b>Notes 1 A</b>			
	Reconciliation of Nos. Of Shares	2014-2013	2012-2013
	Number of Equity Shares at the beginning	5,229,770	201,145
	Add:- Number of Shares Issued	12,620,000	5,028,625
	Number of Equity Shares at the end	17,849,770	5,229,770

<b>Notes 1 B</b>			
<b>Details of Share Holding More Than 5% as at 31.March.2013</b>			
Name	Class of Share	No. of Share Holding	Percentage of Holding
Classic Global Finance & Capital Ltd	Equity	2500000	14.01%
Achal Investments Ltd	Equity	2500000	14.01%
Alps Motor Finance Ltd	Equity	2500000	14.01%

Note : 2 Reserve & Surplus

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Securities Premium reserve	1,094,800.00	51,381,050.00
	Less: Bonus Share	-	50,286,250.00
		1,094,800.00	1,094,800.00
	Add: Security Premium	76,800,000.00	-
		77,894,800.00	1,094,800.00
2	Surplus (Profit & Loss Account)	-	-
	Op. Balance of Profits & Loss A/C	1,178,241.23	623,054.81
	Current Year Profit & Loss A/C	578,796.32	555,186.42
		<b>1,757,037.55</b>	<b>1,178,241.23</b>
	<b>Total</b>	<b>79,651,837.55</b>	<b>2,273,041.23</b>

Note : 3 Long Term Borrowings

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Bonds / Debentures	-	-
2	<b>Term Loan</b>		
	- From Bank	-	-
	- From Other Parties	-	-
3	Deferred Payment Liabilities	-	-
4	Deposit	-	-
5	Loans & Advances From Related Parties	-	-
6	Long Term Maturities of Finance lease obligation	-	-
7	Loans From Directors	-	-
8	<b>Other Loans</b>	-	-
	<b>Total</b>	-	-

Note : 4 Deferred Tax Liabilities (Net)

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Deferred Tax Liability	18,176.00	39,714.00
	<b>Total</b>	<b>18,176.00</b>	<b>39,714.00</b>

Note : 5 Other Long Term Liabilities

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Others Payable	101,212,496.00	-
	<b>Total</b>	<b>101,212,496.00</b>	-

Note : 6 Long Term Provisions

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Provision from Employment Benefit	-	-
2	Other	-	703,521.00
	<b>Total</b>	-	<b>703,521.00</b>

Note : 7 Short Term Borrowings

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	<b>Loan Repayable on Demand</b>		
	- From Bank	-	-
	- From Other Parties	-	-
2	Loans & Advances From Related Parties	-	-
3	Deposits	-	-
4	Others	7,879,521.00	-



	<b>Total</b>	<b>7,879,521.00</b>	<b>-</b>
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Note : 8 Trades Payable

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Trade Payables	6,628,736.00	5,126,200.00
2	B K Enterprises	-	360,000.00
	<b>Total</b>	<b>6,628,736.00</b>	<b>5,486,200.00</b>

Note : 9 Other Current Liabilities

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Audit Fees Payable	15,000.00	15,000.00
2	TDS Payable	213,632.00	-
3	Salary Payable	113,120.00	-
4	Office Expenses Payable	250,000.00	385,000.00
	<b>Total</b>	<b>591,752.00</b>	<b>400,000.00</b>

Note : 10 Short Term Provisions

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	<b><u>Provision From Employees Benefit</u></b>	-	-
2	<b><u>Others</u></b>		
	Provision For Income Tax	275,497.00	211,267.00
	<b>Total</b>	<b>275,497.00</b>	<b>211,267.00</b>

Note : 12 Non Current Investment

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Investment in Property	-	-
2	Investment in Equity Instrument	93,404,700.00	85,904,700.00
3	Other Investment	-	-
4	Investment in Mutual Fund	-	-
5	Investment in Partnership Firm	-	-
	<b>Total</b>	<b>93,404,700.00</b>	<b>85,904,700.00</b>

Note : 13 Deferred Tax Assets (Net)

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
	<b>Total</b>	-	-

Note : 14 Long Term Loans and Advances

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
I)	<b>Capital Assets</b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
II)	<b>Security Deposit</b>		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
III)	<b>Loans &amp; Advances to related parties</b>	-	-
IV)	<b>Other Loans &amp; Advances</b>	<b>248,678,168.00</b>	<b>35,278,510.00</b>
	<b>Total</b>	<b>248,678,168.00</b>	<b>35,278,510.00</b>

Note : 15 Other Non Current Assets

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Long Term Trade Recievables		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	Security Deposit	1,275,000.00	-
	Misc Expenditure	2,951,476.00	-

	<b>Total</b>		<b>4,226,476.00</b>	-
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Note :16 Current Investment

Sr. No	Particulars		As at 31.03.2014	As at 31.03.2013
1	Investment in Equity		-	-
2	Investment in Preference Shares		-	-
3	Investment in Govt Securities		-	-
4	Investment in debentures & Bonds		-	-
5	Investment in Mutual Fund		-	-
6	Investment in Partnership Firm		-	-
7	Others		-	-
	FDR & Accrued Interest		-	-
	<b>Total</b>		-	-

Note : 17 Inventories

Sr. No	Particulars		As at 31.03.2014	31.03.2011
1	Raw Material		-	-
2	Work-in-Progress		-	-
3	Finished Goods		-	-
4	Stock-in-Trade		-	-
5	Stores & Spares		-	-
6	Loose Tools		-	-
7	Other (Specify the nature)		-	-
8	Goods-in-transit		-	-
	<b>Total</b>		-	-

Note : 18 Trade Receivables

Sr. No	Particulars		As at 31.03.2014	As at 31.03.2013
1	<b>Outstanding for more than six months</b>	-		
	a) Secured, Considered Good :	-	-	-
	b) Unsecured, Considered Good :	-	-	-
	c) Doubtful	-	-	-
2	<b>Others</b>	-		
	a) Secured, Considered Good :	-	-	-
	b) Unsecured, Considered Good :	-	9,861,557.00	6,835,503.00
	c) Doubtful	-	-	-
	<b>Total</b>		<b>9,861,557.00</b>	<b>6,835,503.00</b>

Note : 19 Cash & Cash Equivalent

Sr. No	Particulars		As at 31.03.2014	As at 31.03.2013
1	<b>Cash-in-Hand</b>	-		
	Cash Balance		2,103,014.21	77,642.23
	<b>Sub Total (A)</b>		2,103,014.21	77,642.23
2	<b>Bank Balance</b>	-		
	HDFC Bank		148,612.76	-
	<b>Sub Total (B)</b>		148,612.76	-

3	Cheques on Hand	(C)	-	-
	<b>Total [ A + B + C ]</b>		<b>2,251,626.97</b>	<b>77,642.23</b>

Note :20 Short Terms Loans and Advances

Sr. No	Particulars		As at 31.03.2014	As at 31.03.2013
1	Loans & Advances from related parties			
	a) Secured, Considered Good :	-	-	-
	b) Unsecured, Considered Good :	-	-	-
	c) Doubtful	-	-	-
2	Others		15,059,850.00	-
	<b>Total</b>		<b>15,059,850.00</b>	<b>-</b>

Note : 21 Other Current Assets

Sr. No	Particulars		As at 31.03.2014	As at 31.03.2013
1	TDS 2011-2012		-	81,244.00
2	TDS		308,022.00	197,037.00
	<b>Total</b>		<b>308,022.00</b>	<b>278,281.00</b>

Note : 22 Other Income

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Duty Drawback	-	-
2	Foreign Currency Rate Difference	-	-
3	Interest from Bank	-	-
4	Profit from Jobbing Speculation	-	-
5	Income From Long Term Investments:		
6	Income from Investment - Dividend Tax Free	-	-
7	Long Term Capital Gain	-	-
8	Short Term Capital Gain	-	-
9	Interest (Others)	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

Note : 23 Cost of Material Consumed

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Purchases	19,787,566.00	33,650,500.00
	<b>Total</b>	<b>19,787,566.00</b>	<b>33,650,500.00</b>

Note : 24 Change in Inventories

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Closing Stock	-	-
2	Opening Stock	-	-

	<b>Total</b>	-	-
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Note : 25 Employment Benefit Expenses

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Remuneration to Director	-	-
2	Staff Welfare Expenses	60,559.00	165,000.00
3	Salary	966,920.00	975,000.00
	<b>Total</b>	<b>1,027,479.00</b>	<b>1,140,000.00</b>

Note :26 Financial Cost

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Bank Interst	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>

Note : 27 Depreciation &Amortised Cost

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	Depreciation	272,171.44	39,875.98
	<b>Total</b>	<b>272,171.44</b>	<b>39,875.98</b>

Note : 28 Other Expenses

Sr. No	Particulars	As at 31.03.2014	As at 31.03.2013
1	<b><u>Administrative Expenses:</u></b>		
	Bank Charges	1,725.24	26,394.60
	Accounting Charges	84,000.00	42,000.00
	Office Exp.	82,056.00	109,920.00
	Office Rent		120,000.00
	Conveyance	67,743.00	163,270.00
	Repair & Maint.	2,500.00	91,320.00
	Printing & Stationary	37,179.00	41,400.00
	Filling Fees	203,514.00	6,000.00
	Misc. Expenses	87,279.00	74,000.00
	Audit Fees	15,000.00	15,000.00
	Advertisement Exps.	143,436.00	-
	Business Promotion	97,611.00	-
	Dmat Charges	1,100.00	-
	Market Making Charges	79,899.00	-
	Professional Expenses	136,972.00	-
	Telephone Exps.	36,964.00	-
	Travelling Exps.	51,434.00	-
	Expenses Written off	737,870.00	

	<b>Total [ A + B ]</b>	<b>1,866,282.24</b>	<b>689,304.60</b>
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## Notes Forming Part of the Balance Sheet

### Note : 29 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

#### A- SIGNIFICANT ACCOUNTING POLICIES

- 1 **Basis of Accounting**  
The financial statements are prepared under the historical cost convention on the concept of a going concern, in accordance with the Generally Accepted Accounting Principles and mandatory Accounting Standards as notified under the Companies (Accounting Standards) Rules, 2006 and as per the provisions and presentational requirements of the Companies Act, 1956.
- 2 **Changes in Accounting policies**  
The accounting policies adopted are consistent with those of previous financial year. The management assures that there has been no change in accounting policies as compared to that of previous year which would have any significant effect on these financials.
- 3 **Recognition of Income**  
Sales represents invoiced Value of goods Sold. Other Income is recognised and accounted for on accrual basis unless otherwise stated.
- 4 **Tangible Fixed Assets**  
Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.  
**4 (A)- Depreciation on tangible fixed assets**  
No Depreciation has been provided on Land.
- 5 **Taxes on Income**  
Current tax is determined and provided for on the amount of taxable income at the applicable rates for the relevant financial year. Deferred Tax Assets and Liabilities (DTA/ DTL) are recognised, subject to consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and is capable of reversal in one or more subsequent periods. The DTA is recognised only to the extent that there is reasonable certainty of sufficient future profits against which such DTA can be realised.
- 6 **Contingent Liability**  
The contingent liabilities, if any, are disclosed in the Notes to Accounts. Provision is made in the accounts, if it becomes probable that there will be outflow of resources for settling the obligation.
- 7 **Events occurring after the balance sheet date**  
Adjustments to assets and liabilities are made for events occurring after the balance sheet date to provide additional information materially affecting the determination of the amounts of assets or liabilities relating to conditions existing at the balance sheet date.
- 8 **Earnings Per Share**  
Basic earnings per share are calculated by dividing the net profit or loss for the year/ period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/ period.
- 9 **Use of estimates**

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities on the date of the financial statements and the results of operations during the reporting year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

**10 Foreign Currency Transaction**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction. Monetary items denominated in foreign currencies at the year-end are translated at the rate ruling at the year-end rate.

**B- NOTES TO THE ACCOUNTS**

1) The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary.

2) Reconciliation of Nos. Of Shares	2013-14	2012-13
Number of Equity Shares at the beginning	5229770	201145
Add:- Number of Shares Issued	12620000	5028625
Number of Equity Shares at the end	17849770	5229770

3) Below are the name of the shareholders holding more than 5% of Shares of the company

Name	Class of Share	No. of Share Holding	Percentage of Holding
Classic Global Finance & Capital Ltd	Equity	2500000	14.01%
Achal Investments Ltd	Equity	2500000	14.01%
Alps Motor Finance Ltd	Equity	2500000	14.01%

4) All the investments made by the company are valued at Cost .

5) Managerial Remuneration: -

6) The inventories of the company are valued as per cost price and market price which ever is less.

7) Deffered tax arising on account of timing difference and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deffered tax assests are recognised unless there is virtual certainty with respect to the reversal of the same in future years.

8) The revised Schedule VI as notified under the companies Act,1956, has become applicable to the company for the presentation of its financial statements for the year ending March 31,2013. The adoption of the revised Schedule VI requirements has significantly modified the presentation and disclosurs which have been complied with in these financial statements Previous year figures have been reclassified in accordance with current year requirements.

9) All schedules annexed to and form integral part of the Balance Sheet and Profit & Loss Account.

- 10) Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.
- 11) Value of Import on CIF Basis Nil
- 12) Earnings in Foreign Exchange (FOB Value) Nil
- 13) Expenditure in Foreign Currency Nil
- 14) The Company has no employee to whom the provisions of section 217 (2A) of the Companies Act, 1956 are applicable.
- 15) *Earning Per Share:*

Particulars	As at 31.03.2014
Net profit after tax available for Equity Shareholders (Rs.) (A)	578796.32
Weighted Avg. Number Equity Shares outstanding (Nos.) (B)	13871523
Dilutive potential Equity Shares (Nos.)	0
Dilutive shares outstanding (Nos.) (C)	13871523
Nominal value per Equity Shares (Rs./ Share)	10
Basic Earnings per share (Rs./ Share) (A) / (B)	0.04
Diluted Earnings per share (Rs./ Share) (A) / (C)	0.04

As per our report of even date attached.

**AGRAWAL GOYAL & CO.**  
Chartered Accountants

Sd/-  
CA Saroj Kumar Thakur

Partner  
Membership No. : 524561  
FRN: 004977C

**PLACE : Delhi**  
**DATE : 30/05/2014**

For VKJ Infradevelopers Ltd.

Sd/-      Sd/-  
Arun      Kumar  
Kumar      Manoj Kumar  
Chalukya      (Director)  
(Director)      (Director)  
DIN:  
05167558      DIN: 06590962



**VKJ INFRADEVELOPERS LTD.**

CIN: L45400DL2010PLC200014

**Cash Flow Statement**

For the Year Ending 31-Mar-2014	Amounts Rs.	Amounts Rs.
Particulars	31.03.14	31.03.13
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES:-</b>		
1. Net profit before tax	832,755	793,131
<b>2. Adjustment for:</b>		
<u>Add:</u> Depreciation & Amortisation Expenses	1,010,041	39,876
<u>Less:</u> Interest Received	(1,561,070)	(1,826,710)
<b>Operating Profit before Working capital changes</b>	<b>281,727</b>	<b>(993,703)</b>
<b>3. Working Capital Changes:</b>		
Decrease (Increase) in Trade & Other Receivables	(3,026,054)	-
Decrease (Increase) in Inventories	-	-
Decrease (Increase) in Other Current Assets	(29,741)	-
Increase (Decrease) in Trade & Other Payables	1,142,536	-
Increase (Decrease) in Current Liabilities & Provisions	191,752	(585,000)
Increase (Decrease) in Long Term Provisions	(703,521)	-
Increase (Decrease) in Other Liabilities	-	-
<b>Net Changes in Working Capital</b>	<b>(2,425,028)</b>	<b>(585,000)</b>
<b>Cash Generated from Operations</b>	<b>(2,143,301)</b>	<b>(1,578,703)</b>
<b>Adjustment of Taxes</b>	211,267	211,267
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(2,354,568)</b>	<b>(1,789,970)</b>
<b>(B.) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets	(17,400)	(777,700)
(Increase) Decrease in Other Non Current Assets	(1,275,000)	-
(Increase) Decrease in Other Long Term Loans & Advances	(214,082,938)	(15,797,770.00)
(Increase) Decrease in Short Terms Loans & Advances	(15,059,850)	-
Interest Received	1,561,070	1,826,710
Decrease (Increase) in Current Investments	-	19,939,829
Decrease (Increase) in Non Current Investments	(7,500,000)	(3,695,300)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(236,374,118)</b>	<b>1,495,769</b>
<b>(C.) CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Issue of share capital and Proceeds from Share Application Money	135,500,000	-
Increase in other Long Terms Borrowings	101,212,496	-
Increase in Short Terms Borrowings	7,879,521	-
Preliminary Expenses incurred	(3,689,346)	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>240,902,671</b>	<b>-</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents ( A-B+C )</b>	<b>2,173,985</b>	<b>(294,201)</b>

Cash and cash equivalents at the beginning of the year / Period	77,642	371,843
Cash and cash equivalents at the end of the year/ Period	2,251,627	77,642
* Note: The above Cash Flow Statement has been prepared under "Indirect Method" as set out in the Accounting Standard (AS) – 3 on Cash Flow Statements" issued by the Institute of Chartered of Accountants of India.		

As per our report of even date attached.

**AGRAWAL GOYAL & CO.**  
Chartered Accountants

Sd/-  
CA Saroj Kumar Thakur  
Partner  
Membership No. : 524561  
FRON: 004977C

PLACE : Delhi  
DATE : 30/05/2014

For VKJ Infradevelopers Ltd.

Sd/- Arun Kumar Chalukya (Director) DIN: 05167558	Sd/- Manoj Kumar (Director) DIN: 06590962
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Note : 11 Fixed Assets

Sr. No	Particulars	Rate	Gross Block				Depreciation				Net Block	
			Value as on 01.04.2013	Addition during the year	Deduction during the year	Value as on 31.03.2014	Value as on 01.04.2013	Addition during the year	Deduction during the year	Value as on 31.03.2014	WDV as on 31.03.2014	WDV as on 31.03.2013
I	<b>Tangible Assets</b>	-										
1	Computer	40%	305,068.00	-	-	305,068.00	31,732.80	109,334.08	-	141,066.88	164,001.12	273,335.20
	TOTAL		<b>305,068.00</b>	-	-	<b>305,068.00</b>	<b>31,732.80</b>	<b>109,334.08</b>	-	<b>141,066.88</b>	<b>164,001.12</b>	<b>273,335.20</b>
2	Furnitures & Fixtures	18.10%	763,162.00	-	-	763,162.00	43,073.86	130,335.95	-	173,409.81	589,752.19	720,088.14
	TOTAL		<b>763,162.00</b>	-	-	<b>763,162.00</b>	<b>43,073.86</b>	<b>130,335.95</b>	-	<b>173,409.81</b>	<b>589,752.19</b>	<b>720,088.14</b>
3	Plant & Machinery	13.91%	271,784.00	-	-	271,784.00	45,120.32	31,528.92	-	76,649.24	195,134.76	226,663.68
	TOTAL		<b>271,784.00</b>	-	-	<b>271,784.00</b>	<b>45,120.32</b>	<b>31,528.92</b>	-	<b>76,649.24</b>	<b>195,134.76</b>	<b>226,663.68</b>
4	HP Printer	20.00%	-	17,400.00	-	17,400.00	-	972.49	-	972.49	16,427.51	-
	SUB TOTAL (A)		<b>1,340,014.00</b>	<b>17,400.00</b>	-	<b>1,357,414.00</b>	<b>119,926.98</b>	<b>272,171.44</b>	-	<b>392,098.42</b>	<b>965,315.58</b>	<b>1,220,087.00</b>
II	<b>Intangible Assets</b>	-										
	SUB TOTAL (B)		-	-	-	-	-	-	-	-	-	-
III	<b>Capital Work-in-progress</b>	-										
	SUB TOTAL (C)		-	-	-	-	-	-	-	-	-	-
IV	<b>Intangible Assets Under Development</b>	-										
	SUB TOTAL (D)		-	-	-	-	-	-	-	-	-	-
	<b>Total [A + B + C + D] (Current Year)</b>		<b>1,340,014.00</b>	<b>17,400.00</b>	-	<b>1,357,414.00</b>	<b>119,926.98</b>	<b>272,171.44</b>	-	<b>392,098.42</b>	<b>965,315.58</b>	<b>1,220,087.00</b>
	(Previous Year)		<b>301,814.00</b>	-	-	<b>301,814.00</b>	<b>28,525.00</b>	<b>51,526.00</b>	-	<b>80,051.00</b>	<b>221,763.00</b>	<b>273,289.00</b>

**VKJ INFRDEVELOPERS LIMITED**

B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024

Name of the Member(s):	
Registered address:	
Folio No./Client Id::	DP ID:
E-mail Id:	

I/We, being the member(s) of..... Shares of the above named Company, hereby appoint:

Name:	Address:
Email ID:	Signatures:
or failing him/her	
Name:	Address:
Email ID:	Signatures:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on September 26, 2014 at 10.00 a.m. at B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014.

Signature of Shareholder

Signature of Proxy holder(s)

.....

**VKJ INFRDEVELOPMENT LIMITED**

B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024

Regd. Folio/DP ID & Client ID	
Name and Address of the Shareholder(s)	
Joint Holder 1	
Joint Holder 2	

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company being held on September 26, 2014 at 10.00 a.m. at B-25, First Floor, Dayanand Colony, Lajpat Nagar, New Delhi – 110 024

Signature of the Shareholder/Proxy Present.....

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.
2. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

Note: PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.