



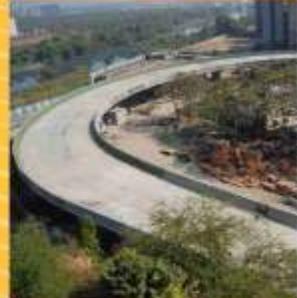
# J. KUMAR INFRAPROJECTS LIMITED



*We Dream ....  
So We Achieve ....*



## ANNUAL REPORT 2012 - 2013



# PROJECTS



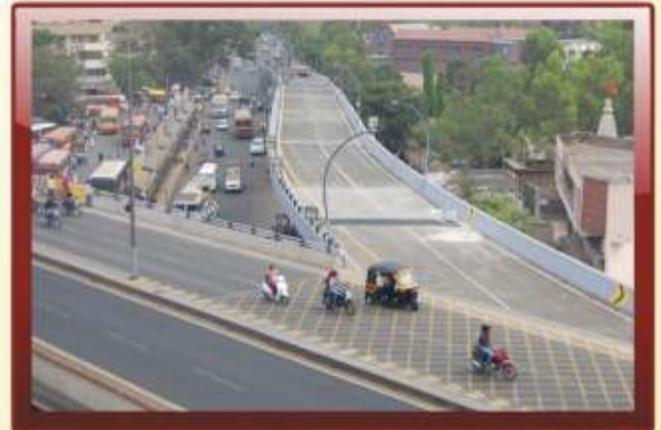
**Alwar**



**DMRC**



**Grant Road**



**Hadapsar**



**Kharghar Metro**



**Milan ROB**

# PROJECTS



**Panjarpol Flyover**



**Sion Panvel**



**Jogeshwari, Flyover**



**Mono Rail, Wadala**



**Ahemadabad BRTS**



**Kapurbavadi Flyover**

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## **J. KUMAR INFRAPROJECTS LIMITED**

### **BOARD OF DIRECTORS**

Directors

**Mr. Jagdishkumar M. Gupta**  
**Mr. Kamal J. Gupta**  
**Mr. Nalin J. Gupta**  
**Mr. P.P.Vora**  
**Dr. R. Srinivasan**  
**Mr. Ashwani Kumar**

### **AUDIT COMMITTEE**

Chairman

Members

**Dr. R. Srinivasan**  
**Mr. Jagdishkumar M. Gupta**  
**Mr. P.P.Vora**

### **SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE**

Chairman

Members

**Mr. Ashwani Kumar**  
**Mr. Kamal J. Gupta**  
**Mr. Nalin J. Gupta**

### **REMUNERATION COMMITTEE**

Chairman

Members

**Dr. R. Srinivasan**  
**Mr. P. P. Vora**  
**Mr. Ashwani Kumar**

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

**Mrs. Poornima Reddy**

### **AUDITORS**

**Gupta Saharia & Co.**  
Chartered Accountants

### **BANKERS**

**Bank of India, Bank of Baroda,  
Allahabad Bank, Yes Bank,  
Citi Bank, Standard Chartered Bank,  
Bank of Maharashtra, IDBI Bank,  
Oriental Bank of Commerce, Axis Bank  
Central Bank of India**

### **REGISTERED OFFICE**

**16-A, Andheri Industrial Estate,  
Veera Desai Road, Andheri (West),  
Mumbai 400 053  
Tel: (91-22) 67743555  
Fax: (91-22) 2673 0814  
Website: [www.jkumar.com](http://www.jkumar.com)**

### **REGISTRAR & SHARE TRANSFER AGENT**

**Karvy Computershare Private Ltd.**



## Notice

Notice is hereby given that the 14<sup>th</sup> Annual General Meeting of the Members of **J. Kumar Infraprojects Limited** will be held at **GMS Community Hall, Sitladevi Complex, 1<sup>st</sup> Floor, D.N. Nagar, Opp Indian Oil Nagar on link Road, Andheri (W), Mumbai 400 053**, Maharashtra on Monday, the 26<sup>th</sup> August, 2013 at 11.00 a.m. to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Directors Report, the Audited Statement of Profit and Loss and the Cash Flow statement for the year ended 31<sup>st</sup> March 2013, and the Balance Sheet as at that date.
2. To Declare Dividend
3. To appoint a Director in place of Shri Kamal J. Gupta who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Shri Nalin J. Gupta, who retires by rotation, and being eligible, offers himself for reappointment.
5. To appoint M/s. Gupta Saharia & Co, Chartered Accountants, bearing registration number of the firm 103446W with the Institute of Chartered Accountants of India as Auditors of the Company to hold office from the conclusion of this Annual General Meeting of the Company until conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

### **SPECIAL BUSINESS:**

6. To consider and if thought fit to pass with or without modification the following as **Ordinary Resolution**

“**RESOLVED THAT** in supersession of all earlier resolutions to the effect, consent of the Company be and is hereby accorded to the Board of Directors of the Company in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) the Board of Directors of the Company be and is hereby authorized to create such mortgages, charges and hypothecations, created/to be created by the Company in such form and manner as the Board may direct on such of the Company's movable and immovable properties, both present and future, and in such manner as the Board may direct of the Company in certain events in favour of Lender(s)/ Agents(s)/ Trustee(s)/ Financial Institutions/ Bank(s) and other investing agencies to secure Rupee/Foreign currency loans, bonds securities (Comprising full/partly Convertible Debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rate notes/bonds) or other debt instruments of an equivalent aggregate value not exceeding Rs. 3,500 Crore (Rupees Three Thousand Five Hundred Crores only) together with interest thereon at the respective agreed rates, compounded rates, additional interest, liquidated damages, commitment charges, remuneration of Agents(s), Trustee(s), premium on pre-payment or on redemption, costs, charges, expenses, including any increase as a result of devaluation/revaluation/fluctuation in the rates of exchange and all other monies payable by the Company to the Lender(s) / Agent(s) / Trustee(s) / Financial Institutions / Banks / other investing agencies under the arrangements entered into/to be entered by the Company in respect of the said loans, bonds, securities or other instruments.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and is hereby authorized to finalize the terms and conditions of the above mentioned loans, bonds securities, instruments and documents for creating the aforesaid mortgages, charges and hypothecations and to do all such acts and things and execute such documents or writings as may be necessary for giving effect to the above resolution.”

7. To consider and if thought fit to pass with or without modification the following as **Ordinary Resolution.**

“**RESOLVED THAT** in supersession of all earlier resolutions to the effect, the consent of the Company under the provisions of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956 the Board of Directors of the Company be and is hereby authorized to borrow, from time to time, any sum or sums of monies, on such terms and conditions as the Board may deem fit, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of monies so borrowed by the Board shall not at any time exceed the limit of Rs. 3,500 crores (Rupees Three Thousand Five Hundred Crores Only)”.

By Order of the Board  
For J. Kumar Infraprojects Limited

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

Poornima Reddy  
Company Secretary



## J. KUMAR INFRAPROJECTS LIMITED

### Notes:

- I. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.** Proxies in order to be effective must be received by the Company at its Registered Office not less than 48 hours before the commencement of Meeting.
- II. As per Clause 49 of the Listing Agreement with Stock Exchanges, the brief resume and functional expertise of the directors proposed for reappointment/appointment are furnished below along with the details of Companies in which they are directors and the Board Committees of which they are members.
  - i) **Mr. Kamal J. Gupta**

Mr. Kamal J. Gupta, 40 years, has done his Bachelors in Civil Engineering. He is associated with us since 1996 and carries with him an experience of more than 17 years in construction field. He plays a vital role in execution of flyovers and civil construction within the stipulated time frame. To his credit is successful completion of many flyovers, swimming pool and rail over bridges. Presently he is looking after the construction of flyover projects in Mumbai.

Details of Shares held by Shri Kamal J. Gupta in J. Kumar Infraprojects Ltd.

No. of Shares – 14,22,500 equity shares of Rs. 10/- each.

Details of other Directorships/Committee memberships held by him in other listed companies: NIL
  - ii) **Mr. Nalin J. Gupta**

Mr. Nalin J. Gupta, Executive Director, 38 years. He is a commerce graduate and a member of Indian Institution of Bridge Engineers. He is associated with us since 1997 and carries with him an experience of over 15 years. He is instrumental in construction work related to roads and its widening, construction of subway, railway buildings, flyovers and rail over bridges. He has played a vital role in guiding our company in setting and developing the piling business.

Details of Shares held by Shri Nalin J. Gupta in J. Kumar Infraprojects Ltd.

No. of Shares – 14,07,000 equity shares of Rs. 10/- each

Details of other Directorships/Committee memberships held by him in other listed companies: NIL
- III. The Register of Members and Share transfer Books of the Company will remain closed from Tuesday, 13<sup>th</sup> August, 2013 to Monday 26<sup>th</sup> August, 2013 (Both days inclusive).
- IV. Dividend as recommended by the Directors, if declared at the Annual General Meeting will be paid on or after 26<sup>th</sup> August, 2013, to the members whose names appear in the Company's Register of Members as on 26<sup>th</sup> August, 2013 (In respect of shares held in physical form) and to those "deemed members" whose names appear in the statement of beneficial ownership furnished by National Securities Depository Limited(NSDL) and Central Depository Services (India) Limited (CDSL) as of the close of Business hours of Monday, 12<sup>th</sup> August, 2013(in respect of shares held in electronic form).
- V. Members desirous of obtaining any information concerning the accounts and operations of the Company are request to the address their questions in writing to the Company Secretary at least seven days before the date of the meeting , so that the information required may be made available at the Meeting.
- VI. Members are requested to bring their attendance slip and copy of the Annual Report to the Meeting.
- VII. Members holding shares in physical form are requested to notify /send the following to the Company's Registrar and Share Transfer Agent to facilitate better service:
  - (i) Any change in their address/mandate/bank details.
  - (ii) Particulars of their bank account, for printing on the dividend warrants (to help prevent fraudulent encashment ), in case the same have not been sent earlier, and



- (iii) Share certificate(s) held in multiple accounts in identical names or joint accounts in the same order of names for consolidation of such shareholdings into one account.
- VIII. Members holding shares in electronic form are advised that address/ bank details as furnished to the Company by the respective depositories, viz. NSDL and CDSL, will be printed on the dividend warrants. Members are requested to inform their respective Depository Participants of any change in address, bank details etc.
- IX. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as provided under section 190A of the Companies Act, 1956, are requested to submit the details to the Company's Registrar and Share Transfer Agent.
- X. Members, who have not encashed the dividend warrants for the financial year 2007-08, 2008-09, 2009-10, 2010-11, 2011-12 are requested to write forthwith to the Company's Share Transfer Agent giving necessary details.
- Karvy Computershare Private Limited  
Plot Nos 17 to 24, Vittalrao Nagar, madhapur,  
Hyderabad-500081  
Telephone No: 040-23420815 to 24  
Fax No: 040-23420814  
Email: [krishnan@karvy.com](mailto:krishnan@karvy.com)
- Members are requested to quote their folio numbers /DPID and Client ID numbers in all correspondence with the Company and the Registrar and Share Transfer Agent.
- XI. Pursuant to the SEBI Circular No. MIRDS/DPS III/Cir -01/07 dated January 22, 2007; the Company has designated an exclusive e-mail ID viz [investor.grievances@jkumar.com](mailto:investor.grievances@jkumar.com) on which the investors would be able to register their complaints, if any.

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## **EXPLANATORY STATEMENT:**

Pursuant to Section 173(2) of the Companies Act, 1956:-

### **Item No: 6&7**

Sections 293(1) (d) of the Companies Act, 1956, stipulates that Board of Directors of the Company cannot, except with the consent of the members in the General Meeting, borrow monies, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid up capital and free reserves of the company, i.e to say, reserves not set apart for any specific purpose. The shareholders at the 13<sup>th</sup> Annual General Meeting of the company held on 26<sup>th</sup> September 2012, has accorded their consent to the Board of Directors for borrowing up to Rs. 2,500 Crores ( Rupees Two Thousand Five Hundred Crores Only)

Taking into consideration the requirements of the additional funds to meet the cost of Company's capital expenditure and also additional working capital requirements of the company, it is expected that the limit of Rs. 2,500 Crores sanctioned by the shareholders is likely to be exceeded.

The consent of the shareholders is therefore sought in accordance with the provisions of Section 293 (1) (d) of the Act to enable the directors to borrow the moneys to the extent of Rs 3,500 Crores (Rupees Three Thousand Five Hundred Crores Only). The resolution under item no. 7 is to obtain the consent of the shareholders for this purpose.

The proposed borrowings of the company may, if necessary, be secured by way of Charge/Mortgage/Hypothecation of the Company's assets in favour of the lenders. As the documents to be executed between the proposed lenders and the company may contain the power to take over the management of the company in certain events, it is necessary to pass a resolution under section 293 (1) (a) of the Act, for creation of Charge/Mortgage/hypothecation for an amount not exceeding the borrowing limit of Rs. 3,500 Crores (Rupees Three Thousand Five Hundred Crores only).

The Proposed offers are in the interest of the company and your directors commend the resolution at item no 6 & 7 of the accompanying Notice for acceptance of the members.

None of the Directors of the Company are concerned or interested in the resolutions set out at the aforesaid items of the Notice.

Your Directors recommend passing of the resolution set out in the Notice.

## Directors' Report

**TO THE MEMBERS:**

Your Directors have great pleasure in presenting this 14<sup>th</sup> Annual Report together with the Audited Accounts for the year ended 31<sup>st</sup> March 2013.

**FINANCIAL HIGHLIGHTS:**

	(Rs. in Lacs)	
	2012-2013	2011-2012
Profit before Interest, Depreciation & Tax	17,622.92	15,668.10
Less: Depreciation	2,441.06	1,888.29
Interest	4,063.75	3,661.84
Profit before Tax	11,118.11	10,117.97
Less: Tax Expenses		
Current Year	3,455.00	3,250.00
Deferred Tax	88.83	61.41
<b>Profit/(Loss) After Tax</b>	<b>7,574.29</b>	<b>6,806.57</b>
Balance brought forward from previous year	21,774.59	16,375.68
<b>Amount Available for Appropriation</b>	<b>29,348.88</b>	<b>23,182.25</b>
<b>Appropriations</b>		
Proposed Dividend on Equity shares	973.04	625.53
Tax on Dividend	157.85	101.48
Transfer to General Reserve	757.43	680.66
<b>Balance Carried to Balance Sheet</b>	<b>27,460.55</b>	<b>21,774.59</b>
Earnings per Share (In Rs.)	27.24	24.48
(Equity Shares of face value of Rs. 10/- each)		

**Business Review:**

During the year under review, your Company has posted an income of Rs. 1,00,953.46 lacs, as compared to Rs. 93,828.05 lacs in the previous Financial Year. The Company recorded a net profit of Rs. 7,574.29 lacs as against Rs. 6,806.57 lacs in the corresponding previous Financial Year.

Your Directors are pleased to inform that during the year under report, the Company has secured the following major contracts:

Sl. No.	Name of Work	Nature of Work	Contract Value (Rs. In Lacs)
1	Design and Construction of Tunnel by Shied TBM, Tunnels, Stations and Ramp by Cut & Cover method between Lajpat Nagar and Hazrat Nizamuddin stations (Both Including) for underground works on Mukundpur - Yamuna Vihar corridor of Delhi MRTS Project of Phase-III (to be completed jointly with JV)	Tunneling Work	101,085
2	Design and Construction of Tunnel by Shied TBM, Tunnels by Cut & Cover, Underground Station at Naraina Vihar & Ramps at Mayapuri and Delhi Canft for underground works on Mukundpur - Yamuna - Vihar corridor of Delhi MRTS Project of Phase-III (to be completed jointly with JV)	Tunneling Work	37,585
3	Design & Construction of Depot-cum-Workshop at Taloja for Navi Mumbai Metro Line -1 Tender No. C.A.NO. 02/CIDCO/RP/SE (TP-III&HQ)/2011-12	Civil Work	13,200
4	Widening and improvement of Ambadi- Washind (SH-40 and MDR-45) for 21.25 Km length with bridge for 2+2 lanes (Package-II)	Roads Work	11,075
5	Development of Model Road Phase-2	Roads Work	6,821



## J. KUMAR INFRAPROJECTS LIMITED

Sl. No.	Name of Work	Nature of Work	Contract Value (Rs. In Lacs)
6	Necessary widening, regarding and resurfacing of different roads above 60ft width of Nikol ward East Zone , North zone and South Zone and Ring Road	Roads Work	5,587
7	CC-09: Design and Construction of Badli Mor (earlier Shalimar Place) elevated station on Jahangir Puri-Badli corridor of Delhi MRTS Ph-II Project.	Civil Work	4,646
8	Training of Mithi river (Widening, Deepening, R.C.C. Retaining wall and service road) from Airport new bridge to Marwa F.O.B in L ward group no. 2	Civil Work	4,307
9	Various Others Projects	Civil Works	2,904
	<b>Total</b>		<b>187,210</b>

The total balance value of works in hand as on March 31<sup>st</sup>, 2013 is Rs. 4,40,795 Lakhs (including L1).

Decisions are awaited from various clients for tenders submitted by the Company (Directly or in JV) for 2 Projects amounting to about Rs. 153 Crores which are currently under evaluation. The Company is confident of securing a sizeable share of these new projects.

### **DIVIDEND:**

Your Directors are pleased to recommend a dividend of Rs. 3.50 per share i.e 35.00% (Previous year's dividend was 22.50%) on the Company's Equity Paid up share capital of Rs. 278,012,050/- (previous year's capital of Rs. 278,012,050/-).

### **DIRECTORS:**

Retirement by rotation

In accordance with Section 255 & 256 of the Companies Act, 1956 read with Article of the Articles of Association of the Company, Shri Kamal J. Gupta and Shri Nalin J. Gupta are liable to retire by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Your Directors recommend the re-appointment of Shri Kamal J. Gupta and Shri Nalin J. Gupta as directors. None of these directors is disqualified as per the provisions of Section 274(1)(g) of the Companies Act, 1956, to be re-appointed as directors of your Company.

A brief profile of the above Directors containing details of their qualifications, expertise, other directorships, committee memberships etc, has been given in the Report on the Corporate Governance as well as in the Notice of the ensuing Annual General Meeting.

### **AUDITORS:**

M/s. Gupta Saharia & Co, Chartered Accountants, Statutory Auditors of the Company retire at the ensuing annual general meeting, and being eligible, offer themselves for re-appointment.

Your Company has received a letter from M/s Gupta Saharia & Co, Chartered Accountants; to the effect that their re-appointment as statutory auditors, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act.

### **AUDITORS REPORT:**

The Auditor's Report to the shareholders does not contain any qualification.

### **DEPOSITS:**

The Company has not accepted deposits by way of invitation to the public and therefore, provisions of Section 58A of the Companies Act, 1956 are not applicable to the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As stipulated in Section 217(2AA) of the Companies Act, 1956 your Directors confirm that:



## **J. KUMAR INFRAPROJECTS LIMITED**

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the Profits of the Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis.

### **ACCREDITATIONS**

Your Company is pleased to inform you that it has bagged Best Practices certification in Investor relations, amongst mid-cap Infrastructure companies, from the Investor Relations society.

Striving to maintain Design and Engineering Procurement, Construction, Consultancy and Related Services for Infrastructure Projects including Bridges, Flyovers, Buildings, Roads and structures according to the Client Specified Requirements. the Company has upgraded its Quality Management Systems to the international standards as per ISO 9001:2008. Apart from that company has got the ISO 14001:2004 and OHSAS 18001:2007 for Environmental Management System and Occupational Health and Safety Management Systems.

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

As per Clause 49 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.

### **STATUTORY INFORMATION**

The particulars of employees as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are required to be annexed to the Directors' Report, however no such employee was in the receipt of remuneration as prescribed u/s 217(2A)(a).

Information relating to the conservation of energy, technology absorption and foreign exchange earnings and outgo required under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given in the annexure to this Report.

### **INDUSTRIAL RELATIONS:**

The Industrial relations of your Company have been cordial during the year. Your Directors wish to place on record the commitment and involvement of the employees at all levels and looks forward to their continued co-operation.

### **ACKNOWLEDGEMENTS**

Your Board of Directors would like to acknowledge and place on record their sincere appreciation to all the stake holders – 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.

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees

The Board of Directors is thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

**For and on behalf of the Board of Directors**

**Jagdishkumar M. Gupta**  
**Chairman cum Managing Director**

Place : Mumbai

Date : 29<sup>th</sup> May 2013

## ANNEXURE - A

Information pursuant to the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988.

- 1) Information as per section 217(2A) of the Companies Act, 1956, read with Companies (particulars of employees) Rules, 1975 and forming part of the Director's Report for the year ended 31<sup>st</sup> March 2013.

During the year, no such employee was in the receipt of remuneration as prescribed u/s 217(2A)(a).

- 2) Conservation of Energy:

The particulars relating to conservation of energy, and technology absorption are not applicable to the Company. However, the Company is committed to energy conservation at every stage of its operations. Various steps have been taken to reduce consumption of electrical energy by monitoring the use of equipments, machinery etc. used in the construction. The Company is in tune with the changing trends of the modern technology/ machinery to be used in its business.

- 3) Foreign Exchange Earnings and Outgo:

(Rs. in Lacs)

	2012-13	2011-12
Earnings	4,621.79	3,313.55
Outgo	4,979.50	314.37

- 4) Foreign Technical Collaboration and Technology absorption: **NIL**.

# Management Discussion & Analysis Report

## Dear Members,

Going against the economic trend and heading North on financial parameters calls for a different kind of mindset. And this was successfully accomplished by your Company if the figures are of any indication to go by.

The Directors are pleased to present the 14<sup>th</sup> Annual Report on the business and operations of Your Company with the audited financial statements and the auditors' report thereon for the financial year ended March 31<sup>st</sup>, 2013.

## Indian economic overview

Following the economic slowdown induced by the global financial crisis in 2008-09, the Indian economy responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 percent and 9.3 percent respectively in 2009-10 and 2010-11, but due to a combination of both external and domestic factors, the economy decelerated growing at 6.2 percent and an estimated 5 percent in 2011-12 and 2012-13 respectively, as per the Economic Survey 2012-13.

## Indian economic highlights, 2012-13

### Monetary Policy

- Fall in inflation to induce monetary easing by RBI
- Lower interest rates to give fillip to investments

### Fiscal Health

- Medium term fiscal consolidation plan credible
- Fiscal consolidation key to higher growth, lower inflation
- Oil subsidy key fiscal risk; need to address it
- Need to up diesel, LPG prices in line with global rates
- Concerns that food security bill may push up subsidy
- Controlling subsidy expenditure crucial
- Need to cut subsidy via better targeting, reducing leakage

### Reforms

- Economic slowdown "a wakeup call" for stepping up reforms
- Recent government policy steps buoyed business sentiments
- Recent government steps to help improve Indian economic outlook FY14
- FDI in retail to pave way for investment in technology

**Table 1.1 : Growth in GDP at Factor Cost at 2004-05 prices (per cent)**

	2005-06	2006-07	2007-08	2008-09	2009-10 <sup>3R</sup>	2010-11 <sup>2R</sup>	2011-12 <sup>1R</sup>	2012-13 <sup>AE</sup>
Agriculture, forestry & fishing	5.1	4.2	5.8	0.1	0.8	7.9	3.6	1.8
Mining & quarrying	1.3	7.5	3.7	2.1	5.9	4.9	-0.6	0.4
Manufacturing	10.1	14.3	10.3	4.3	11.3	9.7	2.7	1.9
Electricity, gas. & water supply	7.1	9.3	8.3	4.6	6.2	5.2	6.5	4.9
Construction	12.8	10.3	10.8	5.3	6.7	10.2	5.6	5.9
Trade, hotels. & restaurants, transport & communication	12.0	11.6	10.9	7.5	10.4	12.3	7.0	5.2
Financing, insurance, real estate & business services	12.6	14.0	12.0	12.0	9.7	10.1	11.7	8.6
Community, social & personal services	7.1	2.8	6.9	12.5	11.7	4.3	6.0	6.8
<b>GDP at factor cost</b>	<b>9.5</b>	<b>9.6</b>	<b>9.3</b>	<b>6.7</b>	<b>8.6</b>	<b>9.3</b>	<b>6.2</b>	<b>5.0</b>

Source : Central Statistics Office (CSO).

Notes: 1R : First Revised Estimate, 2R: Second Revised Estimate. 3R: Third Revised Estimate. AE : Advance Estimate\*

**Financial Results:**

The summary of the financial performance of your Company for the financial year 2012-13 is given below:

(Indian Rupees in Lakhs, unless stated otherwise)

Particulars	Year Ended March 31 <sup>st</sup> , 2013	Year Ended March 31 <sup>st</sup> , 2012
Income	1,00,953.46	93,828.05
Expenditure	89,835.34	83,710.08
Profit Before Tax	11,118.11	10,117.97
Tax	3,543.83	3,311.41
Net Profit	7,574.29	6,806.57
Earnings Per Share (Rs) - Face Value Rs.10/- per share	27.24	24.48

**Dividend:**

Your Directors are pleased to recommend a dividend of Rs. 3.50 per share i.e 35.00% (Previous year's dividend was 22.50%) on the Company's Equity Paid up share capital of Rs. 278,012,050/- (previous year's capital of Rs. 278,012,050/-).

**Transfer to Reserves:**

For the financial year ended March 31<sup>st</sup>, 2013, your company has transferred Rs. 757.43 Lakhs to General Reserve out of the Net Profit earned during the financial year ended March 31<sup>st</sup>, 2013 in line with requirement under Companies (Transfer of Profit to Reserve) Rules, 1975.

**Overview of Operations: Particulars and Developments****Transport Engineering**

This is the dominant segment in the company's order book which has historically provided more than 80% of the work. It comprises roads, bridges, flyovers, subways, over bridges, skywalks, railway terminus/stations etc. The company designs and constructs these projects as per client's specifications on turnkey basis. Recently, it has entered the promising metro rail segment by winning Rs 14 billion orders for design and construction of tunnels and underground metro stations for the Delhi Metro. It has also won Rs. 1.5 billion order for Navi Mumbai Metro project; it is also at L1 stage in Transportation (marine) from MSRDC. The Company has bagged orders worth Rs. 1,62,153 Lacs during in Transportation vertical during FY 13.

**Civil Construction**

JKIL offerings in this segment include both commercial and residential buildings. While the former includes office/commercial buildings, sports complexes, swimming pools etc., residential buildings include housing societies etc. The Company has bagged orders worth Rs. 25,057 Lacs in Buildings vertical during FY 13.

**Irrigation Projects**

In this segment, the company builds dams, canals, aqueducts & irrigation tanks, spillways etc.

**Piling**

JKIL entered this segment in FY06 by acquiring hydraulic piling rigs. Currently, it has 22 such rigs which are used to build pile foundations for buildings and flyovers, marine structures, offshore platforms etc. This segment caters to major real estate and infrastructure companies.

Infrastructure is vital for growth of economy. According to the 12th Five Year Plan Infrastructure is slated to attract US\$ 1 trillion and your Company would certainly be a part of this growth story.

**Business drivers:**

- **Strong growth prospects backed by robust execution skills**

Your Company is an emerging player in the infrastructure space. The company primarily works as an EPC contractor in the urban infrastructure

## J. KUMAR INFRAPROJECTS LIMITED

segment and is present in the transportation (roads, metro, bridges and flyovers), buildings, irrigation and piling segments. Your Company's promoters have been in the contracting business since 1980 (starting as maintenance contractor of PWD buildings). With their expertise, Your Company has been on a high growth trajectory, posting revenue and PAT CAGR of ~ 45% from FY07-13. Strong revenue visibility accompanied by diversification into new segments and geographies will lead to greater stability.

- **Healthy order book leading to greater visibility**

Your Company's order book has surged forward from Rs 30 million in FY05 end to Rs 44 billion (including Rs 7.5 billion L1 orders) at the end of FY13. The 4.4x order book/revenue ratio at FY13 end reflects improved revenue visibility over the medium term.

A major chunk of the current order is coming from the Transportation and Engineering vertical, followed by other business verticals like Irrigation and civil construction projects. Though share of piling in the order book is minuscule, its contribution to revenue is higher on account of piling projects being of smaller duration.

- **JV to augment pre-qualification and execution capabilities**

Your Company has partnered with reputed companies like China Railway No.3 Engineering Group (CRTG) and Nagarjuna Construction (NCC) for JVs. This strategy is likely to enhance its pre-qualification capabilities and enable it to execute bigger and more complex projects in the future.

- **Focus on profitable growth with healthy return ratios**

Your Company perhaps enjoys the lowest debt/equity at 0.4x at FY13 end in the construction industry; same is the case with its return ratio—RoE of ~15% in FY13 is amongst the best among contracting peers. These credentials are due to the following factors:

- The revenue growth has been maintained not at the expense of operating margin. Your Company was able to maintain higher margins even when the order book growth has been sluggish because it does not subcontract work on its projects to smaller contractors.
- Your Company has decided to stay away from BOT projects in order to keep the Company's balance sheet light. It's also felt that the intense competition along with back-ended nature of returns for BOT projects negates the advantage of revenue visibility.

- **De-risking business model to ensure sustainable growth**

During the initial years, your company focused on the urban infrastructure segment; majority of the company's orders came from the state of Maharashtra, specifically the Mumbai Metropolitan and Pune regions. The Maharashtra State Road Development Corp. (MSRDC), Mumbai Metropolitan Region Development Authority (MMRDA), Municipal Corporation of Greater Mumbai (MCGM), and others used to constitute a significant portion of Company's order book.

Moving on the growth both, Your Company has taken steps to ensure that the business model gets diversified to de-risk future growth. This led to the company spreading its wings in other regions like Rajasthan, Gujarat, Delhi etc. As a result, now almost 50% of its order book is from states other than Maharashtra.

Similarly, going beyond its traditional strength in the roads and bridges segment, the company ventured into other verticals like piling, buildings, water Transportation and irrigation. It has recently entered the promising metro rail segment by winning Rs 14 billion worth orders from Delhi Metro for design and construction of tunnels. Also, it has tried to broad base its client base by winning orders from the private sector as well to counter any slowdown in spending from the government.

In order to benefit from the economies of scale, Your Company tried to bag bigger order sizes. It won Rs 6 billion order from Essel Group for widening the Sion-Panvel highway. Similarly, it won a Rs 5.2 billion order for construction of a building from Uttar Pradesh Rajkiya Nirman Nigam. This apart, it has bagged L1 in Transportation (marine) from MSRDC. The efforts to enter new segments and to take on more challenging jobs will minimize concentration risk and support a secular earnings trajectory.

- **Strong equipment bank aids timely execution**

Your Company owns a large fleet of sophisticated equipment like excavators and loaders, hydraulic piling rigs, rollers, transit mixers, excavators, concrete batching plants etc required for project execution. This has enabled the company to complete projects on time without resorting to leasing of equipment, and thus save on lease rentals.

### **Risk Management:**

Your Company has a system-based approach to business risk management. Backed by strong internal control systems, the current risk management framework consists of the following elements:



The Corporate Governance Policy clearly lays down the roles and responsibilities of the various entities in relation to risk management. A range of responsibilities, from the strategic to the operational, is specified in the Governance Policy. These roles are aimed at ensuring formulation of appropriate risk management policies and procedures, their effective implementation and independent monitoring and reporting by Internal Audit.

The Corporate Risk Management Cell works with the businesses to establish and monitor the specific profiles including both strategic risks and operational risks. The process includes the prioritization of risks, selection of appropriate mitigation strategies and periodic reviews of the progress on the management of risks.

A combination of centrally issued policies and divisionally-evolved procedures brings robustness to the process of ensuring business risks are effectively addressed.

**Way Forward:**

The significance of infrastructure is gaining momentum. Sample this: contribution of Construction industry to GDP grew from 5.1 percent in 2001-02 to 7.9 percent in 2010-11. While globally the construction industry is expected to grow at 5.1 percent and 4.7 percent during 2010-15 and 2015-20, in India it's expected to grow at 9.9 percent and 7.6 percent during the same period respectively.

By 2020, India is expected to emerge as world's third largest construction market, according to Report brought out by Accenture and Construction Industry Development Council. In the near terms there are some challenges like: rising interest costs slow in some government projects, stagnating orders etc, but the long term story of Construction and Infrastructure industry is very robust.

# Corporate Governance Report

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to efficiently and ethically generate long term wealth and create value for all its stakeholders. The Company places highest emphasis on business ethics and had adopted high standards of Corporate Governance practices across all its business activities. In this pursuit, the Company places highest emphasis on business ethics and had adopted high standards of Corporate Governance practices across all its business activities and has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities to provide management with the strategic direction needed to create long term shareholders value.

The detail report on implementation by the Company of the Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchanges is set out below.

## Company's Philosophy on Corporate Governance

J. Kumar Corporate Governance principles have a strong pedigree of fairness, transparency, ethical processes and good practices. The Core values of the organization include Quality, Trust, Leadership and Excellence. This commitment lays the foundation for its governance practices, which are geared to support a business model that focuses on creating sustainable long term shareholder value, while fulfilling the interests of all other stakeholders of the Company.

At J. Kumar, corporate governance practices are not merely a discipline imposed by the regulator, but an inherent culture that guides the Board of Directors, the management and the employees to function towards the best interest of all stakeholders. These efforts gives us the confidence of having put in place the right building blocks for future growth in a prudent and sustained manner. The Company complies with all the statutory and regulatory requirements prescribed by the Clause 49 of the Listing Agreement.

The Corporate Governance Report of the Company for the year ended 31<sup>st</sup> March 2013 is as follows:

### I) Board of Directors

Board of Directors of the Company comprises of 6 Directors. The composition of the Board as on 31<sup>st</sup> March 2013, J. Kumar's Board consists of 6 members. Out of these, three are Executive Directors, including the Chairman and Managing Director, who is also the Promoter Director of the Company. Out of the three Non-Executive Directors, all the three are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement, which stipulates that at least 50 percent of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director.

Category	No. of Directors	% of Total number of Directors	Minimum Requirement as per Clause 49
Executive Promoter Directors	3	50%	
Independent Non-Executive Directors	3	50%	50%
Total	6	100%	

#### (a) Conduct of Board Proceedings:

The day to day business is conducted by the executives of J. Kumar Infracore Ltd. under the direction of Executive Promoter Directors and the supervision of the Board. The Board holds periodic meetings every year to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

#### (b) Board Meetings

The Board held Five meetings during FY 2012-13 on 14<sup>th</sup> May, 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012, 26<sup>th</sup> December 2012 and 13<sup>th</sup> February 2013.

#### (c) Director's attendance record and Directorships held.

As mandated by Clause 49, none of the Directors are members of more than ten Board-level committees nor are they Chairman of more than five such committees.

The attendance of the Directors in Board Meetings, previous Annual General Meeting, Directorships and committee positions held by them in other Companies are as follows:

Name of Directors	Position	Meetings held	Meetings attended	Whether attended last AGM	Number of Directorship of other Public Companies	Committee Positioned		Pecuniary or business relation with the Company
						Chairman	Member	
Mr. Jagdishkumar M. Gupta	Promoter, Chairman cum Managing Director	5	5	Yes	Nil	-	-	N.A
Mr. Kamal J. Gupta	Promoter, Executive Director	5	5	Yes	Nil	-	-	NA
Mr. Nalin J. Gupta	Promoter, Executive Director	5	5	Yes	Nil	-	-	NA
Mr. P. P. Vora	Independent Director	5	5	Yes	9	5	9	None
Dr. R. Srinivasan	Independent Director	5	5	Yes	7	5	6	None
Mr. Ashwani Kumar	Independent Director	5	5	Yes	2	2	-	None

As mandated under Clause 49, the Independent Directors on J. Kumar Infraprojects Ltd. Board:

- ? Do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its senior management or its Associates which may affect their independence as a Director.
- ? Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.
- ? Have not been an executive of the Company in the immediately preceding three financial years.
- ? Are not partners or executives or were not partners or executives during the preceding three years of the:
  - statutory audit firm or the internal audit firm that is associated with the Company.
  - Legal firm(s) and consulting firm(s) that have a material association with the Company.
- ? Are not material suppliers, service providers or customers or lessors or lessees of the Company, which may affect independence of the Director.
- ? Are not substantial shareholders of the Company i.e do not own two percent or more of the block of voting shares.
- ? Are not less than 21 years of age.

**(d) Information placed before the Board**

All major decisions involving new investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. The following information is regularly provided to the Board as part of the agenda papers well in advance of the Board meetings or is tabled in the course of the Board meetings.

- ? 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.
- ? Details of any joint venture agreement or collaboration agreement.
- ? Materially important show cause, demand, notices and penalty notices, if any
- ? Non-compliance of any regulatory, statutory or listing requirement and shareholders service such as no-payment of dividend, delay in share transfer, etc.

**(e) Directors with pecuniary relationship or business transaction with the Company**

All Executive Directors receive salary, and perquisites, while all the Non-executive Directors receive sitting fees only.

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### (f) Remuneration to Directors

Details of the remuneration paid to the Directors in FY 2012-13

(Amount in Rs.)

Name of Directors	Salaries & Perquisites	Commission	Total
Mr. Jagdishkumar M. Gupta	48,00,000	Nil	48,00,000
Mr. Kamal J. Gupta	42,00,000	Nil	42,00,000
Mr. Nalin J. Gupta	42,00,000	Nil	42,00,000
Mr. P. P. Vora	Nil	Nil	Nil
Dr. R. Srinivasan	Nil	Nil	Nil
Mr. Ashwani Kumar	Nil	Nil	Nil

#### Notes:

- ? Sitting fees has been paid to all the independent directors for attending meetings of Board and Committee.
- ? Perquisites do not include usage of Car and telephone for the purpose of Company business.

### (g) Code of Conduct

The Board of Directors has laid down the Policy on Code of Conduct for the Board of Directors and the Senior management/employees. Copy of the Code of Conduct is available on the website of the Company [www.jkumar.com](http://www.jkumar.com). All the Board Members and Senior Management/Employees of the Company have affirmed compliance with the Code of Conduct as applicable to them.

## II) Board Committees

The Company has three Board-level Committees – Audit Committee, Remuneration Committee, Share transfers & Shareholders/Investors Grievance Committee. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference for Committee members 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 the related attendance, are provided below:

### (a) Audit Committee

The Audit Committee of the Company is in compliance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement.

The Scope of the Audit Committee is as follows:

1. The Audit Committee shall have meetings periodically as it may deem fit with at least three meetings in a year, viz., one meeting before finalization of annual accounts and one every six months.
2. The Audit Committee shall invite such of the executives (and in particular the head of the finance division), to be present at the meetings of the Committee whenever required by it.
3. The finance head and the auditors of our Company shall attend and at the meetings without right to vote.
4. The Audit Committee shall have the following powers:
  - ? It shall have authority to investigate into any matter in relation to the items specified in Section 292A of the Companies Act, 1956 or referred to it by the Board and for this purpose, shall have full access to information contained in the records of our Company and external professional advice, if necessary.
  - ? To investigate any activity within its terms of reference.
  - ? To seek information from any employee.
  - ? To obtain outside legal or other professional advice.
  - ? To secure attendance of outsiders with relevant expertise, if it considers necessary.
  - ? Oversight of our Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
  - ? Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any

other services.

- ? Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - ? Any changes in accounting policies and practices.
  - ? Major accounting entries based on exercise of judgment by management.
  - ? Qualifications in draft audit report.
  - ? Significant adjustments arising out of audit.
  - ? The going concern assumption.
  - ? Compliance with accounting standards
  - ? Compliance with stock exchange and legal requirements concerning financial statements.
- ? Any related party transactions, i.e. transaction of our Company which are of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of company at large.
- ? Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
- ? Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- ? Discussion with internal auditors and significant findings and follow up thereon.
- ? Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- ? Discussion with external auditors before the audit commences, nature and scope of audit as well as have post audit discussion to ascertain any area of concern.
- ? Reviewing our Company's financial and risk management policies.
- ? To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.
- ? It shall have discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half yearly, and annual financial statements before submission to the Board.
- ? It shall ensure compliance of internal control systems.
- ? The Chairman of the Audit Committee shall attend the Annual General Meetings of our Company to provide any clarification on matters relating to audit sought by the members of our Company.

Further, the Audit Committee shall also be responsible for monitoring of utilization of Issue Proceeds.

The Composition and attendance of the members for the Committee are as follows:

1. \*Mr. Padmanabh P. Vora                      Chairman
2. \*Dr. R. Srinivasan                              Member
3. Mr. Jagdishkumar M Gupta                  Member
- Mrs. Poornima Reddy                          Company Secretary

During the financial year 2012-13 on 14<sup>th</sup> May, 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012, 26<sup>th</sup> December 2012 and 13<sup>th</sup> February 2013 which was attended by all the Members and the details are given below.

Name of the Member	Category	Position	No of Meetings Held	No of Meetings attended
*P P Vora	Independent Director	Chairman	5	5
*Dr. R Srinivasan	Independent Director	Member	5	5
Mr. Jagdishkumar M. Gupta	Chairman & Managing Director	Member	5	5

\* Audit committee was reconstituted on 26<sup>th</sup> December 2012, Dr R. Srinivasan has been made Chairman of the Committee and Mr. PP Vora is the member of the Committee.

**(b) Remuneration Committee**

Although not mandated under Clause 49 of the Listing Agreement the Company has a Remuneration Committee.

The committee's goal is to ensure that our Company attracts and retains highly qualified employees in accordance with our business plans, that our Company fulfils its ethical and legal responsibilities to its employees, and that management compensation is appropriate. The Remuneration Committee consists of the following members:

The Composition of the members for the Committee is as follows and all the three are independent directors of the company:

- |    |                       |          |
|----|-----------------------|----------|
| 1. | Dr. R. Srinivasan     | Chairman |
| 2. | Mr. Padmanabh P. Vora | Member   |
| 3. | Mr. Ashwani Kumar     | Member   |

The terms of reference of the Remuneration Committee are as follows:

1. The Remuneration Committee shall meet as when required.
2. The Remuneration Committee shall determine remuneration packages for executive Directors and any compensation payment. The remuneration of the Executive Directors are within the limits laid down by Schedule XIII of the Companies Act 1956. The Non-Executive Directors are paid sitting fees for attending the Meetings of the Board of Directors and Committees within the ceiling prescribed by the Central Government.

No Remuneration Committee was held during the financial year on 31<sup>st</sup> March 2013.

**(c) Share Transfer & Shareholders/Investors Grievance Committee**

The Share Transfer & Shareholders/Investors Grievance Committee comprises of three Directors namely ,

- |    |                     |                                        |
|----|---------------------|----------------------------------------|
| 1. | Mr. Ashwani Kumar   | Chairman                               |
| 2. | Mr. Nalin J. Gupta  | Executive Director                     |
| 3. | Mr. Kamal J. Gupta  | Executive Director                     |
|    | Mrs. Poornima Reddy | Company Secretary & Compliance Officer |

The Share Transfer & Shareholders/Investors Grievance Committee deals with various matters relating to:

- ? Noting of transfer/transmission of shares
- ? Review of shares dematerialized/ rematerialized and all other related matters.
- ? Monitors expeditious redressal of Investor's grievance received from Stock exchanges. SEBI, ROC etc.
- ? Non-receipt of Annual Reports and dividend.
- ? All other matters related to Shares.

During the Financial Year 2012-13, the Committee met four times on 14<sup>th</sup> May, 2012, 14<sup>th</sup> August 2012, 9<sup>th</sup> November 2012, and 13<sup>th</sup> February 2013. The Minutes of the Share transfers & Shareholders/Investors Grievance Committee are reviewed and noted by the Board. The details of attendance at the Meetings of the Committee are given below:

Name of the Member	Category	Position	No of Meetings Held	No of Meetings attended
Mr. Ashwani Kumar	Independent Director	Chairman	4	4
Kamal J. Gupta	Executive Director	Member	4	4
Nalin J. Gupta	Executive Director	Member	4	4

A total of 8 queries/complaints were received by the Company from shareholders/investors during the FY 2012-13. All the complaints were resolved by the Company to the satisfaction of the investors and as on 31<sup>st</sup> March 2013, there were no pending letters or complaints.

### III) Management

#### A) 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.

#### B) Subsidiaries:

The Company does not have any Subsidiary Companies.

#### C) Disclosures:

##### C.1) Related Party Transactions:

Details of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the management, their group companies or relatives, etc. are presented under Additional notes to accounts note no 10 of the Balance Sheet. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters.

##### C.2) Accounting treatment in preparation of financial statements:

The Company has followed the guidelines of accounting standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

##### C.3) Risk Management:

The Company is in the process of documentation of the risk management policy.

##### C.4) Code for Prevention of Insider Trading Practices:

The Company has adopted the code of conduct and ethics for directors and senior management. The code had been circulated to all the members of the Board and senior management and the same had been put on the Company's website [www.jkumar.com](http://www.jkumar.com). The objective of the Code is to prevent purchase and/or sale of shares of the Company by an insider on the basis of unpublished price sensitive information. Under this Code, Directors and designated employees are completely prohibited from dealing in the Company's shares during the closure of Trading Window. To deal in securities beyond specified limit, permission of Compliance Officer is mandated. All the designated employees are also required to disclose related information periodically as defined in the Code of Conduct to the Compliance Officer of the Company.

##### C.5) CEO/CFO Certification:

The CEO/CFO certification of the financial statements for the year is appended at the end of the report.

##### C.6) Unclaimed Shares:

Clause 5A of the Listing Agreement, the Company is in process of crediting the shares allotted pursuant to the Initial Public Offering (IPO) of the Company completed in Feb, 2008 which are unclaimed and are lying in escrow account to a demat suspense account and the details are given below:

Particulars	No. of Cases	No. of Shares
Number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the Year 2012-2013 i.e. as on 1 <sup>st</sup> April, 2012.	17	1993
Number of Shareholders who approached for Issuer/Registrar for transfer of shares from suspense account during the year 2012-13.	NIL	NIL
Number of shareholders whom shares were transferred from suspense account during the year 2012-13.	NIL	NIL
Number of Shareholders and the outstanding shares in the suspense account lying at the end of the year i.e as on 31 <sup>st</sup> March, 2013.	17	1993

The Voting Rights on the outstanding unclaimed shares lying in suspense account shall remain frozen till the rightful owner of such shares claims the shares.

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### C. 7) Pledge of Equity shares:

Promoters/Promoters Group of the company have pledge 40,00,000 Equity Shares with Bank of India under the consortium credit facilities as on 31<sup>st</sup> March, 2013.

The aggregate shareholdings of the Promoters and persons belonging to the Promoters & Promoters Group as on March 31<sup>st</sup>, 2013 comprised of 1,58,94,027 Equity Shares of Rs 10/- each representing 57.17% of the Paid up Equity Share Capital of the Company.

## !V) SHAREHOLDERS INFORMATION:

### Disclosures regarding appointment & re-appointment of Directors:

Re-appointment of Directors

At the ensuing Annual General Meeting, Shri Kamal J Gupta and Shri Nalin J Gupta Directors of the Company, retire by rotation and being eligible, offer themselves for re-appointment.

The brief profiles of the re-appointment of the Directors are already provided in the notes of the explanatory statement in the notice.

### Communication to Shareholders:

The Results of the Company are furnished to the Stock Exchanges on a periodic basis (quarterly, half yearly and annually) after the approval of the Board of Directors.

The results are normally published in “Economic Times” English Daily and “Mumbai Lakshdeep” – Marathi Newspaper within 48 hours after the approval by the Board.

The details of the financial results and shareholding pattern are hosted on the Company's website: jkumar.com. All other official news are displayed on the same website.

### General Meetings

The details of the Annual General Meetings held during the last three years are as follows:

Year	No of AGM	Day, Date and Time of AGM	Venue
2011-12	13	Wednesday 26 <sup>th</sup> September 2012 11.00 A.M	GMS Community Centre Hall, Sitladevi Complex, 1st Floor, D.N. Nagar Opp: Indian Oil Nagar On Link Road, Andheri (W), Mumbai – 400053.
2010-11	12	Tuesday, 27 <sup>th</sup> September 2011, 11.00 A.M	GMS Community Centre Hall, Sitladevi Complex, 1st Floor, D.N. Nagar Opp: Indian Oil Nagar On Link Road, Andheri (W), Mumbai – 400053.
2009-10	11	Tuesday, 21 <sup>st</sup> September 2010, 11.00 A.M	GMS Community Centre Hall, Sitladevi Complex, 1st Floor, D.N. Nagar Opp: Indian Oil Nagar On Link Road, Andheri (W), Mumbai – 400053.

### Extra Ordinary General Meeting

An Extraordinary General Meetings held during the last three years are as follows on, 20<sup>th</sup> May 2009 and the following Special Resolutions were passed:

- 1) Amendment of Articles of Association of the Company for conducting of Postal Ballot
- 2) Amendement of Articles of Association of the Company for issuing warrants to promoter/promoter Group Company/others on Preferential basis.
- 3) Preferential Issue of Warrants to individuals and / or corporates belonging and / or not belonging to the Promoter / Promoter Group.

### Postal Ballot:

There were no Resolutions passed through postal ballot during the year under review.

**Compliance:**

**a) Mandatory requirements**

Company is fully compliant with the applicable mandatory requirements of Clause 49 of the listing agreement executed with the Stock Exchanges

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

Although it is not mandatory, the Board of J. Kumar Infraprojects has constituted a Remuneration Committee. Details of the Committee have been provided under Section "Remuneration Committee".

**c) Auditors Qualification on Financial Statements:**

The Company's financial statements are free from any qualifications by the Auditors.

**d) Instances of non-compliance by the Company:**

No penalty or stricture has been imposed on the Company by the stock exchanges or SEBI or any other statutory authority, on any matter related to the capital markets, during the last 3 Years.

**Auditors Certificate on Corporate Governance:**

The Company has obtained a certificate from its Statutory Auditors testifying to its compliances with the provisions relating to Corporate Governance laid out in Clause 49 of the Listing Agreement executed with the Stock Exchanges. The certificate is annexed to the Directors Report and the same will be sent to the Stock Exchanges along with the Annual Report to be filed by the Company.

**Disclosure under Clause 53 of the Listing Agreement regarding certain agreements with the media companies:**

Pursuant to the requirement of Clause 53 of the Listing Agreement, the Company would like to inform that no agreement(s) have been entered with media companies and/or their associates which as resulted/will result in any kind of shareholding in the Company and consequently any other related disclosures viz., details of nominee(s) of the media companies on the Board of the company, any management control or potential conflict of interest arising out of such agreements, etc are not applicable. Nor has the Company entered into any other back to back treaties/contracts/agreements/MOUs or similar instruments with media companies and/or their associates.

**General Shareholders' Information:**

**Information to Shareholders of 14<sup>th</sup> Annual General Meeting:**

1. Date : 26<sup>th</sup> August, 2013
2. Time : 11.00 A.M
3. Venue : GMS Community Centre Hall, Sitladevi Complex  
1st Floor, D.N. Nagar Opp. Indian Oil Nagar  
On Link Road, Andheri (W), Mumbai - 400053
4. Financial Year : 1<sup>st</sup> April to 31<sup>st</sup> March
5. Date of Book Closure : 13<sup>th</sup> August, 2013 to 26<sup>th</sup> August, 2013  
(both days inclusive)
6. Dividend : The Board of Directors have recommended a dividend of Rs. 3.50 Per Share of Rs. 10/- each of the paid-up Equity Capital of the Company. Dividend, if approved at the ensuing Annual General Meeting, will be paid to those shareholders whose names appear in the Register of Members as on 26<sup>th</sup> August, 2013
7. Registered Office : 16-A, Andheri Industrial Estate,  
Veera Desai Road, Andheri (W)  
Mumbai – 400053
8. Listing in Stock exchanges : The Equity Shares of the Company are listed in the following Stock exchanges:  
Bombay Stock Exchange Limited.  
National Stock Exchange of India Limited

## J. KUMAR INFRAPROJECTS LIMITED

9. Stock Code : Bombay Stock Exchange Limited: 532940  
National Stock Exchange Limited: JKIL
10. Listing Fees : Listing Fees as prescribed has been paid fully to all the Stock Exchanges where the shares of the Company are listed.
11. Stock Performance : The Performance of the Stock in the Bombay Stock Exchange Limited & National Stock Exchange of the India Limited for the period 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013 was as follows:

Month	BSE Price		NSE Price	
	JKIL High Price	JKIL Low Price	JKIL High Price	JKIL Low Price
Apr-12	176.00	167.00	176.95	165.00
May-12	171.80	161.00	171.45	160.00
Jun-12	164.00	146.05	164.00	145.00
Jul-12	171.00	143.40	171.00	145.00
Aug-12	192.45	152.05	194.50	152.05
Sep-12	219.00	177.95	219.70	180.80
Oct-12	233.85	205.00	239.80	204.50
Nov-12	242.00	217.10	241.70	217.05
Dec-12	248.00	218.05	246.00	219.00
Jan-13	240.70	225.00	240.65	223.10
Feb-13	233.00	200.00	235.00	200.00
Mar-13	216.00	190.00	224.00	191.00

12. Dematerialisation of Shares : The ISIN for the Equity Shares of the Company is INE576I01014. 27752691 total of Equity Shares aggregating to 99.73% of the total shares of the Company are in dematerialized form as on 31<sup>st</sup> March 2013.
13. Share Transfer Agents : Karvy Computershare Private Limited,  
Plot Nos 17 to 24, Vittalrao Nagar,  
Madhapur, Hyderabad 500081  
Telephone No: 040-23420815 to 24  
Fax No: 040-23420814  
E-mail: krishnan@karvy.com
14. Distribution of Shareholding as on 31<sup>st</sup> March 2013

Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	4,939	88.59	508,861	5,088,610	1.83%
5001- 10000	332	5.95	234,357	2,343,570	0.84%
10001- 20000	96	1.72	147,827	1,478,270	0.53%
20001- 30000	35	0.63	87,957	879,570	0.32%
30001- 40000	26	0.47	90,630	906,300	0.33%
40001- 50000	28	0.50	137,162	1,371,620	0.49%
50001- 100000	26	0.47	195,270	1,952,700	0.70%
100001& Above	93	1.67	26,399,141	263,991,410	94.96%
<b>TOTAL</b>	<b>5,575</b>	<b>100.00 %</b>	<b>27,801,205</b>	<b>278,012,050</b>	<b>100.00%</b>



15. Categories of Shareholders as on 31<sup>st</sup> March 2013

Categories	As on 31 <sup>st</sup> March, 2013		As on 31 <sup>st</sup> March, 2012	
	No. of Shares	Percentage	No. of Shares	Percentage
Promoters, Directors, Relatives and Associates	15,894,027	57.17%	15,526,482	55.85%
Foreign Institutional Investors / Mutual Funds	2,090,427	7.52%	1,231,780	4.43%
Mutual Funds (Indian) / UTI Mutual Fund	315	0.001%	5,000	0.02%
Trusts	264,897	0.95%	264,897	0.95%
NRIs/Any other	378,619	1.37%	124,046	0.45%
Bodies Corporate	4,716,790	16.97%	5,527,047	19.88%
Others	4,456,130	16.02%	5,121,953	18.42%
<b>Total</b>	<b>27,801,205</b>	<b>100.00%</b>	<b>27,801,205</b>	<b>100.00%</b>

16. Top 10 Shareholders as on March 31<sup>st</sup>, 2013

Sl. No.	Name	Shares	% to Equity	Category
1	Jagdishkumar Madanlal Gupta	5,391,525	19.39	PD
2	J Kumar Software Systems (I) Private Limited	3,245,977	11.68	GOC
3	Kusum Jagdish Gupta	1,424,510	5.12	PD
4	Kamal Jagdish Gupta	1,422,500	5.12	PD
5	Nalin Jagdish Gupta	1,407,000	5.06	PD
6	American Funds Insurance Global Small Capitalization Fund	1,300,000	4.68	FII
7	Shalini Nalin Gupta	1,035,910	3.73	PD
8	J Kumar Minerals and Mines India Private Ltd.	994,485	3.58	GOC
9	Sonal Kamal Gupta	972,010	3.50	PD
10	Cresta Fund Ltd.	773,327	2.78	FII
<b>Total</b>		<b>17,967,244</b>	<b>64.64</b>	

17. Financial Release Dates for 2013-14

Quarter	Release date( tentative & subject to change)
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2013	First week of August 2013
2 <sup>nd</sup> Quarter ending 30 <sup>th</sup> September, 2013	First week of November 2013
3rd Quarter ending 31st December, 2013	Fourth week of January 2014
4 <sup>th</sup> Quarter & Annual results ending 31 <sup>st</sup> March, 2014	Fourth week of May 2014

18. Internet access: jkumar.com

The website of the Company contains all relevant information about the Company. The Annual Reports, Shareholding pattern, unaudited quarterly results and all other material information are hosted in this site.

**Dedicated e-mail for Investor Grievance:** For the convenience of our investors, the Company has designated an exclusive e-mail id i.e. [investors.grievances@jkumar.com](mailto:investors.grievances@jkumar.com). All the investors are requested to avail this facility.

**Declaration on compliance of Code of Conduct of Board of Directors & Senior management:**

I hereby confirm that:

Board members and Senior Management of the Company have affirmed compliance with the Code of Conduct laid down by the Board for the financial year April 2012- March 2013.

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

Jagdishkumar Gupta  
Chairman cum Managing Director



## J. KUMAR INFRAPROJECTS LIMITED

### AUDITORS' REPORT ON CORPORATE GOVERNANCE

To  
The Shareholders of  
J. Kumar Infraprojects Limited

We have examined the compliance of conditions of Corporate Governance by J. Kumar Infraprojects Limited for the year ended on March 31<sup>st</sup>, 2013 as stipulated by Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the provisions relating to Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied in all material aspects with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month except where disputed or sub-judice, as per the records maintained by Company's registrar and transfer agents and reviewed by the Board/ Committee of the Company.

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.

**For Gupta Saharia & Co**  
Chartered Accountants  
Firm Reg. No.103446W

**Pawan Gupta**  
Partner  
Membership No: 071471

Date: 29<sup>th</sup> May, 2013  
Place: Mumbai

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### CEO/CFO certification, issued pursuant to the provisions of Clause 49 of the Listing Agreement.

To the Board of Directors of J. Kumar Infraprojects Ltd.

Sub: CEO/CFO Certificate

I have reviewed the financial statements, read with the cash flow statement of J. Kumar Infraprojects Ltd for the year ended March 31<sup>st</sup>, 2013 and that to the best of our knowledge and belief, I state that:

- a) (i) These statements do not contain any materially untrue statement or omit and material fact or contain statements that might be misleading.
- (ii) These statements present true and fair view of the Company's affairs and are in compliance with current Accounting Standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting. I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which are aware and the steps I have taken or proposed to be taken for rectifying these deficiencies.

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

**Jagdishkumar M. Gupta**  
Chairman cum Managing Director



## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
**J. Kumar Infraprojects Limited.**

### **Report on Financial Statements**

We have audited the accompanying financial statements of J. Kumar Infraprojects Limited. ("the Company"), which comprise the Balance Sheet as at March 31<sup>st</sup>, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year 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 Standard on Auditing generally accepted in 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 misstatements.

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

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 aforesaid 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<sup>st</sup>, 2013;
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- 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:
  - ? 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;
  - ? 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;
  - ? The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;



## **J. KUMAR INFRAPROJECTS LIMITED**

- ? In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub section(3C) of section 211 of the Companies Act, 1956;
- ? On the basis of written representations received from the directors as at March 31<sup>st</sup>, 2013, taken on record by the Board of Directors, none of the directors is disqualified as on March 31<sup>st</sup>, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Gupta Saharia and Co.  
**Chartered Accountants**  
Firm Reg. No. 103446W

**Pawan Gupta**  
Partner  
Membership No. : 071471

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of Our Report of even date

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. FIXED ASSETS:

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
- (b) As explained to us, fixed assets have been physically verified by the management at reasonable Intervals; which in our opinion is reasonable, having regard to size of the company and nature of its assets, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, no substantial part of its fixed asset has been disposed off during the year and therefore does not affect the going concern assumption.

### 2. INVENTORIES:

- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. The frequency of the verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and on the basis of our examination of the records, the Company has maintained proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

### 3. LOANS AND ADVANCES:

- (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 4 (iii) (b), (iii) (c) and (iii) (d) of the order are not applicable to the Company.
- (b) 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 the provisions of clauses 4 (iii) (f) & (iii) (g) are not applicable to the company.

### 4. INTERNAL CONTROL:

In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure commensurate with the size of the company and the nature of its business. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

### 5. TRANSACTION WITH PARTIES UNDER SECTION 301 OF THE COMPANIES ACT, 1956

- (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 and 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 exceeds five lacs rupees in a financial year therefore requirement of reasonableness of transactions does not arises.

### 6. DEPOSITS:

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

### 7. INTERNAL AUDIT:

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

### 8. COST RECORDS:

We have reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956, and are of the opinion that prima facie the prescribed cost records have been maintained.

## J. KUMAR INFRAPROJECTS LIMITED

### 9. SECURITY DUES:

According to the records, information and explanation provided to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Employee Provident Fund, Employee State Insurance Scheme, Income tax, sales-tax, Service Tax, Excise duty, Custom duty, Cess and other statutory dues applicable to it and no undisputed amounts payable are outstanding as at March 31<sup>st</sup>, 2013 for a period of more than six months from the date when they became payable

### 10. NETWORT/CASH LOSSES:

The Company does not have any accumulated losses and has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.

### 11. REPAYMENT OF DUES:

Based on our audit procedures and on the information and explanations given to us, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

### 12. ADVANCE AGAINST SALES:

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. CHIT FUND/NIDHI FUND:

In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.

### 14. TRADING IN SHARES, SECURITIES, DEBENTURES AND OTHER INVESTMENTS:

According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

### 15. GUARANTEES:

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. TERM LOAN:

According to the information and explanations given to us the Company has applied the term loans applied for the purpose for which the same was obtained.

### 17. SOURCE AND APPLICATION OF FUNDS:

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, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

### 18. PREFERENTIAL ALLOTMENT OF SHARES TO PARTIES COVERED IN THE REGISTERED MAINTAINED UNDER SECTION 301 OF THE COMPANIES ACT, 1956 AND RAISING OF FUNDS THROUGH QUALIFIED INSTITUTIONAL PLACEMENT.

Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.

### 19. MISCELLANEOUS:

- a) The Company has no outstanding debentures during the period under audit.
- b) The Company has not raised any money by public issue during the year.
- c) Based on the audit procedures performed and the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Gupta Saharia and Co.  
**Chartered Accountants**  
Firm Reg. No. 103446W

**Pawan Gupta**  
Partner  
Membership No. : 071471

Place: Mumbai  
Date: 29<sup>th</sup> May, 2013

## Balance Sheet as at 31st March, 2013

Particulars	Note No.	(Rs. in Lacs)	
		As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	2,780.12	2,780.12
(b) Reserves and surplus	2	47,563.33	41,119.94
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	3	8,590.85	4,742.85
(b) Deferred tax liabilities (Net)	4	513.55	424.72
(c) Long-term provisions	5	16.39	85.00
<b>4 Current liabilities</b>			
(a) Short-term borrowings	6	12,442.94	11,226.38
(b) Trade payables		9,095.43	5,062.06
(c) Other current liabilities	7	33,692.60	18,522.22
(d) Short-term provisions	8	1,130.89	1,353.75
<b>TOTAL</b>		<b>115,826.10</b>	<b>85,317.04</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>	9		
(i) Tangible assets		20,888.55	14,682.87
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		10,125.09	5,976.30
(iv) Intangible assets under development		-	-
(b) Non-current investments	10	9.50	9.50
(c) Other non-current assets	11	11,926.68	9,115.80
<b>2 Current assets</b>			
(a) Inventories	12	39,495.56	27,529.63
(b) Trade receivables	13	11,470.89	8,884.54
(c) Cash and Bank balance	14	11,186.84	11,387.93
(d) Short-term loans and advances	15	7,886.02	5,093.89
(e) Other current assets	16	2,836.97	2,636.60
<b>TOTAL</b>		<b>115,826.10</b>	<b>85,317.04</b>
Significant Accounting Policies and Notes to Financial Statements	24		

The notes referred to above and notes to accounts form an integral part of the financial statements.

As per our report of even date

**For Gupta Saharia & Co.**

Chartered Accountants

Firm Reg. No.103446W

For and on behalf of the Board of Directors of

**J. Kumar Infraprojects Limited**

**Pawan Gupta**

Partner

Membership No. : 071471

Place : Mumbai

Date : 29<sup>th</sup> May, 2013

**Jagdishkumar M. Gupta**  
Chairman cum Managing Director

**Nalin J. Gupta**  
Executive Director

**Poornima Reddy**  
Company Secretary

## Statement of Profit and Loss for the year ended 31st March, 2013

(Rs. in Lacs)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2013	For the year ended 31 <sup>st</sup> March, 2012
I. Revenue From Operations(gross)	17	100,112.95	93,186.76
Less: Excise Duty		44.86	31.29
		100,068.09	93,155.47
II. Other income	18	885.37	672.59
<b>III. Total Revenue (I + II)</b>		<b>100,953.46</b>	<b>93,828.05</b>
IV. Expenses:			
Cost of raw materials consumed	19	74,298.90	65,370.91
Changes in inventories of work in progress	20	(11,659.82)	(6,900.00)
Employee benefits expenses	21	4,735.04	2,790.90
Finance costs	22	4,063.75	3,661.84
Depreciation and amortization expense		2,441.06	1,888.29
Other expenses	23	15,956.42	16,898.14
<b>Total expenses</b>		<b>89,835.34</b>	<b>83,710.08</b>
<b>V. Profit before exceptional and extraordinary items and tax (III-IV)</b>		<b>11,118.11</b>	<b>10,117.97</b>
VI. Exceptional items		-	-
<b>VII. Profit before extraordinary items and tax (V - VI)</b>		<b>11,118.11</b>	<b>10,117.97</b>
VIII. Extraordinary Items		-	-
<b>IX. Profit before tax (VII- VIII)</b>		<b>11,118.11</b>	<b>10,117.97</b>
X. Tax expense:			
(1) Current tax		3,455.00	3,250.00
(2) Deferred tax		88.83	61.41
<b>XI Profit (Loss) for the period from continuing operations (IX-X)</b>		<b>7,574.29</b>	<b>6,806.57</b>
XII Profit/(loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
<b>XIV Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>		<b>-</b>	<b>-</b>
<b>XV Profit (Loss) for the period (XI + XIV)</b>		<b>7,574.29</b>	<b>6,806.57</b>
XVI Earnings per equity share:			
(1) Basic		27.24	24.48
(2) Diluted		27.24	24.48
Significant Accounting Policies and Notes to Financial Statements	24		

The notes referred to above and notes to accounts form an integral part of the financial statements.

As per our report of even date

**For Gupta Saharia & Co.**

Chartered Accountants

Firm Reg. No.103446W

For and on behalf of the Board of Directors of

**J. Kumar Infraprojects Limited**

**Pawan Gupta**

Partner

Membership No. : 071471

Place : Mumbai

Date : 29<sup>th</sup> May, 2013

**Jagdishkumar M. Gupta**  
Chairman cum Managing Director

**Nalin J. Gupta**  
Executive Director

**Poornima Reddy**  
Company Secretary

## Cash Flow Statement for the year ended 31st March, 2013

(Rs. in Lacs)

PARTICULARS	2012 - 2013	2011 - 2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Operating Profit before Taxation & Extraordinary Item	11,118.11	10,117.97
<b>Adjustment for:</b>		
Depreciation	2,441.06	1,888.29
Loss on Sale of Fixed Assets	0.08	-
Profit on Sale of Fixed Assets	-	(0.36)
Interest & Rent Received	(830.12)	(615.38)
Preliminary Expenses W/off	87.15	87.15
Provision for Gratuity	(68.61)	45.00
Unrealised Gain Due to Foreign Currency Fluctuation (Net)	(3.50)	-
Interest & Finance Charges paid	4,063.75	3,661.84
<b>Operating Profit before Working Capital Changes</b>	<b>16,807.92</b>	<b>15,184.51</b>
<b>Adjustments for Changes in Working Capital</b>		
Inventories	(11,965.93)	(11,906.90)
Trade Receivables	(2,586.35)	1,299.62
Short Term Loans and Advances	(2,701.57)	3,552.11
Other Current Assets	(200.35)	(1,032.81)
Other Non Current Assets	(2,898.04)	(2,456.22)
Current Liabilities and short term borrowings	20,420.31	10,600.01
<b>Movement in Working Capital Limits</b>	<b>68.07</b>	<b>55.81</b>
Cash Generated from Operations	16,875.99	15,240.32
Direct Taxes refund/ (paid) - net	(4,172.31)	(3,438.10)
<b>Net Cash From Operating Activities (A)</b>	<b>12,703.68</b>	<b>11,802.22</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,647.14)	(5,165.78)
Increase in Capital Work in Progress	(4,148.79)	-
Sale of Fixed Assets	0.30	2.25
Interest & Rent Received	830.12	615.38
<b>Net Cash From Investing Activities (B)</b>	<b>(11,965.51)</b>	<b>(4,548.15)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(727.00)	(729.49)
Increase in Long Term Borrowing	3,851.50	3,841.85
Interest & Finance charges paid	(4,063.75)	(3,661.84)
<b>Net Cash From Financing Activities (C)</b>	<b>(939.25)</b>	<b>(549.48)</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalent (A+B+C)</b>	<b>(201.09)</b>	<b>6,704.59</b>
<b>Cash and Cash Equivalent at the Beginning of the year</b>	<b>11,387.93</b>	<b>4,683.34</b>
<b>Cash and Cash Equivalent at the End of the year</b>	<b>11,186.84</b>	<b>11,387.93</b>

Note : Previous year Figures have been regrouped/reclassified wherever applicable.

As per our report of even date

**For Gupta Saharia & Co.**

Chartered Accountants

Firm Reg. No.103446W

For and on behalf of the Board of Directors of

**J. Kumar Infraprojects Limited**

**Pawan Gupta**

Partner

Membership No. : 071471

Place : Mumbai

Date : 29<sup>th</sup> May, 2013

**Poornima Reddy**

Company Secretary

**Jagdishkumar M. Gupta**  
Chairman cum Managing Director

**Nalin J. Gupta**  
Executive Director

## Notes forming part of the Financial Statements

### NOTE 1 : SHARE CAPITAL

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Number	Rs.	Number	Rs.
<b><u>Authorised</u></b>				
Equity Shares of Rs.10/- each	40,000,000	4,000.00	40,000,000	4,000.00
<b><u>Issued, Subscribed &amp; fully Paid up</u></b>				
Equity Shares of Rs.10/- each	27,801,205	2,780.12	27,801,205	2,780.12
<b>Total</b>	27,801,205	2,780.12	27,801,205	2,780.12

The company has only one class of shares referred to as Equity Shares having a face value of Rs. 10/- each. Each Equity share is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The reconciliation of number of shares outstanding is set out below :

(Rs. in lacs)

Particulars	Equity Shares		Equity Shares	
	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	27,801,205	2,780.12	27,801,205	2,780.12
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	27,801,205	2,780.12	27,801,205	2,780.12

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

Name of Shareholder	Equity Shares		Equity Shares	
	As at 31 <sup>st</sup> March, 2013		As at 31 <sup>st</sup> March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jagdishkumar Madanlal Gupta	5,391,525	19.39%	5,293,980	19.04%
J. Kumar Software Systems (I) Private Limited	3,245,977	11.68%	3,000,000	10.79%
Kusum Jagdish Gupta	1,424,510	5.12%	1,424,510	5.12%
Kamal Jagdish Gupta	1,422,500	5.12%	1,322,500	4.76%
Nalin Jagdish Gupta	1,407,000	5.06%	1,307,000	4.70%

## Notes forming part of the Financial Statements

### NOTE 2 : RESERVES AND SURPLUS

(Rs. in lacs)

Particulars	As at	As at
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>a. Securities Premium Account</b>		
Opening Balance	14,948.53	14,948.53
Add : Additions in current year	-	-
Closing Balance	14,948.53	14,948.53
<b>b. General Reserve</b>		
Opening Balance	4,396.82	3,716.16
Add : Current Year Transfer	757.43	680.66
Less : Written Back in Current Year	-	-
Closing Balance	5,154.25	4,396.82
<b>c. Surplus as per Statement of Profit and Loss</b>		
Opening balance	21,774.59	16,375.68
Add : Profit / (Loss) for the current year	7,574.29	6,806.57
Amount available for appropriation	29,348.88	23,182.25
<b>Less : Appropriation</b>		
Transfer to General Reserve	757.43	680.66
Proposed Dividends	973.04	625.53
Corporate tax on Proposed Dividend	157.85	101.48
Interim Dividends	-	-
Transfer to Reserves	-	-
Closing Balance	27,460.55	21,774.59
<b>Total</b>	<b>47,563.33</b>	<b>41,119.94</b>

### NOTE 3 : LONG TERM BORROWINGS

(Rs. in lacs)

Particulars	Non - Current Portions		Current Maturity	
	As at	As at	As at	As at
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Secured Term Loans</b>				
ECB Loan	4,804.85	4,214.55	1,040.70	-
Buyers Credit	2,464.80	-	434.96	-
HDFC Loan	1,259.70	-	580.58	-
ICICI Bank	61.50	66.76	81.40	52.23
	8,590.85	4,281.31	2,137.64	52.23
<b>Unsecured Loan</b>				
Tata Capital Ltd.	-	461.54	461.54	1,038.47
<b>Total</b>	<b>8,590.85</b>	<b>4,742.85</b>	<b>2,599.18</b>	<b>1,090.70</b>

ECB Loan of USD 10 Million from Standard Chartered Bank carries interest rate from 8.50% to 11.20% p.a. on fully hedged. The loans are repayable in 4 years in quarterly instalments from the respective dates of disbursement of loans after considering moratorium period. The above loans are secured by hypothecation of Plant & Machinery and backed by personal guarantee of Mr. Jagdishkumar M. Gupta and Mr. Nalin J. Gupta.

ECB Loan of USD 2 Million from Standard Chartered Bank carries interest rate 12.70% p.a. on fully hedged. The loans are repayable in 5 years in quarterly instalments from the respective dates of disbursement of loans after considering moratorium period. The above loans are secured by hypothecation of Plant & Machinery and backed by personal guarantee of Mr. Jagdishkumar M. Gupta and Mr. Nalin J. Gupta.

## Notes forming part of the Financial Statements

Buyers Credit of USD 5.33 Million from Yes Bank carries interest rate of 3.25% p.a. unhedged. The loans are repayable in 3 Years in Quarterly installment from the respective dates of disbursement of loans after considering moratorium period. The above loans are secured by hypothecation of Plant & Machinery and backed by personal guarantee of Mr. Jagdishkumar M. Gupta and Mr. Nalin J. Gupta.

Term Loan from HDFC Bank carries interest rate 10% to 11% p.a.. The loans are repayable in 36 months in monthly instalments from the respective dates of disbursement of loans after considering moratorium period. The above loans are secured by hypothecation of Plant & Machinery and backed by personal guarantee of Mr. Jagdishkumar M. Gupta.

Term Loan from ICICI Bank carries interest rate 8.45% p.a.. The loans are repayable in 29 months in monthly instalments from the respective dates of disbursement of loans. The above loans are secured by hypothecation of Plant & Machinery.

Term Loan from Tata Capital Ltd. carries interest rate 13.75% p.a.. The loans are repayable in 18 months in monthly instalments from the respective dates of disbursement of loans after considering moratorium period. The said loans are unsecured and backed by Personal guarantee of Mr. Jagdishkumar M. Gupta.

### NOTE 4 : Deferred Tax Liability

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
<b>Related to Fixed Assets</b>		
Opening Balance	424.72	363.32
Addition during the year	88.83	61.41
<b>Total</b>	<b>513.55</b>	<b>424.72</b>

### NOTE 5 : LONG TERM PROVISIONS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
<b>(a) Provision for employee benefits</b>		
Gratuity (Funded)	16.39	85.00
<b>(b) Others (Specify nature)</b>	-	-
<b>Total</b>	<b>16.39</b>	<b>85.00</b>

### NOTE 6 : SHORT TERM BORROWINGS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Working Capital Loans From Consortium of Banks	3,602.05	4,262.43
Overdraft facility from Banks	4,249.88	2,463.95
FCNR Loan from Bank	4,500.00	4,500.00
Others	91.02	-
<b>Total</b>	<b>12,442.94</b>	<b>11,226.38</b>

Working Capital (Cash Credits) Loan from banks under consortium limit is secured against hypothecation of stock and book debts and are backed by personal guarantee of promoters and details of security and limits refer Note 24 (B) (8). The interest rate from 12% to 13.75% p.a. The loans are repayable on demand.

Overdraft from banks is secured against Fixed Deposit receipts and are backed by personal guarantee of promoters. The interest rate from 8% to 10.25% p.a.. The loans are repayable on demand.

FCNR Loan from Citi Bank carries interest rate from 12% to 12.20% p.a. on fully hedge. The loans are repayable in 1 year from the respective dates of disbursement of loans. The above loans are backed by personal guarantee of promoters for details of security and limit refer Note 24 (B) (8).

Others : Buyers Credit of Euro 1,30,886 carries interest rate of 4.30% p.a. unhedged. The loans are repayable to Yes Bank in 6 Month from the respective dates of disbursement of loans. The above loans are backed by personal guarantee of promoters for details of security and limit refer Note 24 (B) (8).

## Notes forming part of the Financial Statements

### NOTE 7 : OTHER CURRENT LIABILITIES

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
(a) Other Liability		
Current maturities of long term borrowings	2,599.18	1,090.70
(b) Other payables		
i) Security Deposits	1,206.69	971.35
ii) Unclaimed Dividend	3.74	3.76
iii) Salary and Employee Benefits	285.74	200.70
iv) Other Current Liabilities	28,931.32	15,647.82
v) Duties and Taxes	665.93	607.89
<b>Total</b>	<b>33,692.60</b>	<b>18,522.22</b>

### NOTE 8 : SHORT TERM PROVISIONS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
i) Proposed Dividend	973.04	625.53
ii) Tax on Proposed Dividend	157.85	101.48
iii) Provision for Income Tax (Net of Advance Taxes)	-	626.74
<b>Total</b>	<b>1,130.89</b>	<b>1,353.75</b>

### NOTE 9 : FIXED ASSETS

(Rs. in lacs)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2012	Additions	Deductions	As at 31.03.2013	As at 01.04.2012	For the year	Deduction	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
<b>Tangible Asset (At Cost):</b>										
Land and Building	281.74	1,681.30	-	1,963.04	-	-	-	-	1,963.04	281.74
Computers	200.10	89.18	0.72	288.56	101.97	55.23	0.34	156.86	131.70	98.13
Furniture and Fixture	370.01	215.43	-	585.44	131.42	58.15	-	189.57	395.87	238.59
Plant and Machinery	20,043.18	6,230.56	-	26,273.74	6,357.25	2,210.82	-	8,568.07	17,705.67	13,685.93
Vehicles	548.31	430.67	-	978.98	169.82	116.86	-	286.68	692.30	378.49
<b>Total</b>	<b>21,443.34</b>	<b>8,647.14</b>	<b>0.72</b>	<b>30,089.76</b>	<b>6,760.46</b>	<b>2,441.06</b>	<b>0.34</b>	<b>9,201.18</b>	<b>20,888.58</b>	<b>14,682.88</b>
Previous Year	16,281.56	5,165.78	4.00	21,443.34	4,874.28	1,888.29	2.11	6,760.46	14,682.88	

## Notes forming part of the Financial Statements

### NOTE 10 : NON CURRENT INVESTMENTS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
HDFC Infrastructure Fund – Growth (20,000 (P.Y. 20,000) Units of Rs.10/- each)	2.00	2.00
Kisan Vikas Patra (15 (P.Y. 15) KVP of Rs.50,000 each)	7.50	7.50
<b>Total</b>	<b>9.50</b>	<b>9.50</b>

### NOTE 11 : OTHER NON CURRENT ASSETS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Miscellaneous expenditure (to the extent not written-off or adjusted)	87.15	174.30
Security Deposits	10,674.93	8,163.10
Other Deposits	1,164.60	778.40
<b>Total</b>	<b>11,926.68</b>	<b>9,115.80</b>

### NOTE 12 : INVENTORIES

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
a. Raw Materials and components (Valued at Cost or net realisable value whichever is less)	7,835.74	7,529.63
b. Work-in-progress (Valued at Cost)	31,659.82	20,000.00
<b>Total</b>	<b>39,495.56</b>	<b>27,529.63</b>

### NOTE 13 : TRADE RECEIVABLES

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good	10,381.90	7,996.08
Less: Provision for doubtful debts	-	-
	10,381.90	7,996.08
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	1,088.99	888.46
Less: Provision for doubtful debts	-	-
	1,088.99	888.46
<b>Total</b>	<b>11,470.89</b>	<b>8,884.54</b>

## Notes forming part of the Financial Statements

### NOTE 14 : CASH AND BANK BALANCES

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
<b>Cash and Cash Equivalents</b>		
Cash on hand	30.55	22.99
<b>Balance with Banks</b>		
Current Accounts	2,312.71	4,558.95
Un - Claimed Dividend	3.75	3.77
FDR to be matured within 3 months with various banks	-	510.11
	2,347.01	5,095.82
<b>Other Bank Balances</b>		
Fixed Deposit Receipts (FDR) with original maturity for more than 3 months with various banks		
a) Margin money deposit against guarantees	4,286.83	2,430.84
b) FDR against Overdraft Facility	4,033.60	3,459.87
c) Margin money against Earnest Money Deposit	443.82	336.40
d) Other FDR	75.58	65.00
<b>Total</b>	<b>11,186.84</b>	<b>11,387.93</b>

### NOTE 15 : SHORT TERM LOANS AND ADVANCES

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Advances recoverable in Cash or in Kind or for a value to be received	7,794.08	5,093.22
Advance Income Tax (Net of Provision)	90.56	-
Advance Fringe Benefit Tax (Net of Provision)	0.67	0.67
Advance Wealth Tax	0.71	-
<b>Total</b>	<b>7,886.02</b>	<b>5,093.89</b>

### NOTE 16 : OTHER CURRENT ASSETS

(Rs. in lacs)

Particulars	As at 31 <sup>st</sup> March, 2013	As at 31 <sup>st</sup> March, 2012
Accrued Interest on Fixed Deposits	1,001.23	822.14
Duties and Taxes	799.87	813.53
Other Current Assets	1,035.87	1,000.93
<b>Total</b>	<b>2,836.97</b>	<b>2,636.60</b>

## Notes forming part of the Financial Statements

### NOTE 17 : REVENUE FROM OPERATIONS

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
Contract Revenue	95,472.13	87,925.33
Boring, Chiseling and Hiring Charges	2,089.16	2,150.38
Sales - Ready Mix Concrete (RMC)	2,336.97	2,913.70
Profit from Joint Venture	214.69	197.35
<b>Total</b>	<b>100,112.95</b>	<b>93,186.76</b>

### NOTE 18 : OTHER INCOME

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
Interest on FDR	686.83	468.31
Interest Received from Others	48.70	114.08
Lease and License	94.58	32.99
Miscellaneous Income	55.26	57.21
<b>Total</b>	<b>885.37</b>	<b>672.59</b>

### NOTE 19 : COST OF RAW MATERIALS CONSUMED

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
Inventory at the beginning of the year	7,529.63	2,522.72
Add: Purchases	74,605.01	70,377.82
	82,134.63	72,900.54
Less: Inventory at the end of the year	7,835.74	7,529.63
<b>Total</b>	<b>74,298.90</b>	<b>65,370.91</b>

### NOTE 20 : CHANGES IN INENTORIES OF WORK IN PROGRESS

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
<b>(Increase) / Decrease in Stock of Work in Progress</b>		
Opening Stock of Work in Progress	20,000.00	13,100.00
Closing Stock of Work in Progress	(31,659.82)	(20,000.00)
<b>Total</b>	<b>(11,659.82)</b>	<b>(6,900.00)</b>

### NOTE 21 : EMPLOYEE BENEFIT EXPENSES

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
Salary, Bonus & Gratuity	4,279.25	2,483.14
Leave Encashment	160.77	83.57
Provident Fund & Other Fund	127.90	85.34
Staff Welfare	167.13	138.85
<b>Total</b>	<b>4,735.04</b>	<b>2,790.90</b>

## Notes forming part of the Financial Statements

### NOTE 22 : FINANCE COSTS

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
Bank Guarantee Commission and Other L.C. Charges	613.48	994.99
Bank Interest	3,006.63	2,113.97
Interest on Term Loan	28.37	1.89
Financial and Other Charges	415.27	550.99
<b>Total</b>	<b>4,063.75</b>	<b>3,661.84</b>

### NOTE 23 : OTHER EXPENSES

(Rs. in lacs)

Particulars	2012 - 2013	2011 - 2012
<b>Other Direct Expenses</b>		
Dewatering & Fabrication Charges	148.58	15.89
Sub Contract and Labour Charges	197.04	5,402.30
Royalty	151.70	95.70
Soil Excavation and Other Expenses	1,064.93	600.05
Soil Investigation Charges	46.14	46.07
Water Charges	48.86	31.30
Construction Site Workers Wages	7,788.42	5,703.63
Transport Charges	838.89	765.84
	<b>10,284.56</b>	<b>12,660.78</b>
<b>Administration, Selling &amp; Other Expenses</b>		
Insurance	274.32	194.59
Directors Remuneration	132.00	132.00
Directors Sitting Fees	2.82	1.20
Donation	70.22	33.30
Electricity Charges	779.10	383.81
General Expenses	509.27	260.22
Operating & Other Expenses	2,355.42	1,111.49
Preliminary Expenses w/o	87.15	87.15
Rates & Taxes	926.64	1,469.68
Rent Paid	163.18	169.34
<b>Repairs &amp; Maintenance</b>		
- Plant & Machinery	98.82	105.81
- Others	53.21	64.85
Telephone Expenses	59.58	85.57
Traveling Expenses	160.11	138.35
	<b>5,671.86</b>	<b>4,237.36</b>
<b>Total</b>	<b>15,956.42</b>	<b>16,898.14</b>

# Notes forming part of the Financial Statements

## 24 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

### (A) SIGNIFICANT ACCOUNTING POLICIES

#### 1 Corporate Information

J. Kumar Infraprojects Limited (the Company) is a public Limited Company domiciled in India and Incorporated under the provisions of the Companies Act, 1956. Its shares are listed on the two stock exchanges in India. The Company is engaged in execution of contracts of various infrastructure projects including Transportation Engineering, Irrigation Projects, Civil Construction and Piling Work etc.

#### 2 Accounting Concepts:

The Financial Statement of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial Statement to comply in all material respects with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statement have been prepared on an accrual basis and under historical cost convention.

#### 3 Use of Estimates :

The preparation of the financial statement is in conformity with the generally accepted accounting principle requiring estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/ materialize.

#### 4 Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend is recognized as and when the right to receive payment is established by the Balance Sheet date.

The Company follows the percentage completion method as mentioned in Revised Accounting Standard (AS) 7 “Construction Contracts” on the basis of physical measurement of work actually completed at the balance sheet date, taking into account the contractual price and revision thereto by estimating total revenue and total cost till completion of the contract and profit so determined has been accounted for proportionate to the percentage of actual work done.

Claims are accounted as income in the year of receipt of arbitration award or acceptance by client or evidence of acceptance received.

#### 5 Fixed Assets:

##### A. Tangible Assets

Tangible Assets are recorded at their cost of acquisition, net of modvat / cenvat, less accumulated depreciation and impairment losses, if any.

##### B. Intangible Assets

Intangible Assets are recorded at their cost of acquisition less accumulated amortization / depletion. And impairment losses, if any.

#### 6 Depreciation:

Depreciation on Fixed Assets is being provided on Written Down Value Method as specified in Schedule XIV of the Companies Act, 1956.

Depreciation in respect of additions to fixed assets is provided on pro-rata basis from the date on which such assets are acquired/ put to use.

Depreciation on assets sold, discarded or demolished during the year is being provided at their respective rates on pro-rata up to the date on which such assets are sold, discarded or demolished

#### 7 Impairment of Assets:

The Company makes an assessment of any indicator that may lead to impairment of assets on an annual basis. According to AS - 28 on

## Notes forming part of the Financial Statements

“Impairment of Assets” an Asset is treated as impaired when the carrying cost of asset exceeds its recoverable value.

Impairment Loss is charged to Statement of Profit & Loss in the year in which impairment is identified.

### 8 Valuation of Inventories:

Inventories are valued at the lower of cost or net realizable value except waste/scrap which is valued at net realizable value. The cost is computed on FIFO basis.

Work in Progress on construction contracts reflect the value of material inputs and expenses including appropriate overheads incurred on such contracts, at cost.

### 9 Investments:

Current investments are carried in the financial statements at lower of cost or fair value determined on an individual investment basis. Long-term investments are carried at cost, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

### 10 Taxes on Income:

Tax expense comprises both current and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, using the applicable effective tax rates. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences between taxable income and accounting income that are capable of reversal in one or more subsequent periods and are measured using relevant enacted or substantively enacted effective tax rate as on the balance sheet date, to the extent the timing differences are expected to crystallise. Deferred tax assets are reviewed for the appropriateness of their respective carrying values at each balance sheet date. The company reassesses recognised deferred tax assets and liabilities and recognises unrecognised deferred tax assets to the extent they become reasonably certain or virtually certain of realisation, as the case may be.

### 11 Foreign Exchange Transaction:

- Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transactions.
- Monetary assets and liabilities denominated in foreign currency are restated at the prevailing rates at the year end.
- Non monetary foreign currency items are carried at cost.
- Any gain/loss upon such transaction on account of foreign currency are accounted in the Statement of Profit & Loss.

### 12 Borrowing Cost:

Borrowing costs that are attributable to the acquisition and construction of qualifying assets are capitalized as part of cost of such assets till such time the assets is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit & Loss Account as period costs.

### 13 Earnings Per Share:

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year. The number of shares used for computing diluted EPS is the weighted average number of outstanding during the year after considering the potential equity shares.

### 14 Provision, Contingent Liabilities and Contingent Assets:

Provision involving substantial degree of estimation in measurement is recognize when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions are determined based on Management estimates required to settle the obligation at the Balance Sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current Management estimate. Contingent liabilities are not recognise but are disclosed in the notes. Contingent asset are neither recognized nor disclosed in the financial statements. Outstanding Bank Guarantee as on 31<sup>st</sup> March, 2013 is Rs. 746.81 Crores and outstanding Letter of Credit (L.C.) is Rs. 34.06 Crores as on 31<sup>st</sup> March, 2013.

The Block assessment order under section 153 A has been completed and assessment order has been received and the total liability raised by the CIT (A) for the Assessment Year 2004 - 05 to 2010 - 11 is Rs. 569.18 lacs and the same has been paid by the company against which the company has gone in to appeal with Income Tax Appellate Tribunal.

## Notes forming part of the Financial Statements

### 15 Segmental Reporting:

As the Management information system of the Company recognises and monitors “Construction” as the only business segment, the accounting standards “Segmental Reporting” does not apply.

### 16 Employee Benefits:

- Contribution to Provident Fund is charged to the profit and loss account. Provident Fund contribution is made to the Government Administered Provident Fund. Company has no further obligation beyond this contribution charged in financial statement.
- Company also provides for Retirement Benefits in the form of Gratuity. Such Benefits are provided for based on valuation on projected unit credit method made by independent actuaries as at the Balance Sheet date.
- Leave encashment is paid to employees on annual basis and recognized as expenses when it is incurred.

### 17 Accounting for Joint Venture Contracts:

In respect of contracts executed in integrated joint venture under profit sharing arrangements the profit or loss is accounted for, as when it is determined by the joint venture and the net investment in the joint venture is reflected as Current Assets.

### (B) ADDITIONAL NOTES TO ACCOUNTS

#### 1 Disclosure required pursuant to Accounting Standards – 28 “Impairment of Assets” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-

The Company has carried out impairment test on its fixed assets as on the date of Balance Sheet and the management is of the opinion that there is no asset for which provision for impairment is required to be made as per Accounting Standard - 28 on Impairment of Assets.

#### 2 Payments to Auditors:

(Rs. In Lacs)

Particulars	2012 - 2013	2011 - 2012
Audit Fees	20.34	12.50
Taxation Matters	3.50	2.00
For Certification and Other Services	4.25	3.75
<b>Total</b>	<b>28.09</b>	<b>18.25</b>

#### 3 Directors Remuneration:

(Rs. In Lacs)

Particulars	2012 - 2013	2011 - 2012
Salary	132.00	132.00

#### 4 Disclosure required pursuant to Accounting Standards – 22 “Accounting for Taxes on Income” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-

(Rs. In Lacs)

Particulars	2012 - 2013	2011 - 2012
<b>Deferred Tax Liabilities arise during the year</b>		
Due to difference in Depreciation	88.83	61.41
Net Deferred Tax Liabilities	88.83	61.41
Balance Carried Forward to Balance Sheet	513.55	424.72
Charge to Profit and Loss Account	88.83	61.41

## Notes forming part of the Financial Statements

**5 Disclosure required pursuant to Accounting Standards – 20 “Earning Per Share” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-**

(Rs. In Lacs)

Basic & Diluted EPS	2012 - 2013	2011 - 2012
Net Profit as per Statement of Profit & Loss available for equity shareholders	7,574.29	6806.57
Weighted average number of equity shares	2,78,01,205	2,78,01,205
Basic & Diluted EPS (before and after extraordinary item)	Rs. 27.24	Rs. 24.48

**6 Disclosure required pursuant to Accounting Standards – 7 “Construction Contract” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-**

(Rs. In Lacs)

Particulars	2012 - 2013	2011 - 2012
1) Amount of contract revenue recognized as revenue in the period	95,472.13	87,925.33
2) Contract cost incurred and recognized Profits (less recognized losses) up to the reporting date.	72,923.64	71,131.69
3) Advances received from customer for contract work	27,240.10	13,078.44
4) Amount of Retention	10,674.93	5,200.27
5) Gross amount due from customer for contract work	5,119.35	7,156.43

**7 Disclosure required pursuant to Accounting Standards – 15 “Employee Benefits” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-**

The Companies defined benefit plan consists of gratuity as per the Gratuity Act, 1972. Disclosure required as per Accounting Standard 15 in respect of defined benefit plan is as under:-

(Rs. In Lacs)

Accounting Disclosures Statement	GRATUITY
Period of accounting	01-04-2012 to 31-03-2013
I. Assumptions as at	
Mortality	LIC (1994-96) Ult.
Interest / Discount Rate	8.06%
Rate of increase in compensation	15.00%
Rate of return (expected) on plan assets	9.15%
Employee Attrition Rate (Past Service (PS))	PS: 0 to 42: 30%
Expected average remaining service	2.25
II. Changes in present value of obligations	
PVO at beginning of period	102.57
Interest cost	8.87
Current Service Cost	72.44
Past Service Cost- (non vested benefits)	-
Past Service Cost -(vested benefits)	-
Benefits Paid	-
Actuarial Gain/(Loss) on obligation	(24.08)
PVO at end of period	159.80
III. Changes in fair value of plan assets	
Fair Value of Plan Assets at beginning of period	25.40
Expected Return on Plan Assets	7.75
Contributions	118.66
Benefit Paid	-
Actuarial Gain/(Loss) on plan assets	(5.34)
Fair Value of Plan Assets at end of period	146.47

## Notes forming part of the Financial Statements

IV. Fair Value of Plan Assets	
Fair Value of Plan Assets at beginning of period	25.40
Adjustment to Opening Balance	-
Actual Return on Plan Assets	2.41
Contributions	118.66
Benefit Paid	-
Fair Value of Plan Assets at end of period	146.47
Funded Status (including unrecognised past service cost)	(13.33)
Excess of actual over estimated return on Plan Assets	(5.34)
V. Experience History	31/3/2013
Gain/(Loss) on obligation due to change in Assumption	(3.19)
Experience Gain/(Loss) on obligation	(27.27)
Actuarial Gain/(Loss) on plan assets	(5.34)
VI. Actuarial Gain/(Loss) Recognized	
Actuarial Gain/(Loss) for the period (Obligation)	24.08
Actuarial Gain/(Loss) for the period (Plan Assets)	(5.34)
Total Gain/(Loss) for the period	18.74
Actuarial Gain/(Loss) recognized for the period	18.74
Unrecognized Actuarial Gain/(Loss) at end of period	-
VII. Past Service Cost Recognised	
Past Service Cost- (non vested benefits)	-
Past Service Cost -(vested benefits)	-
Average remaining future service till vesting of the benefit	-
Recognised Past service Cost- (non vested benefits)	-
Recognised Past service Cost- (vested benefits)	-
Unrecognised Past Service Cost- (non vested benefits)	-
VIII. Amounts to be recognized in the Balance Sheet and Statement of Profit & Loss	
PVO at end of period	159.80
Fair Value of Plan Assets at end of period	146.47
Funded Status	(13.33)
Unrecognized Actuarial Gain/(Loss)	-
Unrecognised Past Service Cost- non vested benefits	-
Net Asset/(Liability) recognized in the balance sheet	(13.33)
IX. Expense recognized in the Statement of Profit & Loss	
Current Service Cost	72.44
Interest cost	8.87
Past Service Cost- (non vested benefits)	-
Past Service Cost -(vested benefits)	-
Unrecognised Past Service Cost- non vested benefits	-
Expected Return on Plan Assets	(7.75)
Net Actuarial Gain/(Loss) recognized for the period	(18.74)
Expense recognized in the Statement of Profit & Loss	54.82
X. Movements in the Liability recognized in Balance Sheet	
Opening Net Liability	77.17
Adjustment to Opening Balance	-
Expenses as above	54.82
Contribution paid	(118.66)
Closing Net Liability	13.33
XI. Revised Schedule IV	
Current Liabilty	13.33
Non Current Liabilty	146.47

## Notes forming part of the Financial Statements

### 8 Working Capital Limits:

The Company has taken Working Capital Limits against hypothecation of Stock and Book Debt under consortium agreement with several banks and Bank of India is a lead member, The details of security and limit is as follows:

Particulars	Working Capital Facility
Cash Credit	Rs. 22,000 Lacs
BGLimit	Rs. 63,300 Lacs
Principal Security	a) Pari Passu first charge on Current Assets b) Non Fund Based: Margin by way of Pledge of TDR @ 5% on B.G. and 5% Cash Margin on financial guarantees.
Collateral Security	a) Pari Passu first charge by way of Legal mortgage of open plot at Thane admeasuring situated at survey no.144, H. No. Nil at village Chene, Taluka & District Thane. b) Pari Passu first charge by way of Legal mortgage of unit no.14, in Andheri Industrial Premises C.H.S. in Amboli, Andheri (w), Mumbai. Estimated at Rs. 0.71 Crores. c) Pari Passu first charge by way of hypothecation of unencumbered plant & machinery worth Rs. 3.62 Crores. d) Pari Passu first charge by way of pledge of 40 Lacs company's shares from promoter's holding. e) Exclusive charge – Pledge of TDR for Rs. 0.35 Crore.
Guarantor	Personal guarantees of Directors Jagdishkumar M. Gupta, Kamal J. Gupta, Nalin J. Gupta and Kusum J. Gupta and J. Kumar & Co.
Outstanding as on 31.03.2013	Rs. 3,602.05 Lacs

### 9 Other facilities provided by Bank

The Company has taken Working Capital & Term Loans Limits for Project Finance under consortium agreement with several banks and YES Bank is a lead member, The details of security and limit is as follows:

Particulars	Working Capital Facility
Cash Credit	Rs. 10,500 Lacs
BGLimit	Rs. 32,500 Lacs
Term Loan / LC - Buyers' Credit	Rs. 17,000 Lacs
Term Loan - ECB	Rs. 5,000 Lacs
Principal Security	a) Pari Passu first charge on Current Assets of the Project b) Pari Passu first charge on Fixed Assets of the Project present and future
Collateral Security Guarantor	a) Personal Guarantee of Promoter Directors Mr. Jagdishkumar M Gupta and Mr. Nalin J. Gupta
Term Loan as on 31.03.2013	Rs. 2,899.76 Lacs

## Notes forming part of the Financial Statements

10 Disclosure required pursuant to Accounting Standards – 18 “Related Party Disclosure” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-

Proprietary Concern	Joint Venture	Key Managerial Personnel	Relative of Key Managerial Personnel	Group Company
J. Kumar & Co.	J. Kumar Infraprojects Limited & Chirag Construction Co. (J.V.)	Jagdishkumar M. Gupta	Kusum J. Gupta	J. Kumar Software Systems (India) Private Limited
Goldline Advertiser	J. Kumar – Chirag –Babulal (Consortium)	Kamal J. Gupta	Sonal K. Gupta	J. Kumar Minerals & Mines (India) Private Limited
	J. Kumar – Chirag -Navdeep (Consortium)	Nalin J. Gupta	Shalini N. Gupta	J. Kumar Developers Limited
	J. Kumar – Chirag - JEKIN (Consortium)		Govind Dabriwal	
	J. Kumar – Chirag - API (Consortium)			
	NCC - J. Kumar J.V.			
	Ameya Developers & J. Kumar (J.V.)			
	J. Kumar - Shiva Engineering Construction			
	J. Kumar - RPS Infraprojects			
	J. Kumar - Mukesh Brothers			
	J. Kumar R.K. Indra (Consortium)			
	J. Kumar PBA J.V.			
	J. Kumar - CRTG J.V.			

Year Ended 2012 - 2013

(Rs. In Lacs)

Particulars	Proprietary Concern	Joint Venture	Key Managerial Personnel	Relative of Key Managerial Personnel	Group Company
Remuneration Paid	-	-	132.00	-	-
Rent Paid	-	-	-	-	-
Contract Revenue	-	13,940.77	-	-	-
Dividend Paid	-	-	178.29	77.23	95.41
Membership Fees paid	-	-	3.93	-	-
Profit from JV	-	214.69	-	-	-
Sub Contract given	-	-	-	311.09	-
Capital Work in Progress	-	-	-	-	5,976.30

## Notes forming part of the Financial Statements

### 11. Details of Investment purchased and redeemed during the year :-

S.N.	Name of the fund	Opening balance as on 01.04.2012		Purchased during the year		Sold during the year		Balance as on 31.03.2013	
		No. of units	Rs.	No. of units	Rs.	No. of units	Rs.	No. of units	Rs.
1	HDFC Infrastructure Fund	20,000	200,000	-	-	-	-	20,000	200,000
2	Kishan Vikas Patra	15	750,000	-	-	-	-	15	750,000
	<b>Total</b>	<b>20,015</b>	<b>950,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,015</b>	<b>950,000</b>

### 12. Quantitative Details:

The Company is engaged in the business of Construction Contract. Such activity cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of Sales and the information as required under revised schedule VI of the Companies Act, 1956.

### 13. Disclosure required pursuant to Accounting Standards – 27 “Financial Reporting of Interest in Joint Venture” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-

S. No.	Name of the Joint Venture	Name of the Venture Partner	Proportion of our interest in JV	Country of Incorporation
1.	J. Kumar - Mukesh Brothers J.V.	M/s Mukesh Brothers	80%	India
2.	J. Kumar Infraprojects Limited & Chirag Construction Co. (J.V.)	M/s Chirag Construction Company	55%	India
3.	J. Kumar – Chirag - Babulal (Consortium)	M/s Babulal Uttamchand & Co. M/s Chirag Construction Company	51%	India
4.	J. Kumar – Chirag - Navdeep (Consortium)	M/s Navdeep Construction Company M/s Chirag Construction Company	51%	India
5.	J. Kumar – Chirag - API (Consortium)	M/s API Construction M/s Chirag Construction Company	51%	India
6.	J. Kumar – Chirag - JEKIN (Consortium)	M/s JKIN Enterprise M/s Chirag Construction Company	51%	India
7.	J. Kumar - RPS J.V.	M/s RPS Infraprojects Private Limited	51%	India
8.	NCC - J. Kumar J.V.	M/s NCC Ltd	50%	India
9.	Ameya J. Kumar Construction (J.V.)	M/s Ameya Developers Pvt. Ltd	50%	India
10.	J. Kumar-Shiva Engineering	M/s Shiva Engineering Construction	50%	India
11.	J. Kumar PBA J.V.	M/s PBA Infrastructure Limited	50%	India
12.	J. Kumar R.K. Indra (Consortium)	M/s Indra Construction Co. M/s Ramesh Kumar & Co.	50%	India
13.	J. Kumar - CRTG J.V.	China Railway No. 3 Group Co. Ltd.	76%	India

In our opinion and according to the information and explanation given to us, contract which has been awarded in the name of Joint Venture were executed by the joint venture. The company neither deploys any of its assets nor it incurs any liabilities, it books only its share of profit as per JV agreements between the venture partners.

### 14 In the opinion of the Management, the balance shown under Sundry Debtors and Loans & Advances have approximately the same realizable value as shown in accounts.

## Notes forming part of the Financial Statements

15 During the FY 2012-13, the company has transferred Rs. 757.43 lacs from Statement of Profit and Loss to General Reserve to comply with the provision under section 205(2) of the Companies Act 1956.

**16 Micro & Small Enterprises:**

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

**17 Disclosure required pursuant to Accounting Standards – 19 “Accounting for Leases” prescribed by Companies (Accounting Standards) Rules, 2006 is as follows:-**

The Company has taken various residential premises under cancellable operating leases.

**Operating Lease Payment:**

Lease rental expense in respect of operating leases: Rs. 163.18 Lacs (P.Y. Rs. 169.34 Lacs)

**Operating Lease Receivables:**

Lease rental income in respect of operating lease: Rs. 94.58 Lacs (P.Y. Rs. 69.14 Lacs)

18 The company’s operations predominantly consist of construction activities. Hence there are no reportable segments under Accounting Standard-17 “Segment Reporting” during the year under report, the company has engaged in its business only within India and not in any other country. The condition prevailing in India being uniform, no separate geographical disclosures are considered necessary.

19 The Company is maintaining accounts in ERP (Farvision) system.

20 Figures of previous year have been regrouped / rearranged wherever necessary. All figures have been given in Rupess in lakhs.

21 Value of Imports calculated on CIF basis: 4,455.45 Lacs (P.Y. 224.25 Lacs)

**22 Forward Cover Contracts (Disclosure as required by AS - 11 The Effect of changes in Foreign Exchange Rates) :**

The company has used forward cover contracts to hedge its exposure to the movements in foreign currency exchange rates. Such forward covers are used to reduce the risk which may result from foreign rates fluctuations, and is not used by the company for trading or speculation purposes.

Buyers' Credit is not hedged by the Company as its exposure to the movements in foreign currency exchange rates is adjusted against inflows.

**23. Expenditure in Foreign Currency:**

**(Rs. In Lacs)**

Particulars	2012-13	2011-12
Import of Machinery	4,286.26	193.99
Import of Stores and Spares	169.19	30.26
Foreign Travel	18.19	7.96
Professional/ Consultancy Fees	48.82	31.95
Interest	457.04	50.21
<b>Total</b>	<b>4,979.50</b>	<b>314.37</b>

As per our report of even date

**For Gupta Saharia & Co.**

Chartered Accountants

Firm Reg. No.103446W

**Pawan Gupta**

Partner

Membership No. : 071471

Place : Mumbai

Date : 29<sup>th</sup> May, 2013

**Poornima Reddy**

Company Secretary

For and on behalf of the Board of Directors of

**J. Kumar Infraprojects Limited**

**Jagdishkumar M. Gupta**

Chairman cum Managing Director

**Nalin J. Gupta**

Executive Director



Dear Shareholders,

Sub: - Notice to Shareholders

Pursuant to Section 205A and 205C of the Companies Act, 1956, the dividend amounts remaining unpaid or unclaimed for a period of seven years from the date they become due for payment will be transferred to the credit of the Investor Education and Protection Fund established by the Central Government. Thereafter no claim shall lie against the Fund or the Company in respect of amount so transferred.

In case you have not claimed any dividends of previous years, please arrange to send a letter duly signed by all the shareholder/s quoting your Folio No/DP ID CL ID to our Registrars: Karvy Computershare Private Limited., Unit : J.Kumar Infracore Limited, Plot No 17 to 24, Vithalrao Nagar, Madhapur, Hyderabad 500081.

The Company has designated an exclusive email id i.e investor.grievances@jkumar.com to enable investors to register their grievances. All the investors are request to avail of this facility.

Please inform us your PAN and e-mail id to update our records.

Poornima Reddy  
Company Secretary

Place : Mumbai  
Date: 29<sup>th</sup> May, 2013







## J. KUMAR INFRAPROJECTS LIMITED

Regd. Off.: 16 A, Andheri Industrial Estate, Veera Desai Road, Andheri (W), Mumbai – 400 053

### FORM OF PROXY

Regd. Folio No. : ..... No. of shares : .....  
\*DPID No. : ..... \*Client ID No. : .....

I / We ..... of ..... being a member of J. Kumar Infraprojects Limited do hereby appoint ..... of ..... or failing him / her ..... of ..... or failing him / her ..... of ..... as my / our Proxy to attend and vote for me / us, on my / our behalf at the 14<sup>th</sup> Annual General Meeting of the members of the Company to be held on ..... and / or at any adjournment thereof.

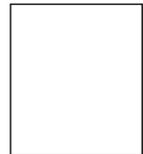
\*\* I / We direct my / our proxy to vote on the resolution(s) in the manner as indicated below:

SR. No.	Resolutions	For	Against
1	Adoption of Balance sheet as at March 31, 2013 and Statement of Profit & Loss Account for the year ended on that date together with the reports of the Board of Directors and the Auditors thereon.		
2	Declare Dividend		
3	Reappointment of Mr. Kamal J Gupta		
4	Reappointment of Mr. Nalin J Gupta		
5	Appointment of M/s. Gupta Saharia & Co Chartered Accountants as Statutory Auditors of the Company		

Signed this ..... day of ..... 2013

#### NOTES:

1. Revenue stamp of not less than 15 paise must be affixed on the form.
2. The form should be signed across the stamp as per specimen signature registered with the company.
3. The proxy form should be deposited at least 48 hours before the commencement of the meeting at the registered office of the company.
4. A proxy need not be a member of the company.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
6. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
7. In case a member wishes his/her votes to be used differently, he /she should indicate the number of shares under the column "For" or "Against" as appropriate.



Signature of Member

\* Applicable for the members holding shares in electronic form.

\*\* This is optional. Please put a tick mark (P) in the appropriate column against the Resolutions indicated in the Box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate.



## J. KUMAR INFRAPROJECTS LIMITED

Regd. Off.: 16 A, Andheri Industrial Estate, Veera Desai Road, Andheri (W), Mumbai – 400 053

### ATTENDANCE SLIP

Name of the Shareholder : ..... \*DPID No. : .....  
Regd. Folio No.: ..... \*Client ID No. ....  
No. of shares held : .....

**Note:** Shareholder / Proxy must hand over the duly signed attending slip at the venue.

\* Applicable for the members holding shares in electronic form.

Signature of the Shareholder /Proxy



## Financial Highlights

Rs. in Laacs

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
A. Revenue From Operations (Net)	100,068.09	93,155.47	94,918.79	76,423.97	40,646.07	21,424.26	11,265.61	2,266.99
B. Other Income	885.37	672.59	708.59	587.44	715.33	278.07	70.39	36.29
Total Income (A+B)	100,953.46	93,828.05	95,627.38	77,011.40	41,361.40	21,702.33	11,336.00	2,303.28
Growth %	7.59%	(1.88%)	24.17%	86.19%	90.59%	91.45%	392.17%	659%
Total Expenditure	83,330.54	78,159.95	80,574.66	63,574.25	34,606.70	17,534.99	9,590.93	2,069.16
Profit Before Depreciation, Finance Cost and Tax Expense (PBDIT)	17,622.92	15,668.10	15,052.72	13,437.15	6,754.70	4,167.34	1,745.06	234.12
Depreciation	2,441.06	1,888.29	1,585.11	1,446.87	1,067.11	609.17	300.15	83.61
Profit Before Interest and Tax (PBIT)	15,181.86	13,779.81	13,467.61	11,990.29	5,687.59	3,558.18	1,444.91	150.51
Interest	4,063.75	3,661.84	2,771.27	1,480.75	798.23	599.69	228.97	39.76
Profit Before tax (PBT)	11,118.11	10,117.97	10,696.34	10,509.53	4,889.36	2,958.49	1,215.94	110.75
Tax Expenses (Income Tax / FBT / Deferred Tax)	3,543.83	3,311.41	3,304.76	3,512.76	1,596.59	1,008.80	415.12	38.28
Profit for the Year (PAT)	7,574.29	6,806.57	7,391.58	6,996.78	3,292.77	1,949.68	800.82	72.47
Equity Share Capital	2,780.12	2,780.12	2,780.12	2,780.12	2,072.44	2,072.44	1,249.54	1,249.54
Net Worth * (Equity Shareholders Fund)	50,169.15	43,638.60	37,471.89	30,682.44	14,608.92	11,706.66	2,137.14	1,322.47
Long Term Borrowings	8,590.85	4,742.85	2,430.63	5,462.53	4,850.78	3,826.14	2,644.51	1,151.04
Short Term Borrowings	12,442.94	11,226.38	14,308.99	189.12	-	-	10.00	10.00
Total Borrowings	21,033.79	15,969.23	16,739.62	5,651.65	4,850.78	3,826.14	2,654.51	1,161.04
Capital Employed (Net Worth + Total Borrowings)	71,202.94	59,607.83	54,211.51	36,334.09	19,459.70	15,532.80	4,791.65	2,483.51

## Key Indicators

	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07	2005-06
Debt Equity Ratio	0.42 : 1	0.37 : 1	0.45 : 1	0.18 : 1	0.33 : 1	0.33 : 1	1.24 : 1	0.88 : 1
Book Value per Equity Share (Rs.)	180.46	156.97	134.79	110.36	70.49	56.49	17.10	10.58
Earning per Equity Share (Rs.)	27.24	24.48	26.59	29.04	15.89	9.41	6.41	0.58
Equity Dividend %	35.00%	22.50%	22.50%	22.50%	20%	15%	-	-
PBDIT / Turnover %	17.61%	16.82%	15.86%	17.58%	16.62%	19.45%	15.49%	10.33%
PBT Margin %	11.11%	10.86%	11.27%	13.75%	12.03%	13.81%	10.79%	4.89%
Net Profit Margin %	7.57%	7.31%	7.79%	9.16%	8.10%	9.10%	7.11%	3.20%
Return on Equity Shareholder Fund%	15.10%	15.60%	19.73%	22.80%	22.54%	16.65%	37.47%	5.48%
Return on Equity Shareholder Capital%	272.44%	244.83%	265.87%	251.67%	158.88%	94.08%	64.09%	5.80%
Return on Capital Employed% **	21.32%	23.12%	24.84%	33.00%	29.23%	22.91%	30.15%	6.06%

\* After adjustment of Miscellaneous Expenditure to the extent not written off.

\*\*Profit Before Interest and Taxes (PBIT) is considered as Return for ROCE.

## Celebration



## MACHINERY



**Boom Placer**



**Crusher Plant**



**Paver Machine**



**Vibro Roller**

# MACHINERY



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