



KCL INFRA PROJECTS LIMITED

**16th ANNUAL REPORT
2010-2011**



Board of Directors:

Mr. Mohan Jhawar	Director
Mrs. Alka Soni	Director
Mr. Naval Saraf	Director
Mr. Anurag Inani	Director
Mr. Siddharth Maheshwari	Additional Director

Auditors:

M/s Mahesh C. Solanki & Co.
Chartered Accountants
119, Bansi Trade Centre
581/5, M.G. Road
Indore- 400601

Registered Office :

C-11, Rinka Park,
Geeta Nagar, Bhayandar (West)
Thane-401101

Registrar and Share Transfer Agent:

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

INDEX

Contents :	Page Nos.
Notice	1-4
Director's Report	5-7
Managements Discussion & Analysis	8-11
Report on Corporate Governance	12-21
Auditors Report	22-24
Balance Sheet	25
Profit & Loss Account	26
Cash Flow Statement	27
Schedules & Notes to Accounts	28-34
Balance Sheet Abstract	35



KCL Infra Projects Limited

Registered Office : C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101

NOTICE

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Sixteenth Annual General Meeting of the members of **KCL INFRA PROJECTS LIMITED** will be held on Friday, the 30th September, 2011 at 2:30 P.M. at the registered office of the Company situated at C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane-401101 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. Mr. Anurag Innani, Independent Director who is liable to retire by rotation at this meeting has expressed his inability for re-appointment due to his ever increasing personal engagements. Accordingly he will continue as Director of the Company till the Annual General Meeting and no appointment is proposed hereof.
3. **To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:**
"RESOLVED THAT pursuant to section 224 of the Companies Act, 1956, M/s. Mahesh C. Solanki & Co., Chartered Accountants (Registration No.006228C), the retiring Auditors of the Company, be and hereby re-appointed as Auditors of the Company to hold office from conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Board of Directors."

SPECIAL BUSINESS:

4. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**
"RESOLVED THAT Mr. Siddharth Maheshwari who was appointed as an Additional Director of the Company by the Board of Directors, who holds office under Section 260 of the Companies Act, 1956, up to the date of ensuing Annual General Meeting and in respect of whom the company has received a notice in writing proposing his candidature for the office of director, be and is hereby appointed as a director of the company, liable to retire by rotation."
5. **To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**
"RESOLVED THAT pursuant to provisions of section 269 read with Schedule XIII of the Companies Act, 1956 and subject to provisions of Section 198, 309, 310 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), approval of the members of the Company be and is hereby accorded to the appointment of Mr. Mohan Jhavar, R/o 36, Mangalam Building, 5-B, Old Palasia, Indore, 452001, Madhya Pradesh as the Managing Director of the Company for a period of Three years with effect from 1st October, 2011 on the following terms and conditions :
 1. He shall be paid remuneration by way of salary, Dearness allowance, other allowances, perquisites, etc. as per the rules of the Company subject to a ceiling of Rs. 1,25,000 per month.
 2. He shall also be provided Car, telephone and mobile from the Company for official use and whose expenses, bills will be paid / reimbursed by the Company.
 3. The company shall pay / reimburse Club fees for two clubs and all actual entertainment expenses at the club reasonably incurred for the purpose of the Company.
 4. He shall be entitled to avail leave in accordance with the policies applicable to management staff of the Company and shall be entitled to encashment of leave standing to his credit as per policies of the Company applicable to Management staff.
 5. He shall also be a beneficiary of the Group Medical insurance and the Personal Accident Insurance policies taken by the Company for the Management Staff of the Company.
 6. He shall not be eligible to receive sitting fees for attending meetings of the Board of Directors or any Committee thereof.



7. He shall act in accordance with the guidance, directions and superintendence of the Board of Directors of the Company.
8. He shall exercise substantial or the whole of the substantial powers of management in the day to day affairs of the Company.
9. He shall be entitled to appoint employees and other staff whose salary does not exceed Rs. 35,000/- per month.

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits during the tenure of service of the Managing Director, the payment of salary, commission, perquisites and other allowances shall be governed by the limits prescribed under Section II of Part II of Schedule XIII to the Companies Act, 1956."

"RESOLVED FURTHER THAT pursuant to the Articles of Association of the Company, Mr. Mohan Jhavar shall not be liable to retire by rotation"

"RESOLVED FURTHER THAT Mrs. Alka Soni, Director of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY (IES) NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. **Explanatory statement pursuant to Section 173 (2) of the Companies Act, 1956, relating to special Business is annexed hereto.**
3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September, 2011 to Friday, 30th September, 2011 (both days inclusive).
4. Members/proxies are requested to:
 - i) Quote their folio numbers in all their correspondence.
 - ii) Bring their copies of Annual Report, Notice and Attendance Slips duly completed and signed at the meeting.
 - iii) Deliver duly completed and signed attendance slips at the entrance of the meeting venue as entry to the meeting hall will be strictly on the basis of the entry slip at the counter of the venue.
5. Members desiring any information as regards the Accounts are requested to write to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
6. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring Directors and appointment of Directors, a statement of the details of the concerned directors is attached hereto.
7. Members are requested to notify immediately any change of address:
 - i) To their Depository Participant (DP) in respect of shares held in dematerialized form, and
 - ii) To the company at its Registered Office or to its Registrar in respect of their physical shares, if any, quoting their folio number.
8. Members holding shares in identical order of names in more than one folio are requested to write to the Company's Registrar & Share Transfer Agents enclosing their share certificate to enable them to consolidate their holding in one folio.
9. Members are requested to furnish their Permanent Account Number, Bank Account particulars (viz., Account number, Name & Branch of the bank and the MICR Code), change of address etc. to the Registrar & Share Transfer Agent in respect of shares held in physical form. In case of shares



held in electronic form, these details should be furnished to respective Depository Participants. Members are to be requested to note that submission of Permanent Account Number is mandatory (except in case of non-residents) and non-compliance of the same attracts penal consequence under provision of the Income-tax Act, 1961.

10. Members desirous of getting any information on any items of the business of this meeting are requested to address their queries to Mr. Mohan Jhawar, Director of the company at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.

IMPORTANT COMMUNICATION TO MEMBERS

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

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

1. Mr. Mohan Jhawar: (proposed to be appointed as Managing Director)

Name of Director	:	Mr. Mohan Jhawar
Date of Birth	:	30/08/1967
Date of appointment	:	06/10/2005
Expertise in specific functional areas	:	Accounts, audit and finance
Qualification	:	Fellow member of the Institute of Chartered Accountants of India
Directorship in other Public Companies (other than Foreign Companies)	:	KCL Stock Broking Ltd.
Shareholding in the Company	:	31,500 (0.12%)

2. Mr. Siddharth Maheshwari:

Name of Director	:	Mr. Siddharth Maheshwari
Date of Birth	:	29/06/1986
Date of appointment	:	28/06/2011
Expertise in specific functional areas	:	Accounts, audit and finance
Qualification	:	B.Com, CA PCC
Directorship in other Public Companies (other than Foreign Companies)	:	KCL Stock Broking Ltd. KCL Realities Ltd.
Shareholding in the Company	:	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

For Item No. 4:

Mr. Siddharth Maheshwari was appointed as an Additional Director of the Company with effect from 28th June, 2011 pursuant to Section 260 of the Companies Act, 1956. The Company has received a notice in writing from a member along with the required deposit, proposing the candidature of Mr. Siddharth



Maheshwari for the office of Director under the provisions of Section 257 of the Companies Act, 1956. A brief profile of Mr. Siddharth Maheshwari is given hereto under the head "additional information".

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

Mr. Siddharth Maheshwari shall be deemed to be interested in the above resolution to the extent of his appointment.

For Item No. 5:

Mr. Mohan Jhavar has been appointed as a Director of the company with effect from 6th October, 2005. He is related to promoter of the Company. From the year 2005, due to the dedicated efforts of Mr. Mohan Jhavar there has been significant changes in the Company like raising of funds through re-issue of forfeited shares, entering into the business of dealing in shares, securities and derivatives, etc.. He is also striving hard to find lucrative business operations in construction and infrastructure segment. Now also, he is devoting his full time to diversify the business of the Company in entertainment and media sector. Looking to his wholehearted contribution for the growth and development of the company, the Board of Directors of the Company proposes to appoint him as the Managing Director of the Company. Mr. Mohan Jhavar is a fellow member of the Institute of Chartered Accountants of India and is having about 21 years of vast experience in securities market, accounts, finance and other business intricacies. The said appointment is proposed to be effective from 1st October, 2011 for a period of Three years on the terms and conditions as set out in the resolution. The Remuneration Committee of the Board of Directors has also given approval for the said appointment and for the remunerations to be paid to him. The remunerations proposed in the resolution is in accordance with the provisions of Section II(A) of Part II of Schedule XIII to the Companies act, 1956 and the said appointment does not require the approval of Central Government.

The Board of Directors therefore recommend to appoint Mr. Mohan Jhavar as the Managing Director of the Company and recommend to pass the resolution set out at item no. 5 of the Notice as an Ordinary Resolution.

None of the Directors, except Mr. Mohan Jhavar, being promoter of the Company, is concerned or interested in the resolution.

By order of the Board of Directors
For KCL Infra Projects Ltd.

Place: Thane
Date: 30/08/2011

Sd/-
Alka Soni
(Director)

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 16th Annual Report along with the Audited Annual Accounts for the year ended 31st March 2011.

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

Particulars	Year ended 31/03/2011	Year ended 31/03/2010
Income / Turnover	13872.01	6558.75
Total Expenditure (excluding Depreciation)	13846.45	6534.78
Profit/ Loss before Interest, Depreciation & tax	25.56	23.96
Interest and other finance charges	0.36	0.46
Depreciation	3.00	2.77
Profit/(Loss) before tax	22.20	20.73
Provision for taxation/Deferred tax	6.82	5.92
Profit/Loss after tax	15.38	14.81

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

CHANGE IN REGISTERED OFFICE ADDRESS:

The registered office of the company has been changed from B-3, 204, Saket Complex, Thane (West) Mumbai to C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane, Mumbai with effect from 15th day of January 2011.

CHANGE IN THE CAPITAL STRUCTURE OF THE COMPANY:

During the period under the review, the Company has allotted 1,080,000 equity shares on preferential basis after taking the approval of Members in Extraordinary General Meeting held on 25th day of March, 2011.

Company has already received the In Principal approval and has applied for Listing and Trading approval.

DIVIDEND:

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

PUBLIC DEPOSITS:

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

DIRECTORS:

Mr. Anurag Innani retires by rotation at the ensuing Annual General Meeting and showed his unwillingness for re-appointment as Director of the Company.

Mr. Sashant Nyati has resigned from the Directorship of the Company w.e.f. 28th June, 2011. The Board expresses its gratitude to the outgoing director for his services to the company during his tenure.

Mr. Siddharth Maheshwari was appointed as an additional Director with effect from June 28, 2011. He holds office of the Director upto the date of the ensuing Annual General Meeting.

The Board of Directors proposes to appoint Mr. Mohan Jhavar as the Managing Director of the Company w.e.f 1st October, 2011 and seeks the approval of members in the forthcoming Annual General Meeting.



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

AUDITOR'S & AUDIT REPORT:

The statutory auditors of the company, M/s. Mahesh C. Solanki & Co., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment / reappointment within the meaning of Section 226 of the said Act.

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts for financial year ended 31st March, 2011 the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any.
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company as at the end of the financial year and the profit of the Company for that period.
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) The Directors have prepared the annual accounts for the year ended 31st March 2011 on a going concern basis.

GREEN INITIATIVE:

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

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

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

CORPORATE GOVERNANCE:

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

LISTING AT STOCK EXCHANGES:

The equity shares of the company continue to be listed at Bombay Stock Exchange Ltd. (BSE) and Delhi Stock Exchange Association Ltd., Delhi. The Company has paid the annual Listing fee for the financial year 2011-12 to Bombay Stock Exchange Ltd. and the Delhi Stock Exchange Association Ltd.

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

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



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

PARTICULARS OF EMPLOYEES:

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

AUDIT COMMITTEE:

As per the provisions of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit Committee comprised of two Independent Directors viz. Mr. Sashant Nyati and Mr. Naval Saraf and third one Mr. Mohan Jhavar being promoter non-executive Director. Mr. Sashant Nyati was the Chairman of the Committee. On resignation of Mr. Sashant Nyati from the Directorship of the Company with effect from 28th June, 2011, the Board has reconstituted the Audit Committee thereby appointing Mr. Siddharth Maheshwari as the member and Chairman of the Committee in the vacancy caused by the resignation of Mr. Sashant Nyati. Mr. Sashant Nyati, Chairman of the Audit Committee was present at the Fifteenth Annual General Meeting.

ACKNOWLEDGEMENT:

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

For and on behalf of the Board

Place: Thane
Date: 30/08/2011

Sd/-	Sd/-
Mohan Jhavar	Alka Soni
(Director)	(Director)

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

The year 2010 started on an optimistic note with the global economy gradually stabilising, Improving private demand in developed economies and robust overall demand in emerging market economies helped the global economy to come back on the growth track. Global Economy grew by 4-1/2 percent in 2010. Economic uncertainty and rising public indebtedness looms large over most of the developed world. The health of Private Sector has consistently improved over the recent quarters even as the public sector continues to be weighed down by debt in many mature markets. High unemployment in the developed economies, geopolitical uncertainty in certain regions and rising food and commodity prices are the challenges the might weaken the economic growth.

A sequenced and gradual withdrawal of the monetary accommodation is helping contain inflationary pressures. Inflation which remained elevated levels for a large part of the current fiscal was largely driven by food items, though the goods that were inflating at the start of the fiscal year were different from the goods for which prices are rising now. Notwithstanding the tightening money markets and moderate growth in deposits, the financial situation remained orderly with a pickup in credit growth, vibrant equity market and stable foreign exchange market.

Indian economy has been thriving on its strong fundamentals led primarily by domestic demand, well diversified mature segments like industry, agriculture, services, well regulated financial sector and capital markets, promising demography of young and skilled population and sizeable and prospering middle class. Riding on these very fundamentals and supported by a favourable south-west monsoon, Indian economy posted strong recovery in the financial year 2010-11. Revised estimates of Central Statistical Office have estimated the Indian economy to have grown by 8.5% in FY 2011. According to the United Nations Conference on Trade and Development, India ranked third among global Foreign Direct Investment destinations in 2009.

B. CONSTRUCTION AND INFRASTRUCTURE SECTOR IN INDIA:

The growth in construction and infrastructure sector is closely linked to the socio-economic development of geographic regions. For India, construction and infrastructure development form the backbone of its progress and economic development. This sector is the second largest employer after agriculture.

With the rapid economic advancement of India over the recent years, its construction and infrastructure sector too has grown at a healthy rate between the years 2000 to 2007. Global economic and liquidity crisis of 2008, though did impact the growth of this sector across the globe including India. The sector appears to have undergone a decisive learning curve during 2008 and 2009. With the Indian economy rebounding with a GDP growth of 7.4% in 2009-10 and following it with an even improved growth of 8.5% in 2010-11, construction and infrastructure activities in India too appear to have come back on growth track which is evident from increasing demand in housing segments, preference of public towards mall culture, entertainment sources like theaters, game zones, etc.

C. CAPITAL MARKETS IN INDIA:

Domestic capital markets performed well in 2010, primary markets financing reached record levels, including the largest-ever initial public offering (IPO) (for Coal India), while secondary markets reached new highs. Record foreign inflows helped the market. Pensions and insurance gained, with life insurance premium growing nearly 26 per cent and penetration doubling to 5.4 per cent of GDP in 2009 from 2.3 per cent in 2000 when insurance reforms started. Looking to the future, the twin challenges are to continue this progress on gradual financial reform and to modernize regulations and institutions to ensure its continued safety and stability.



The capital markets exhibited buoyancy during 2010 as the markets recovered and gained strength against the backdrop of a distinct improvement in the risk appetite of investors leading to a sharp rise in international capital flows to emerging markets including India.

The year 2010 has been one of strong growth for the Indian capital markets. Bulls tossed off the markets in the year 2010 to a net gain of 18 %, following global recovery and with FIIs pumping money in to the market on account of solid domestic growth coupled with a resurging corporate sector. Indices achieved record highs during the special one-hour muhurat trading on 5th November 2010 with the Sensex touching 21004 and Nifty 6312. As on 31 December 2010, the markets stand just 3 per cent away from this all time peak and closed at 20509 (+ 17.43 % from 31st December 2009 for the Sensex) and 6134 (+ 17.95 % for Nifty).

Indian markets have been making gains for eight quarters in a row, their longest winning run in at least 20 years. While 2009 was basically a year of recovery from the crisis, year of 2008 & 2010 was one of consolidation of gains.

Primary Market

The year 2010-11 has seen the Indian capital market put the worst behind and move towards strong growth with the number of companies being listed increasing and also the mean IPO size increasing as compared to 2009. The amount of capital mobilised through private placements in 2010-11 has reduced as compared to 2009-10.

Secondary Market

As on 31 December 2010, Indian benchmark indices, the BSE Sensex and Nifty, increased by 17.0 % and 17.9 % respectively over the closing value of 2009-10. Nifty Junior and BSE 500 also increased by 17.8 % and 15.1 % respectively over their values in the previous financial year. The free float market capitalization of Nifty, the Sensex, Nifty Junior, and BSE 500 stood at Rs. 18,27,097 crores, Rs. 16,32,236 crores, Rs. 3,37,573 crores, and Rs. 29,52,135 crores respectively, showing an increase of 19.8 %, 22.8 %, 15.5 % and 20.8 % respectively over their values in financial year 2009-10.

The price to earnings (P/E) ratios of Nifty, the Sensex, Nifty Junior, and BSE 500 as on 31st December 2010 were 24.5, 23.6, 17.6 and 21.4 respectively, indicating an increase of 10.1 %, 10.5 %, 11.6 % and 4.5 % respectively over their 2009-10 values.

Equity Derivatives

In the equity derivative segment, the NSE witnessed an increase in the total turnover while the BSE witnessed a fall in the total turnover.

Reasons for Market Movements

- Markets are riding on the strong health of the Indian corporate sector.
- Historically low yields in developed markets due to accommodative monetary policies and weak economic prospects have pushed FII inflows to emerging markets to record highs.
- The primary market got a new lease of life this calendar year with Indian companies raising Rs. 69,192 crores through IPOs and FPOs.
- Global recovery also resulted in an upsurge in the markets, boosting sentiments across the globe.
- Globally, leaders are striving to keep the pace of growth intact.

D. REVIEW OF COMPANY'S BUSINESS OPERATIONS:

KCL Infra Projects Limited is a Company operating in two segments – one is construction and infrastructure development segment and the other is the dealing in shares, securities and derivatives segment. During the years 2006 to 2010, the Company could not find any significant business opportunity in construction and infrastructure segment. However, from the financial year 2010-11, the company is striving hard to find various growth opportunities in construction and infrastructure segment and during the year 2010-11, the company has earned a turnover of about Rs. 468.50 Lacs from this segment.



The Company has done the major business in another segment of It i.e. dealing in shares, securities and derivatives. The turnover of the Company in this segment accounted for about Rs. 13,388.63 Lacs during the year 2010-11.

Financial year 2010-11 proved to be a year of growth for the Company. The total turnover of the Company was Rs. 13,857.13 Lacs as compared to the turnover of Rs. 6,529.97 Lacs of the previous year 2009-10 showing an increase of about 112.21%. Similarly the net profit of the Company during the year 2010-11 was Rs. 15.39 Lacs as compared to the net profit of Rs. 14.80 Lacs of the previous year 2009-10 showing an increase of about 3.93%.

The Company has also taken steps to diversify its business and made survey of entertainment and media sector and finding the said business lucrative, in the initial stage the Company has decided to act as distributor of movies, Television serials, walkthroughs, etc. In order to enable the Company to enter into entertainment and media sector, the Company has proposed the approval of its members in the forthcoming Sixteenth Annual General Meeting for alteration of main objects clause of the Memorandum of Association of the company. After getting the approval of members, the company will embark upon this new business.

E. OPPORTUNITIES:

A vibrant economy, better employment prospects, improving salary structure, improving sentiments among potential buyers, potential for increasing urbanisation and favourable demographics form the key growth drivers for the construction and infrastructure and also the overall growth of the companies in all sectors thereby enabling the share prices of such companies to improve further. In the range of 8-9% India's GDP growth continues to be amongst world's fastest. The economic growth is visible, with hiring plans increasing across various industries, rising salaries and improving economic sentiment. Several service sectors are also witnessing a revival, with the IT/ITES sector which accounts for about 50-70% of demand in India's construction sector, ramping up hiring plans and raising salaries.

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

The capital market is also witnessing an increasing trend in view of strong fundamentals and economic indicators of India.

F. THREATS:

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

Key risks synonymous to the construction and infrastructure sector include the global recessionary trend, economic slowdown, increase in financial cost, non-availability (or undue increase in cost) of raw materials such as land, cement, steel, labour, etc. coupled with market fluctuations.

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

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

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



The Capital market is highly volatile and does not depend upon domestic economic scenario but it depends upon global economic scenario, FII inflows, statutory rules and regulations, etc.

G. RISKS AND CONCERNS:

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

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

H. OUTLOOK:

Having witnessed a visible revival in demand and return of consumer confidence during financial year 2011, the construction and infrastructure sector appears to continue its momentum, going forward. A vast majority of incremental development of infrastructure is expected to appear in Tier II cities in the coming years. In order to truly emerge as a leading global economy, India's civic and social infrastructure would need to develop fast. Overall, the outlook for construction and infrastructure activities in India is slated to be promising. Though downside risks of global events, particularly movement in prices of commodities like crude oil, remain, the Indian economy is poised to further improve and consolidate in terms of key macroeconomic indicators and KCL expects to reap rich dividends from this ongoing growth phase in India.

I. INTERNAL CONTROL MECHANISM:

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

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

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

J. HUMAN RESOURCE DEVELOPMENT:

KCL believes that human capital and intelligence are critical to its growth and development. The Company and its management allocates significant focus on providing an open and equitable work environment to employees. The Company strives to align its business objectives with those of employees and deploys a slew of HR measures towards achieving this goal.

Employees at KCL work in a congenial and productive work environment that fosters the culture of mutual respect, collaborative working and openness in communication. The company had 9 employees as on March 31, 2011. The Company has also association with various professionals who work in association and co-ordination with the employees of the Company.

K. CAUTIONARY STATEMENT:

Annual Report constituting Directors' Report, Corporate Governance Report and other parts including this Management Discussion and Analysis dealing with the Company's objectives, present position and expectations are based on certain estimates, projections, personal wisdom and bias, etc. And such estimates, projections and forward looking statements lie within the ambit and meaning of applicable laws including securities law and regulations. Actual results could differ materially from those expressed or implied, depending upon global and Indian scenario. The Board of Directors presents in the Annual Report an analysis of performance of the company for the year 2010-11 and its outlook for the future. This outlook is based on the assessment of the current business environment and government policies. The changes in economy, related sectors and other development are likely to cause variation, adverse or favourable, in this outlook.



CORPORATE GOVERNANCE REPORT

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

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance is aimed at the efficient conduct of its business and in meeting its obligation to shareholders. The company has adopted a codified Corporate Governance Charter, inter alia, to fulfill its corporate responsibilities and achieve its financial objectives.

The company believes in and has consistently practiced good Corporate Governance. The company creates an environment for the efficient conduct of the Business and to enable management to meet its obligations to all its stakeholders, including amongst others, shareholders, customers, employees and the community in which the company operates along with fulfillment of its objectives.

2. BOARD OF DIRECTORS:

A. Composition:

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

Particulars of Directors	Category
Mr. Mohan Jhavar	Promoter and Non-Executive Director
Mrs. Alka Soni	Promoter and Non-Executive Director
Mr. Naval Saraf	Non-Executive and Independent Director
Mr. Siddharth Maheshwari	Additional & Independent Director
Mr. Anurag Innani	Independent Director

All the Directors are liable to retire by rotation. The Chairman of the Board is not an executive Director. There is no institutional or nominee or Government Director on the Board.

Mr. Sashant Nyati acted as a Director of the Company upto 28th June, 2011.

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

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

B. Board Procedure:

During the financial year 2010-11, Eight meetings of the Board of Directors were held on 29.05.2010, 12.07.2010, 12.08.2010, 01.09.2010, 13.11.2010, 15.01.2011, 14.02.2011 and 22.02.2011.



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

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

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

The details of the Board of Directors, their position, attendance record for the financial year ended 31st March, 2011 and other Directorships (*excluding alternate directorships, directorships in private limited companies and foreign companies*) and the membership of Board Committees other than your Company has been given as follows:

Name of Director	Position	No. of Board meetings held	No. Of Board meetings attended	At-tend-ance at the last AGM	Member of other Board Committees		No. of other Director-ships in other Boards excluding private companies
					Mem-b-ership	Chairm-anship	
Mr. Mohan Jhawar	NED	8	8	Yes	—	—	1
Mrs. Alka Soni	NED	8	8	Yes	—	—	-
Mr. Sashant Nyati*	ID	8	8	Yes	—	—	-
Mr. Naval Saraf	ID	8	8	Yes	—	—	-
Mr. Anurag Innani	ID	8	7	Yes	—	—	—
Mr. Siddharth Maheshwari**	ID	—	—	—	—	—	2

NED – Non-executive Director

ID - Independent Director

* Mr. Sashant Nyati has resigned from the directorship of the Company w.e.f. 28/06/2011.

** Mr. Siddharth Maheshwari has been appointed as an Additional Director of the Company at the Board Meeting held on 28/06/2011.

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

Shareholdings of Non-executive Directors as on March 31, 2011 are as under:

Name	No. of Ordinary shares held	% of Paid-up Capital
Mr. Mohan Jhawar	31,500	0.12
Mrs. Alka Soni	-	-
Mr. Naval Saraf	-	-
Mr. Sashant Nayati	-	-
Mr. Anurag Innani	-	-

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

Mr. Sashant Nyati acted as a member and chairman of the Committee till 28th June, 2011.

The Board has reconstituted Audit Committee after the resignation of Mr. Sashant Nyati on 28th June, 2011 comprising three Members two of them are independent Directors viz. Mr. Siddharth Maheshwari and Mr. Naval Saraf and one is Promoter and non executive director viz. Mr. Mohan Jhavar.

It is to be noted that Mr. Siddharth Maheshwari was appointed as Additional Director of the Company in the Board Meeting dated 28/06/2011 and was approved as the Chairman of the Committee with the consent of all the members.

Meetings:

Four meetings of the Committee were held during the financial year under review on 29.05.2010, 12.08.2010, 13.11.2010 and 14.02.2011 and all the meetings held were attended by all the members during their tenure as a member of the Committee.

S. No.	Name of Director	No. of Meetings	
		Held	Attended
1.	Mr. Sashant Nyati*	4	4
2.	Mr. Naval Saraf	4	4
3.	Mr. Mohan Jhavar	4	4

*Mr. Sashant Nyati has resigned from the directorship of the Company dated 28/06/2011 and has been replaced by Mr. Siddharth Maheshwari as the member of the Committee.

Terms of Reference:

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

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

All the members of the Audit Committee possess financial / accounting expertise. The constitution of the audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Chairman of the Audit Committee, Mr. Sashant Nyati (replaced by Mr. Siddharth Maheshwari as on 28/06/2011), was present at the Fifteenth Annual General Meeting.

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

Objective

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

Information for review:

- i. Management discussion and analysis of financial condition and results of operations.
- ii. Statement of significant related party transactions (as may be defined by the audit committee), submitted by management.
- iii. Management letters / letters of internal control weakness issued by the statutory auditors and internal audit reports relating to internal control weaknesses.
- iv. Internal audit reports relating to internal control weaknesses; and
- v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**4. REMUNERATION COMMITTEE:****Composition, Meeting and Terms of reference:**

The Remuneration Committee comprised of Mr. Naval Saraf, Mr. Siddharth Maheshwari and Mrs. Alka Soni as its members and Mr. Siddharth Maheshwari as its Chairman.

It is to be noted that Mr. Sashant Nyati, the former member and Chairman of the Committee, has resigned from the directorship of the Company dated 28/06/2011 and has been replaced by Mr. Siddharth Maheshwari as the new member and Chairman of the Committee.

The Committee met once during the financial year 2010-11 and was attended by all the Committee Members.

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

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

Remuneration Policy:

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

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

Remuneration of Directors:

Remuneration of Executive Directors is decided by the Board, based on the recommendations of the Remuneration Committee as per the remuneration policy of the Company, within the ceilings fixed by the shareholders. During the financial year 2010-11, no remuneration was paid to any Director.

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

Remuneration to Non-Executive Directors:

During the year ended 31st March, 2011, the Company has not paid any remuneration either in the form of commission or sitting fee to its non-executive Directors.

5. Shareholders' and Investors' Grievance Committee:

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

The shareholders'/Investors' Grievance Committee of KCL Infra Projects Limited comprised of Mr. Siddharth Maheshwari, Mr. Mohan Jhavar as its chairman and Mr. Naval Saraf as Compliance Officer.

It is to be noted that Mr. Sashant Nyati, the former member of the Committee, has resigned from the directorship of the Company dated 28/06/2011 and has been replaced by Mr. Siddharth Maheshwari as the new member.

The Committee meets regularly for redressing shareholders' / investors' complaints like non-receipt of Balance Sheet transfer of shares, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated power for approving transfer of securities



to Directors. The Committee focuses primarily on strengthening investor relations and ensuring rapid resolution of any shareholder or investor concerns. The Committee also monitors implementation and compliance of the Company's code of conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

During the year ended 31st March, 2011, no investor complaint was received and no complaint was pending for redressed.

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

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

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

Compliance Officer:

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

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

6. General Body Meetings:

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

AGM No.	Date	Time	Venue	Special Resolution Passed
13 th	30.09.2008	2.30 p.m.	B-3, 204, Saket Complex, Thane (West), Mumbai-400601	No Special Resolution passed.
14 th	30.09.2009	11.30 a.m.	B-3, 204, Saket Complex, Thane (West), Mumbai-400601	i. Approval for change in the name of the Company from Kadamb Constructions Limited to KCL Infra Projects Limited. ii. Approval for Subdivision of nominal Value of equity Share from Rs. 10/- to Rs. 2/- each.
15 th	30.09.2010	02.30 p.m.	B-3, 204, Saket Complex, Thane (West), Mumbai-400601	i. Appointment of Mr. Anurag Innani as Director.

All resolutions moved at the last AGM were passed by show of hands by requisite majority of members who attended the Meeting.

No Special Resolution is proposed to be conducted through Postal Ballot.

One EGM was held during the year 2010-11 on 25th March, 2011 for the purpose of approval from shareholders for issue of preference shares.

7. DISCLOSURES:

Related Party Transactions and Pecuniary Relationship of Directors:

There have been no materially significant related party transactions, pecuniary relationship or transactions between the Company and its Directors for the year ended 31st March 2011.

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



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

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

Statutory Compliance, Penalties and Strictures by the Company:

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

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

Code of Conduct:

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

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

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

CEO/CFO Certification:

The Managing Director (CEO) and the Chief Financial Officer (CFO) have certified to the Board in accordance with Clause 49(V) of the Listing Agreement pertaining to CEO/CFO certification for the financial year ended March 31, 2011.

Risk Management:

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

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

Means of Communication:

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

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

**8. GENERAL SHAREHOLDER INFORMATION:**

Annual General Meeting: Date, Time Venue	Friday, the 30 th September, 2011 at 2.30 P.M. At the registered office of the Company at C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane- 400601, Mumbai.
Financial Calendar	The Company follows April to March as its financial year. The results for every quarter beginning from April will be declared within the time prescribed under Listing Agreement.
Date of Book Closure	Saturday, the 24 th September, 2010 to Friday, the 30 th September, 2010 (both days inclusive)
Dividend Payment Date	No Dividend has been recommended for the year ended March 31, 2011
Listing on Stock Exchanges and payment of Listing fees	1. Bombay Stock Exchange Ltd., Mumbai, 2. Delhi Stock Exchange Association Ltd., Delhi.
Stock Code	The Stock Exchange, Mumbai – 531784
Dematerialization of Shares	The shares of the Company are traded in dematerialized form under the depository system of the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Company's electronic Connectivity Registrar is Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate Makwana Road, Marol Naka Andheri (E) Mumbai – 400 059 Ph. No : 022-28594060
ISIN Number	INE 469F01018
CIN No.	L45201MH1995PLC167630
Distribution of Shareholding as on March 31, 2011	Please see in the following pages.
Dematerialization of shares and Liquidity	94.59% of the paid up capital of the company has been dematerialized as on 31.03.2011.
Registrar and Transfer Agents	Adroit Corporate Services Pvt. Ltd. 19/20, Jaferbhoy Industrial Estate Makwana Road, Marol Naka Andheri (E) Mumbai – 400 059 Ph. : 022- 28594060 Fax : 022-28594442
Share Transfer System	All the transfer received are processed by the Registrars and Transfer Agents and approved by the Share Transfer Committee.
Address for correspondence	KCL Infra Projects Limited. C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane- 400601, Mumbai. Or Shareholders may correspond to the Registrar and Transfer Agents.

**Stock Price Data:**

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

Month	Company's share price on BSE		BSE Sensex	
	Monthly High (In Rs.)	Monthly Low (In Rs.)	High	Low
April, 2010	59.50	50.10	18,047.86	17,276.80
May, 2010	52.00	40.00	17,536.86	15,960.15
June, 2010	51.20	41.00	17,919.62	16,318.39
July, 2010	87.80	47.25	18,237.56	17,395.58
August, 2010	77.50	62.50	18,475.27	17,819.99
September, 2010	77.50	63.10	20,267.98	18,027.12
October, 2010	68.75	56.90	20,854.55	19,768.96
November, 2010	84.40	64.00	21,108.64	18,954.82
December, 2010	72.70	51.55	20,552.03	19,074.57
January, 2011	74.90	59.00	20,664.80	18,038.48
February, 2011	67.40	46.60	18,690.97	17,295.62
March, 2011	62.50	46.35	19,575.16	17,792.17

Shareholding Pattern as on 31st March, 2011:

	Category	No. of Shares Held	Percentage of Shareholding
A.	PROMOTER'S HOLDING:		
1.	Promoters :		
	Indian Promoters	2105570	08.34
	Foreign Promoters	0.00	0.00
2.	Persons acting in concert	0.00	0.00
	Sub-total	2105570	8.34
B.	NON-PROMOTER'S HOLDING:		
1.	Institutional Investors		
a.	Mutual Funds and UTI	0.00	0.00
b.	Banks, Financial Institutions, Insurance Companies [Central/State Govt. Institutions/Non-government Institutions]	0.00	0.00
c.	FII's	0.00	0.00
	Sub-total	0.00	0.00
C.	OTHERS:		
a.	Private Corporate Bodies	6348543	25.14
b.	Indian Public	16763796	66.39
c.	NRIs / OCBs	12	00.00
d.	Any other (Clearing Members)	20302	00.08
e.	Trust	12777	00.05
	Sub-total	23145430	91.66
	Grand Total	25251000	100.00

**Distribution of Shareholding as on 31st March, 2011:**

No. of Equity shares	No. of Shareholders	% of Total	No. of Shares	% of Total
Up to 500	1267	40.91	297969	1.18
501 to 1000	348	11.24	307136	1.22
1001 to 2000	303	9.78	484575	1.92
2001 to 3000	242	7.81	640176	2.54
3001 to 4000	119	3.84	439728	1.74
4001 to 5000	197	6.36	966766	3.83
5001 to 10000	304	9.82	2434865	9.64
1,00,01 and above	317	10.24	19679785	77.94
Total	3097	100	25251000	100

Auditor's Certificate on Corporate Governance:

The Company has obtained a certificate from its statutory auditors M/s. Mahesh C. Solanki & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2010-11. This certificate will be sent to the stock exchanges along with the annual report to be filed by the Company.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT:

In terms of the requirements of the amended clause 49 of the Listing agreement entered into with the Stock Exchanges, the Company has received a certificate from its Directors confirming and declaring that all the members of the Board of Directors and the senior management personnel have affirmed compliance with the code of conduct, applicable to them, for the Year ended 31st March, 2011.

FOR KCL INFRA PROJECTS LIMITED

Place: Thane
Date: 30/08/2011

Sd/-
Alka Soni
(Director)

Sd/-
Mohan Jhavar
(Director)



AUDITORS' CERTIFICATE

**TO THE MEMBERS OF
KCL INFRA PROJECTS LIMITED,**

We have examined the compliance of conditions of Corporate Governance by **KCL Infra Projects Limited** ("the Company"), for the year ended 31st March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

For and on behalf of

Mahesh C. Solanki & Co.
Chartered Accountants
Firm Reg. No. 006228C

Sd/-

C.A. Mahesh Solanki
(Partner)
Membership No: 074991

Place: Thane
Date: 30/08/2011

DECLARATION FOR CODE OF CONDUCT

I, Mr. Mohan Jhavar, Director of KCL Infra Projects Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2011.

FOR KCL INFRA PROJECTS LIMITED

Sd/-

Mr. Mohan Jhavar
(Director)

Date: 30/08/2011
Place: Thane

**AUDITORS REPORT****To the Members of**KCL Infra Projects Limited

1. We have audited the attached Balance Sheet of **KCL Infra Projects Limited** as at **31st March, 2011** and also the Profit & Loss account & Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report)(Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The Balance Sheet, the Profit and Loss account & the Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company;
 - iv. In our opinion the Balance Sheet, the Profit and Loss Account & the Cash Flow Statement comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 to the extent they are applicable to the Company.
 - v. On the basis of written representation received from the directors, as on 31st March, 2011 and taken on record by the Board of Directors of the Company we report that none of directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements with the notes thereon and attached thereto gives in the prescribed manner the information required by the Companies Act, 1956 and give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - (a). in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2011 and
 - (b). in the case of Profit and Loss Account of the profit for the year ended on that date.
 - (c). in case of cash flow statement, of the cash flows for the year ended on that date.

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No: 006228C)
Sd/-

Mahesh Solanki
Partner
M. No. - 074991

Place: Thane
Date: 30th May, 2011



Annexure

KCL Infra Projects Limited Referred to in paragraph 3 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. *The same are in the process of being updated.*
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) (a) According to the information given by the management, the inventory in hand for the construction & infrastructure segment has been physically verified during the year.
- (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. There was no material discrepancies noticed on physical verification of Inventory as compared to the book records.
- (iii) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business for purchases of inventory and fixed assets. Further, on the basis of our examination of the books of account and according to the information and explanations given to us, we have not come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- (iv) (a) According to the information and explanation given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, required to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) According to the information and explanation given to us, we are of the opinion that the transactions made during the year in pursuance of such contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of Five Lacs Rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA and any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of the clause (vi) of the said Order is not applicable to the Company
- (vi) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (vii) According to the information and explanation given to us, the Central Government has not prescribed for the maintenance of cost records under Section 209(1)(d) of the Act in respect of the products of the company.
- (viii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including investor education and protection fund, Employee's state insurance, income-tax, wealth-tax, service-tax, sales-tax, custom duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities during the year, and there were no such outstanding dues as at 31st March, 2011 for a period exceeding six months from the date they become payable.



- (b) According to the information and explanations given to us, the dues of income-tax, sales-tax, wealth-tax, service-tax, custom duty, excise duty and cess, which have not been deposited on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount involved (Rs.)	Period to which the amount relates	Forum where dispute is pending
- NIL -				

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

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No: 006228C)

Mahesh Solanki
Partner
M. No. - 074991

Place: Thane
Date: 30th May, 2011

**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS :			
Shareholders Funds			
Share Capital	01	50,502,000	50,502,000
Share Application Money		39,000,000	--
Reserves & Surplus	02	51,406,516	49,867,822
Loan Funds			
Deferred Tax Liability		349,793	378,423
	TOTAL	141,258,309	100,748,245
APPLICATION OF FUNDS :			
Fixed Assets			
Gross Block	03	3,712,791	3,421,974
Less: Depreciation		1,597,261	1,297,052
Net Block		2,115,530	2,124,922
INVESTMENTS :	04	7,592,000	11,092,000
Current Assets, Loans & Advances			
Inventory	05	22,754,728	32,500,772
Sundry Debtors	06	47,200,748	1,816,980
Cash & Bank Balances	07	11,463,900	13,367,891
Loans & Advances	08	50,988,403	40,752,597
		132,407,779	88,438,240
Less: Current Liabilities & Provisions			
Current Liabilities	09	181,900	239,418
Provisions		675,100	667,500
		857,000	906,918
Net Current Assets		131,550,779	87,531,323
	TOTAL	141,258,309	100,748,245
NOTES ON ACCOUNTS	16		

The schedules referred to above and statement on significant accounting policies form an Integral part of the Balance Sheet.

As per our attached report of even data

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No. : 006228C)

Sd/-
Mahesh Solanki
Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2011

For and on behalf of the Board of Directors

Sd/-
Mohan Jhawar
Director

Sd/-
Alka Soni
Director

**PROFIT & LOSS A/C FOR THE YEAR ENDED ON 31ST MARCH , 2011**

PARTICULARS	SCHEDULE	As at 31st March, 2011	As at 31st March, 2010
INCOME			
Sales	10	1,385,713,245	652,997,714
Other Income	11	1,488,008	2,877,506
	Total	1,387,201,253	655,875,220
EXPENDITURE			
Purchases & Trading Expenses	12	1,382,160,914	651,557,143
Operational & Administrative Expenses	13	1,433,808	1,104,693
Salaries & Employees Benefits	14	1,049,830	816,557
Interest and Other Finance Charges	15	36,188	46,713
Depreciation		300,209	277,465
		1,384,980,948	653,802,571
PROFIT/(LOSS) BEFORE TAXATION		2,220,305	2,072,650
Prior Period Items (Net)		-	-
Less: Provision for Current Tax	675,100		667,500
Earlier Year Tax	35,141		(172)
Deferred Tax Liabilities (Net of Assets)	(28,630)	681,611	(75,220)
Net Profit after Tax For The Year		1,538,694	1,480,542
Add: PROFIT AND LOSS ACCOUNT, beginning of Year		4,862,822	3,382,280
Profit Available for Appropriation		6,401,516	4,862,822
Appropriations		-	-
PROFIT AND LOSS ACCOUNT, end of year		6,401,516	4,862,822
Notes to Accounts	16		

The schedules referred to above and statement on significant accounting policies form an Integral part of the Profit & Loss A/c.

As per our attached report of even data

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No. : 006228C)

Sd/-
Mahesh Solanki
Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2011

For and on behalf of the Board of Directors

Sd/-
Mohan Jhawar
Director

Sd/-
Alka Soni
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011****(Amount in Rs. Lacs)**

Particulars	Year Ended 31/03/2011	Year Ended 31/03/2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before Tax & Extraordinary Items	22.20	20.73
Adjustments for :		
Depreciation	3.00	2.77
Interest Income	(13.59)	(28.53)
Interest Expenditure	0.36	(10.23)
Operating Profit before Working Capital Changes	11.98	(5.03)
Adjustments for :		
Trade & Other Recievables	(453.84)	156.72
Inventories	97.46	(320.96)
Loans & Advances	(102.36)	
Trade Payables	(0.58)	0.13
Cash generated from Operations	(447.33)	(169.13)
Income Tax Paid	7.03	(6.64)
Cash flow before Extraordinary Items	(454.36)	(175.77)
Extraordinary items	-	-
Net Cash flow from Operating Activities	(454.36)	(175.77)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Fixed Assets	(2.91)	(0.79)
Sales of Investments	35.00	166.00
Interest paid	(0.36)	(0.00)
Interest received	13.59	28.53
Net Cash flow from / Used in Investing Activities	45.32	193.74
C. CASH FLOW FROM FINANCING ACTIVITIES		
Share Application Money	390.00	-
Repayment of Vehicle Loans	-	(0.44)
Net Cash flow from / Used in Financing Activities	390.00	(0.44)
Net Decrease / Increase in Cash or Cash Equivalents	(19.04)	17.53
Opening Cash & Cash Equivalents	133.68	116.15
Closing Cash & Cash Equivalents	114.64	133.68
Cash & Cash Equivalents comprises :		
Cash & Bank Balances	114.64	133.68

As per our attached report of even data

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No. : 006228C)

Sd/-
Mahesh Solanki
Partner
M. No. 074991
Place : Thane
Dated : 30th May, 2011

For and on behalf of the Board of Directors

Sd/-
Mohan Jhawar
Director

Sd/-
Alka Soni
Director



SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011

(Amount in Rs.)

Particulars	As at 31st March, 2011	As at 31st March, 2010
Schedule - 01 Share Capital		
Authorised:		
27,500,000 Equity Shares of Rs.2/- each (Prev. Year 27,500,000 Equity Shares of Rs 2/- each)	55,000,000 <u>55,000,000</u>	55,000,000 <u>55,000,000</u>
Issued & Subscribed :		
25,251,000 Equity Shares of Rs 2/- each (Prev. Year 25,251,000 Equity Shares of Rs 2/- each)	50,502,000	50,502,000
Paid Up		
25,251,000 Equity Shares of Rs 2/- each fully paid up (Prev. Year 25,251,000 Equity Shares of Rs 2/- each fully paid up)	50,502,000	50,502,000
Total	50,502,000	50,502,000
Schedule - 02 Reserves & Surplus		
Capital Reserve	13,028,000	13,028,000
Security Premium	30,977,000	30,977,000
General Reserve	1,000,000	1,000,000
Profit & Loss Account	6,401,516	4,862,822
Total	51,406,516	49,867,822

Schedule - 03

FIXED ASSETS

DESCRIPTION OF ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As On 31/03/2010	Addition the year	Deduction/ Adjustment During the Period	As On 31/03/2011	UP TO 1/04/2010	For the year	Deduction/ Adjustment During the Year	UP TO 31/03/2011	As On 31/03/2010	As On 31/03/2011
Premises	911,000	-	-	911,000	111,604	30,427	-	142,031	768,969	799,396
Plant and Machinery	145,700	-	-	145,700	29,403	6,921	-	36,324	109,376	116,297
Furniture & Fittings	261,500	-	-	261,500	73,630	16,553	-	90,183	171,317	187,870
Office Equipments	167,288	185,894	-	353,182	30,119	18,640	-	48,759	304,423	137,169
Motor Vehicle	1,425,474	-	-	1,425,474	747,034	135,420	-	882,454	543,020	678,440
Computer	511,012	104,923	-	615,935	305,262	92,248	-	397,510	218,425	205,750
TOTAL	3,421,974	290,817	-	3,712,791	1,297,052	300,209	-	1,597,261	2,115,530	2,124,922
Previous Year	3,343,184	78,790	-	3,421,974	1,019,587	277,465	-	1,297,052	2,124,922	2,323,597

Schedule - 04 Investments

Long Term Investments

(At Cost/Carrying Amount unless otherwise stated)

1. In Equity Shares

Madhya Pradesh Stock Exchange Ltd. (86,400 Equity shares of Rs. 1/- each fully paid up)	2,592,000	2,592,000
Ashwin Reality Pvt. Ltd. (1,00,000 Equity shares of Rs. 10/- each fully paid up)	-	5,000,000
Medistar Health Solution Pvt. Ltd. (20,000 Equity shares of Rs. 10/- each fully paid up)	1,000,000	1,000,000
Supreme Stocks Pvt. Ltd. (50,000 Equity shares of Rs. 10/- each fully paid up)	-	2,500,000
Allied News Network P. Ltd.	4,000,000	-
Total	7,592,000	11,092,000

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

Particulars	As at 31st March, 2011	As at 31st March, 2010
Schedule - 05 Inventory		
Inventory:-		
In Equity Shares & Units	22,651,143	32,500,772
In Land and Development cost thereon	103,585	-
Total	22,754,728	32,500,772
Schedule - 06 Sundry Debtors		
(Unsecured Considered Good)		
Debts Outstanding for a period exceeding six months		
Considered Good	-	-
Considered Doubtful	-	-
Other Debts	-	-
Considered Good	47,200,748	1,816,980
Considered Doubtful	-	-
	47,200,748	1,816,980
Total	47,200,748	1,816,980
Schedule - 07 Cash & Bank Balances		
Cash and Cheques on hand	935,777	1,336,596
Balance with Scheduled Bank on		
- Current Accounts	10,528,123	12,031,295
Total	11,463,900	13,367,891
Schedule - 08 Loans & Advances		
(Unsecured and considered good)		
Advance recoverable in cash or in kind	227,000	280,920
Advance Tax & TDS	575,186	736,891
Deposits	25,029	25,029
Other Advances	50,161,188	39,709,757
Total	50,988,403	40,752,597
Schedule - 09 Current Liabilities & Provisions		
A) Current Liabilities		
Sundry Creditors		
Dues of small scale Industrial Undertakings	-	-
Other Trade Creditors	141,600	141,600
Creditors for Expenses	29,270	86,788
Other Liabilities	11,030	11,030
Total	181,900	239,418
B) Provisions		
Current Tax	675,100	667,500
Total	675,100	667,500
Schedule - 10 Sales		
Sales-Derivatives, Equity & Unit	1,338,863,245	652,997,714
Sales-Constructions	46,850,000	-
Total	1,385,713,245	652,997,714
Schedule - 11 Other Income		
Interest	1,359,050	2,852,692
Dividend	128,312	22,814
Other Income	646	2,000
Total	1,488,008	2,877,506

**SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2011**

Particulars	As at 31st March, 2011	As at 31st March, 2010
Schedule - 12 Purchases & Trading Expenses		
Purchases-Derivatives,Equity & Unit	1,372,163,459	651,261,089
Trading Expenses	547,455	296,054
Purchases-Constructions	9,553,585	- Less:-
Closing Stock	(103,585)	-
Total	1,382,160,914	651,557,143
Schedule - 13 Operational & Administrative Expenses		
Auditors Remuneration	66,180	66,180
Communication Expenses	19,046	47,168
Electricity Charges	40,295	32,534
Hire Charges	-	643
Insurance Expenses	17,551	13,454
Legal & Professional Charges	251,853	354,561
Office Expenses	115,126	63,693
Postage & Telegrams	39,179	39,173
Rent Rates & Taxes	224,000	192,000
Repair & Maintenance	40,140	46,909
Stationery & Printing	55,661	68,293
Travelling Expenses	516,087	141,395
Vehicle Repair & Maintenance	48,690	38,690
Total	1,433,808	1,104,693
Schedule - 14 Salaries & Employee Benefits		
Salaries and Allowances	1,049,830	816,557
Total	1,049,830	816,557
Schedule - 15 Interest & Other Financial Charges		
Interest to Bank	1,251	46,544
Interest to Others	34,936	170
Total	36,188	46,713

**Schedule 16****A Significant Accounting Policies**

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

1. Nature of Operations

KCL Infra Projects Limited ("the Company") was incorporated on 21st July, 1995 at Jaipur, India. The main object of the company is to carry on business of Construction & Infrastructure Activities. In addition to that company is also engaged in dealings of Shares & securities, derivatives and other investments.

2. Basis of Accounting

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principals generally accepted in India and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956, to the extent applicable. Except where otherwise stated, the accounting principles have been consistently applied.

3. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is provided on Straight Line method on prorata basis at the rates, which are prescribed in Schedule XIV of the Companies Act, 1956.

4. Investments

Long term investments are stated at cost and provision is made to recognize any diminution in value, other than that of a temporary nature.

5. Inventories

Inventories are valued as follows:

▪ Constructions & Infrastructure

Projects in progress are valued at cost.

▪ Equity Shares & Units of Mutual Fund

Equity Shares & Units of Mutual Fund are valued at Cost or realizable value, whichever is lower. Cost is determined on a First in First out Basis.

6. 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.

The Company is also carrying on business in Derivative segment. The Company has recorded the turnover on the basis of Contract Notes of Purchase & Sell.

7. Income taxes

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realised against future taxable profits.

8. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the number of equity shares outstanding during the period.

9. Segment Reporting Policies**Identification of segments:**

The Company's operating businesses are organized and managed separately according to the nature of



products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Allocation of common costs:

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

Segment Policies:

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

10. Provisions and Contingent Liabilities

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

B Notes Forming Part of the Accounts

1. Auditor's Remuneration

(Amount in Rs.)

	2010-11	2009-10
Audit Fees	60,000	60,000
In other capacity	40,000	40,000
Service Tax	10,300	10,300
	110,300	110,300

2. Taxation

(Amount in Rs.)

	2010-11	2009-10
A. Deferred Tax Liabilities		
Tax impact of difference between Depreciation as per Company Law and as Depreciation as per Income Tax Act	(3,49,793)	(3,78,422)
Net Deferred Tax Liability	(3,49,793)	(3,78,422)

3. The amount due to Small Scale Industrial Undertakings (SSIs) is furnished under the relevant head, on the basis of information available with the Company regarding small scale industry status of the service provider.

4. In the opinion of the Board of Directors, the current assets, Loans & Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

5. Calculation of Earnings per Share [EPS]

(Amount in Rs.)

		2010-11	2009-10
A. Net Profit for the year attributable to Shareholders	Rupees	15,38,694	14,80,541
B. Basic and weighted average number of Equity Shares outstanding during the year*	Nos.	2,52,51,000	2,52,51,000
C. Nominal Value of Equity Shares	Rupees	2	2
D. Basic and Diluted EPS	Rupees	0.06	0.06

6. Segment Reporting

The business of the Company is under two segments i.e.

a) Construction & Infrastructure



b) Derivative, Equity & Unit.

(Rs. In Lacs)

	For The Year Ended March 31, 2011	For The Year Ended March 31, 2010
1. Segment Revenues:		
(a) Constructions & Infrastructure	468.50	-
(b) Turnover in Derivatives, Equity & Unit	13,388.63	6.529
(c) Unallocated	14.88	28.78
Total Revenues	13,872.01	6,558.75
Less: Inter Segment Revenue	-	-
Net Sales/Income From Operations	13,872.01	6,558.75
2. Segment Results		
(a) Constructions & Infrastructure	374.00	-
(b) Derivatives, Equity & Unit	(343.95)	14.41
(c) Unallocated	14.88	28.78
Total	44.93	43.18
Less: (i) Interest	0.36	0.47
(ii) Other Unallocable Expenditure net off unallocable income	22.37	21.99
Total Profit Before Tax	22.20	20.73
3. Capital Employed (Segment assets–Segment Liabilities)		
(a) Constructions & Infrastructure	456.88	-
(b) Derivatives, Equity & Unit	242.67	343.18
(c) Unallocated	713.03	664.30
Total	1,412.58	1,007.48

7. Balances in respect of Sundry Creditors, Sundry Debtors, Loans and advances (including interest thereon) are subject to confirmation from respective parties.

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

- (a) Associates: (1) Samyak Resources Pvt. Ltd.
(2) KCL Stock Broking Ltd.
(3) KCL Realities Ltd.
- (b) Key Management Personal: Mr. Mohan Jhawar
Mrs. Alka Soni
- (c) Relatives of Key Management Personal: Mrs. Rajshree Biyani
- (d) Transaction during the year with related parties

(Rs in Lacs)

	Associates As at 31 st March		Relatives of Key Managerial Personnel As at 31 st March		Key Managerial Personnel As at 31 st March		Total As at 31 st March	
	2011	2010	2011	2010	2011	2010	2011	2010
Rent Paid	-	-	0.60	0.72	1.44	1.20	2.04	1.92
Salary Paid	-	-	1.20	1.08	-	-	1.20	1.08
Sales	534.50	157.00	-	-	-	-	534.50	157.00



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

	Amounts
The principal amount and interest remaining unpaid to any supplier	Nil
The amount of interest paid by the buyer along with the payments made to the suppliers	Nil
The amount of interest due and payable for the period of delay in making payment	Nil
The amount of interest accrued and remaining unpaid at the end of the year	Nil
The amounts of interest remaining unpaid and payable even in the succeeding years, until such date are actually paid to the small enterprise.	Nil

On the basis of information available with the company no such delay in payment to Micro/ Small Enterprises occurs.

10. Previous year's figures have been re-grouped/re-arranged and re-classified wherever necessary.

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No. : 006228C)

Sd/-
Mahesh Solanki
Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2011

For and on behalf of the Board of Directors

Sd/-
Mohan Jhavar
Director

Sd/-
Alka Soni
Director

**Balance Sheet Abstract and Companies General Business Profile**

I Registration Details			
Registration No.	10435	State Code	11
Balance Sheet Date	31-Mar-11		
II Capital Raised During the Year			
Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
Reissue of Forfieted Shares	Nil		
III Position of Mobilisation & Deployment of Funds			
Total Liabilities	141,258,309	Total Assets	141,258,309
Sources of Funds			
Paid Up capital	50,502,000	Reserve & Surplus	51,406,516
Share Application Money	39,000,000	Secured Loans	-
Unsecured Loans	Nil	Deferred Tax Liabilities	349,793
Application of Funds			
Net Fixed Assets	2,115,530	Investment	7,592,000
Net Current Assets	131,550,779	Misc. Expenditure	Nil
Accumaleted Losses	Nil		
Performance of the Company			
Turnover	1,385,713,245	Total Expenditure	1,384,980,948
Profit Before Tax	2,220,305	Profit After Tax	1,538,694
Earning Per Share	0.06	Dividend Rate %	Nil
Generic Names of the Products of the Company			
Item Code	Not Available		
Product Description	Construction		
	Not Available		
	Equity Shares & Derivatives		

As per our attached report of even data

For Mahesh C. Solanki & Co.
Chartered Accountants
(Firm Registration No. : 006228C)

Sd/-
Mahesh Solanki
Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2011

For and on behalf of the Board of Directors

Sd/-
Mohan Jhavar
Director

Sd/-
Alka Soni
Director

KCL Infra Projects Ltd.

Registered Office : C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101

PROXY

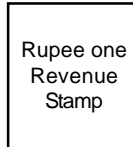
Regd. Folio No./DP Client ID

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I/We _____ of _____ in the district _____ being a member / members of the Company hereby appoint _____ of _____ in the district of _____ or failing him/her _____ of _____ in the district _____ as my/our proxy to vote for me/us on my/our at the SIXTEENTH ANNUAL GENERAL MEETING of the Company at C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101 at 2.30 p.m. on Friday, the 30th September, 2011 and at any adjournment(s) thereof.

Signed this _____ day of _____ 2011.

Signature _____



Note : This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting

.....**Please tear here**.....

KCL Infra Projects Ltd.

(formerly known as Kadamb Constructions Limited)

Registered Office : C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101

ATTENDANCE SLIP

Sixteenth Annual General Meeting - September 30,2011

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

I hereby record my presence at the 16th Annual General Meeting of **KCL Infra Projects Ltd.** at C-11, Rinka Park, Geeta Nagar, Bhayandar (West) Thane-401101 at 2.30 p.m. on Friday, the 30th September, 2011.

*Applicable in case of shares held in Electronic Form

Signature of Member/Proxy

Book - Post

To,

If undelivered, Please return to :
KCL Infra Projects Limited

Regd. Office : C-11, Rink Park, Geeta Nagar, Bhayandar (West) Thane-401101