



KCL INFRA PROJECTS LIMITED

**17th ANNUAL REPORT
2011-2012**



Board of Directors :

| | |
|--------------------------|---------------------|
| Mr. Mohan Jhawar | Managing Director |
| Mrs. Alka Soni | Director |
| Mr. Naval Saraf | Director |
| Mr. Siddharth Maheshwari | Director |
| Mr. Raju Shivaji Bhosale | 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



KCL INFRA PROJECTS LIMITED

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

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Seventeenth Annual General Meeting of the members of **KCL INFRA PROJECTS LIMITED** will be held on Friday, the 28th September, 2012 at 12:30 P.M. at Food Zone IInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, 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, 2012 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. Naval Saraf, 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 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:**
5. **To consider and, if thought fit, to pass with or without modification (s), the following resolution as an special resolution by postal ballot :**

"RESOLVED THAT pursuant to the provision of the section 17 of the companies Act 1956, the Object Clause of the Memorandum of Association of the Company be altered by adding following new clause III (C) thereof:

28. To do the business of owning, running and /or publishing of newspaper, magazines, radio, internet, telecommunication, television channels, films, serials. To build, construct and erect Studios, Theaters, Cinema Halls, Music Halls, Open air Theatres and other places of entertainment and to carry on all or any of the business of Theatres, Music Halls, Cinema, Picture Palace, Film producing Studio and to promote, produce, represent, conducting, performance and exhibition of cinematograph or stereoscopic or coloured or bioscope, pictures, films, operate as & stage plays and other entertainment as the Company may from time to time think fit and to permit the Company's premises to be used for all or any of the above purpose and such other purposes as may be deemed expedient.
29. To carry on the business to produce, treat, process, prepare, alter, develop, expose, edit, exhibit, make, remake, display, print, reprint, convert, duplicate, finish, buy, sell, run, import,



- export cine films, TV serials, advertising films, telefilms, documentary films etc; and to act as agent, broker, distributor, proprietor, owners of copy rights, audio rights, theaters, cinema halls, dubbing rights, cinema studio and film processing labs owners and to do all other incidental acts for the attainment of the aforesaid objects of the company.
30. To erect, purchase by contract, take on hire or lease, or otherwise acquire and maintain the necessary studio or studios, theatres, picture houses for the purpose of the Company and to buy, take on hire and otherwise acquire all or any machinery, cameras, instruments, apparatus, chemical and other necessary materials for sets, decorations or ornaments furniture and fixtures and other articles and things as deemed necessary in connection with the business of the Company.
 31. To produce, buy, sell, import, export or otherwise deal in cinematographic films, television films, video films and video cassettes.
 32. To establish, purchase, take on lease or hire or otherwise acquire and maintain and to sell, give on lease or hire studios, laboratories, cinemas, picture places, halls, theatres, etc. for production, processing and printing of films.
 33. To carry on the business of exhibiting and distributing cinematographic films, television films, video films and acquire or selling rights therein.
 34. To act as manufacturers, distributors, purchasers and sellers of all kinds of films and to produce and distribute motion pictures and to act as distributors and exhibitors of motion pictures produced by other companies.
 35. To carry on the business of film manufacturers, film apparatus manufacturers, film producers, both sound and silent, hippodrome and circus proprietors, mana picture places and studios.
 36. To carry on the business of letting or subletting the use of cinema hall, theatres, picture, places, studios or other machinery, apparatus, building or structure of the company for the purpose use, exhibitions, display of films, dramatic or theatrical performances, concerts or other entertainment, of amusements or objects allied to or of similar kinds as of the company and to provide for similar kinds as of the company and to provide for the production, directions, exhibitions, representation display, whether by mechanical means or otherwise of plays, open air or other theatrical performances, operas, vaudevilles, ballets, pantomime, juggling , mesmetic, yogic hypnotic, spectacular.
 37. To carry on the business of production, distribution of films and motion pictures, including the running theatres, cinemas, studios and cinematographic shows and exhibitions.
 38. To carry on in India or elsewhere the business to present, produce, arrange, manage, organize, conduct, plan, design, promote, demonstrate, operate , participate, collaborate, compose, alter, develop, expose, edit, exhibit, remake, display, print, reprint, convert, duplicate, finish, buy, sell, import, export and run at national and international level all sorts of shows and production of entertainment serials, cine films, advertising films, telefilms, documentary films, cartoon films, animation films etc; and to act as agent, broker, distributor, proprietor, owners of copy rights, audio rights, theaters, cinema halls, dubbing rights, cinema studio and film processing labs owners and to do all other incidental acts for the attainment of the aforesaid objects of the company
 39. To buy, sell, procure, commission, advise individuals, firms, companies, corporations and others anywhere in the world to organize, sponsor sport events, educational programs, films and entertainment software (programmes) for their exhibition, distribution and dissemination on TV or radio, be it satellite T.V. or radio channels or terrestrial TV channels or cable channels or through DTH or through Pay channels using existing and/or emerging technologies, including distribution via Internet, or webcasting or exhibition in cinema and/or video theatres in all forms, be it as analogue signals or digital signals or through sale of physical materials like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's etc. as also sale of tickets/sponsorship of all events or programmes organized.



40. To buy, sell, procure, commission, films, entertainment, information, News, current affairs, software (Programme) for their exhibition, distribution and dissemination on TV channels, be it satellite TV or terrestrial TV channels or channels or cable channels or through DTH or through Pay channels using existing and/or emerging technologies, including distribution via Internet or web casting or exhibition in cinema and/or video theatres in all forms, be it as analogue signals or digital signals or through sale of physical materials like cassettes including audio cassettes, video cassettes, digital video discs, CD ROM's etc. as also sale of tickets/ sponsorship of all events or programmes organized.

"RESOLVED FURTHER THAT Mr. Mohan Jhavar, Managing Director of the Company be and is hereby authorised to do all such necessary acts, deeds, matters and things to give effect to the above 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, 22nd September, 2012 to Friday, 28th September, 2012 (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 Jhavar, Managing Director of the company at the registered office of the company at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
11. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, and all other applicable provisions, if any, of the applicable laws, the assent or dissent of the members in respect of the Resolutions set out at item no. 5 contained in this notice is being determined through Postal Ballot.
12. The votes should be cast either in favour or against by putting the tick (✓) mark in the column provided for assent (For) or dissent (Against). Postal Ballot Form bearing (✓) in both the columns will render the form invalid.
13. The Company has appointed Miss. Rani Jain, Practicing Company Secretary as Scrutinizer for the purpose of Postal Ballot exercise.
14. The notice is being sent under certificate of posting to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 30th August, 2012.
15. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of or deposited by the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of working hours on 27th September, 2012.
16. The result of the Postal Ballot shall be announced by the Chairman at the 17th Annual General Meeting and the Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if the result of the Postal Ballot indicates that the requisite majority of the Shareholders had assented to the Resolutions. The result of the Postal Ballot shall also be announced through a newspaper advertisement.
17. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their votes.
18. Copies of all the documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10.30 a.m. and 12.30 p.m. upto the date of declaration of result of Postal Ballot.

IMPORTANT COMMUNICATION TO MEMBERS

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

By order of the Board
For KCL Infra Projects Ltd.

SD/-

Mohan Jhavar
(Managing Director)

Place: Thane
Date: 30/08/2012

**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. Raju Shivaji Bhosale:**

| | | |
|-----------------------------------------------------------------------|---|--------------------------------|
| Name of Director | : | Mr. Raju Shivaji Bhosale |
| Date of Birth | : | 01/01/1971 |
| Date of appointment | : | 20/02/2012 |
| Expertise in specific functional areas | : | Road, Canal & Dam Construction |
| Qualification | : | Mining Engineer |
| Directorship in other Public Companies (other than Foreign Companies) | : | - |
| Shareholding in the Company | : | NIL |

By order of the Board
For KCL Infra Projects Ltd.

SD/-

Mohan Jhawar
(Managing Director)

Place: Thane
Date: 30/08/2012

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

Mr. Raju Shivaji Bhosale was appointed as an Additional Director of the Company with effect from 20th February, 2012 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. Raju Shivaji Bhosale for the office of Director under the provisions of Section 257 of the Companies Act, 1956. A brief profile of Mr. Raju Shivaji Bhosale 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. Raju Shivaji Bhosale shall be deemed to be interested in the above resolution to the extent of his appointment.

For Item No. 5

In order to increase the scope of the business of the Company and to provide more services to its members, the Object Clause III (C) is being altered by the addition of the new clauses III (C) 28 to 40 in accordance with the provisions of section 17 of the companies Act, 1956, which mainly includes imparting services related to films, serials, canteens, shows, concerts, entertainment and theatre etc.

In Compliance with the provisions of section 192A of the Companies Act, 1956 read with the provisions of the Company (passing of resolution by Postal Ballot) rules 2001, your approval is sought by voting by Postal Ballot. A Postal Ballot form is being send along with the notice.

The Board therefore recommends the shareholders to pass the resolution set out as 'Special Resolutions by Postal Ballot.'

The Directors of the company may be deemed to be concerned or interested in the resolution as set out in the Notice to the extent of shares held by them in the company.

By order of the Board
For KCL Infra Projects Ltd.

SD/-

Mohan Jhawar
(Managing Director)

Place: Thane
Date: 30/08/2012

**DIRECTORS' REPORT**

To the Members,

Your Directors have pleasure in presenting the 17th Annual Report along with the Audited Annual Accounts for the year ended 31st March 2012.

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

| Particulars | Year ended 31/03/2012 | Year ended 31/03/2011 |
|--------------------------------------------------|--------------------------|--------------------------|
| Income / Turnover | 2241.76 | 13872.01 |
| Total Expenditure (excluding Depreciation) | 2212.85 | 13846.45 |
| Profit/ Loss before Interest, Depreciation & tax | 28.91 | 25.56 |
| Interest and other finance charges | 5.41 | 0.36 |
| Depreciation | 6.73 | 3.00 |
| Profit/(Loss) before tax | 16.77 | 22.20 |
| Provision for taxation/Deferred tax | 5.52 | 6.82 |
| Profit/Loss after tax | 11.26 | 15.38 |
| Earning per share: | | |
| Basic | 0.04 | 0.06 |
| Diluted | 0.04 | 0.06 |

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 THE CAPITAL STRUCTURE OF THE COMPANY:

During the period under the review the Company has allotted 1,080,000 equity shares on preferential basis on 27th May, 2011 after taking the approval of Members in Extraordinary General Meeting held on 25th day of March, 2011.

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 Inani has resigned from the Directorship of the Company w.e.f. 30th September, 2011. The Board expresses its gratitude to the outgoing director for his services to the company during his tenure.

Mr. Raju Shivaji Bhosale was appointed as an additional Director with effect from 20th February, 2012. He holds office of the Director upto the date of the ensuing Annual General Meeting.

Mr. Naval Saraf retires by rotation at the ensuing Annual General Meeting and showed his unwillingness for re-appointment as Directors of the Company.

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

AUDITOR'S REPORT:

The statutory auditors of the company, M/s. Mahesh C. Solanki & Co., Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. The



Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment / reappointment within the meaning of Section 226 of the said Act.

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) In the preparation of the annual accounts for financial year ended 31st March, 2012 the applicable accounting standards have been followed along with the proper explanation relating to material departures, if any.
- i) 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.
- i) 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.
- i) The Directors have prepared the annual accounts for the year ended 31st March 2012 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 2012-13 to Bombay Stock Exchange Ltd. and the Delhi Stock Exchange Association Ltd.

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

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

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

PARTICULARS OF EMPLOYEES:

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

**AUDIT COMMITTEE:**

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. Siddharth Maheshwari and Mr. Naval Saraf and third one Mr. Mohan Jhavar being promoter non-executive Director. Mr. Siddharth Maheshwari was the Chairman of the Committee. Mr. Siddharth Maheshwari, Chairman of the Audit Committee was present at the Sixteenth 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: 30/05/2012

SD/-
Mohan Jhavar
(Managing Director)

SD/-
Alka Soni
(Director)

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

India recorded the highest growth rates in the mid-2000s, and is one of the fastest-growing economies in the world. The growth was led primarily due to a huge increase in the size of the middle class consumer, a large labor force and considerable foreign investments. India is now much more closely integrated with the world economy as its share of trade to GDP of goods and services has tripled between 1990-2010. At the same time, the extent of financial integration, measured by flows of capital as a share of GDP, has also increased dramatically and the role of India in the world economy has commensurately expanded, along with the other major members of emerging markets.

Economic growth stood at 6.5% for the 2011-12 fiscal year and growth momentum to pick up in next two fiscals to 7.6 per cent 2012-13 and 8.6 per cent in 2013-14. Agriculture and service sector continue to perform well. 2.5% growth in Agro sector and service sector grew by 9.4%. India's Index of Industrial Production was 4.10 percent in the month of February 2012 on a year-on-year basis, as compared to 1.10 percent growth in January 2012 and 6.48 percent growth in February 2011. Inflation on WPI was high but showed clear slow down by the yearend; this is likely to spur investment activities leading to positive impact on growth.

B. CONSTRUCTION AND INFRASTRUCTURE SECTOR IN INDIA:

Infrastructure and Construction – the long term opportunity The Planning Commission's XIth Five-Year Plan (2007-2012) had already identified that inadequate infrastructure was a major constraint on the country's rapid growth. The Plan had, therefore, emphasized the need for massive expansion in investment in infrastructure based on a combination of public and private investment, the latter through various forms of public-private partnerships (PPP). In the last few years, substantial progress has been made in this respect. The total investment in infrastructure, which includes roads, railways, ports, airports, electricity, telecommunications, oil gas pipelines and irrigation, is estimated to have increased from 5.7% of GDP in 2007 to around 8.0% by 2012.



The approach paper to the XIIth Five-Year Plan (2012-2017) highlights that the thrust on accelerating the pace of investment in infrastructure must continue as this is critical for sustaining and bolstering growth. Public investment in infrastructure will have to bear a large part of the infrastructure needs in backward and remote areas to improve connectivity and expand the much needed public services. Since resource constraints will continue to limit public investment in infrastructure in other areas, PPP-based development needs to be encouraged wherever feasible. It is necessary to review the factors which may be constraining private investment, and take steps to rectify them. PPP, with appropriate regulation and concern for equity, should also be encouraged in the social sectors, such as health and education. Several State Governments are already taking steps in this direction.

Considering the critical need of developing infrastructure in the country, construction activities are crucial for creating physical infrastructure in the country. Construction, on an average, accounts for more than half of the investment required for setting up critical infrastructure facilities like power projects, ports, railways, roads, bridges. Table 1 gives the estimates of average construction intensity of different infrastructure projects.

The cumulative investment in infrastructure in the Twelfth Five-Year Plan (2012-2017) is targeted at around \$1 trillion. Nearly half of this investment will be channelized into construction projects. Therefore, there is considerable long term business scope for players in the infrastructure related large scale construction business.

C. CAPITAL MARKETS IN INDIA:

As on 30 December 2011, the markets stood 26 per cent down from the all-time peak achieved during the special one-hour muhurut trading on 5 November 2010 when the Sensex had touched 21004.96 and Nifty 6312.45. The indices closed at 15454.92 (-24.64 per cent for the Sensex) and 4624.3 (- 24.62 per cent for Nifty) in the calendar year.

During financial year 2011-12 (up to 30 December 2011), the decline stood at 20.73 per cent in case of Nifty and 20.52 per cent for the Sensex.

Primary Market

During financial year 2011-12 (up to 31 December 2011) resource mobilization through the primary market witnessed a sharp decline over the year 2010-11, with only 30 new companies were listed at the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) as against 53 companies listed in 2010-11, and the mean IPO size decreasing compared to 2010. The amount of capital mobilized through private placement in corporate debt in 2011-12 has reduced as compared to 2010-11.

Secondary Market

As on 31 December 2011, Indian benchmark indices, the BSE Sensex and Nifty, decreased by 20.4 % and 20.7 % respectively over the closing value of 2010-11. Nifty Junior and BSE 500 also decreased by 22.6 % and 26.1 % respectively during the same period.

The free float market capitalization of Nifty, the Sensex, Nifty Junior, and BSE 500 stood at Rs. 14,05,066 crore, Rs. 12,66,639 crore, Rs. 2,47,531 crore, and Rs. 21,66,937 crore respectively in 2011-12 (upto December 2011) , showing an decrease of 20 %, 18.6 %, 21.8 % and 22 % respectively over 2010-11.

The price to earnings (P/E) ratios of Nifty, the Sensex, Nifty Junior, and BSE 500 as on 31 December 2011 were 16.8, 16.4, 13.5 and 16.2 respectively, indicating an decrease of 24.2 %, 23.4 %, 22.4 % and 15.9 % respectively over 2010-11.

Equity Derivatives

In the equity derivative segment, the NSE witnessed a decrease in the total turnover while the BSE witnessed an increase 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 also and during the year 2011-12, the company has earned a turnover of about Rs. 611.50 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. 1,605.98 Lacs during the year 2011-12.

The total turnover of the Company was Rs. 2,217.48 Lacs as compared to the turnover of Rs. 13,857.13 Lacs of the previous year 2010-11 showing a reduction of about 84% due to change in accounting policy. Similarly the net profit of the Company during the year 2011-12 was Rs. 11.26 Lacs as compared to the net profit of Rs. 15.39 Lacs of the previous year 2010-11 showing a reduction of about 26.85%.

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 inherent 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 2012, 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 allocate 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, 2012. 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 2011-12 and its outlook for the future. This outlook is based on the assessment of the current business environment and government policies. The changes in economy, related sectors and other development are likely to cause variation, adverse or favourable, in this outlook.

**CORPORATE GOVERNANCE REPORT**

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

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

The Company's philosophy on corporate governance is 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 Jhawar | Promoter and Executive Director |
| Mrs. Alka Soni | Promoter and Non-Executive Director |
| Mr. Naval Saraf | Non-Executive and Independent Director |
| Mr. Siddharth Maheshwari | Non- Executive and Independent Director |
| Mr. Raju Shivaji Bhosale | Non-Executive and Additional Director |

All the Directors are liable to retire by rotation except Mr. Mohan Jhawar who is the Managing Director of the Company. The Chairman of the Board is an executive Director. There is no institutional or nominee or Government Director on the Board.

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

None of the Directors on the Board is a Member in more than 10 Committees and Chairman of more than 5 Committees (as per Clause 49(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 2011-12, Nine meetings of the Board of Directors were held on 27.05.2011, 30.05.2011, 28.06.2011, 11.08.2011, 30.08.2011, 05.09.2011, 14.11.2011, 13.02.2012 and 20.02.2012.

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, 2012 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 | Attendance at the last AGM | Member of other Board Committees | | No. of other Director-ships in other Boards excluding private companies |
|---------------------------|----------|----------------------------|--------------------------------|----------------------------|----------------------------------|--------------|-------------------------------------------------------------------------|
| | | | | | Membership | Chairmanship | |
| Mr. Mohan Jhawar | ED | 9 | 9 | Yes | -- | -- | 1 |
| Mrs. Alka Soni | NED | 9 | 9 | Yes | -- | -- | -- |
| Mr. Siddharth Maheshwari | ID | 9 | 9 | Yes | -- | -- | 2 |
| Mr. Naval Saraf | ID | 9 | 9 | Yes | -- | -- | -- |
| Mr. Anurag Inani* | ID | 6 | 5 | No | -- | -- | -- |
| Mr. Raju Shivaji Bhosale* | NED | -- | -- | -- | -- | -- | -- |

NED – Non-executive Director

ID - Independent Director

ED – Executive Director

* Mr. Raju Shivaji Bhosale has been appointed as an Additional Director of the Company at the Board Meeting held on 20/02/2012.

*Mr. Anurag Inani resigned from directorship on 30th September, 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, 2012 are as under:

| Name | No. of Ordinary shares held | % of Paid-up Capital |
|--------------------------|-----------------------------|----------------------|
| Mrs. Alka Soni | - | - |
| Mr. Naval Saraf | - | - |
| Mr. Siddharth Maheshwari | - | - |

3. AUDIT COMMITTEE :

Composition:

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 executive director viz. Mr. Mohan Jhawar. Mr. Siddharth Maheshwari was approved as the Chairman of the Committee with the consent of all the members after the resignation of Mr. Sashant Nyati..

Meetings :

Four meetings of the Committee were held during the financial year under review on 30.05.2011, 11.08.2011, 14.11.2011 and 13.02.2012 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 | 1 |
| 2. | Mr. Naval Saraf | 4 | 4 |
| 3. | Mr. Mohan Jhawar | 4 | 4 |
| 4. | Mr. Siddharth Maheshwari | 4 | 3 |

*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:

Review of :

1. Financial Statement before submission to the Board.
2. Draft financial statements & Auditor's Report (before submission to the Board).
3. Accounting policies & practices.
4. Risk management policies & practices.
5. Compliances with stock exchange and legal requirements concerning financial statements
6. Related party transactions.
7. Internal control system & internal audit reports and their compliance thereof.
8. Compliance with accounting standards.

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

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

Objective

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

Information for review :

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

4. REMUNERATION COMMITTEE :

Composition, Meeting and Terms of reference :

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

The Committee met once during the financial year 2011-12 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 2011-12, remuneration of Rs. 7, 50,000 was paid to the Executive Director as salary and he also holds 31500 shares as on 31st March, 2012.

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, 2012, 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 Jhawar as its chairman and Mr. Naval Saraf as Compliance Officer.

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

During the year ended 31st March, 2012, 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 |
|---------|------------|------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 14th | 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. |
| 15th | 30.09.2010 | 02.30 p.m. | B-3, 204, Saket Complex, Thane (West), Mumbai-400601 | i. Appointment of Mr. Anurag Innani as Director. |
| 16th | 30.09.2011 | 02.30 | C-11, Rinka Park, Geeta Nagar, Bhayandar (West), Thane-401101 | i. Appointment of Mr. Siddharth Maheshwari as an Additional Director. ii. Appointment of Mr. Mohan Jhavar as a Managing 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.

No EGM was held during the year 2011-12.

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 2012.

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.kclinfra.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, 2012.

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.kclinfra.com is under development.

7. GENERAL SHAREHOLDER INFORMATION:

| | |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Annual General Meeting: Date, Time Venue | Friday, the 28th September, 2012 at 12.30 P.M. At Food Zone IIInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101. |
| Financial Calendar | The Company follows April to March as its financial year. The results for every quarter beginning from April will be declared within the time prescribed under Listing Agreement. |
| Date of Book Closure | Saturday, the 22nd September, 2012 to Friday, the 28th September, 2012 (both days inclusive) |
| Dividend Payment Date | No Dividend has been recommended for the year ended March 31, 2012 |
| 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, 2012 | Please see in the following pages. |
| Dematerialization of shares and Liquidity | 94.62% of the paid up capital of the company has been dematerialized as on 31.03.2012. |
| 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, 2011 | 69.70 | 56.50 | 19811.14 | 18976.19 |
| May, 2011 | 63.25 | 50.35 | 19253.87 | 17786.13 |
| June, 2011 | 56.50 | 49.25 | 18873.39 | 17314.38 |
| July, 2011 | 56.00 | 40.55 | 19131.70 | 18131.86 |
| August, 2011 | 42.15 | 26.60 | 18440.07 | 15765.53 |
| September, 2011 | 31.50 | 22.60 | 17211.80 | 15801.01 |
| October, 2011 | 24.50 | 14.60 | 17908.13 | 15745.43 |
| November, 2011 | 22.19 | 13.89 | 17702.26 | 15478.69 |
| December, 2011 | 17.55 | 6.80 | 17003.71 | 15135.86 |
| January, 2012 | 12.00 | 7.81 | 17258.97 | 15358.02 |
| February, 2012 | 13.93 | 8.33 | 18523.78 | 17061.55 |
| March, 2012 | 19.92 | 12.65 | 18040.69 | 16920.61 |

**Shareholding Pattern as on 31st March, 2012:**

| | Category | No. of Shares Held | Percentage of Shareholding |
|----|---------------------------------------------------------------------------------------------------------------------|--------------------|----------------------------|
| A. | PROMOTER'S HOLDING: | | |
| 1. | Promoters : | | |
| | Indian Promoters | 2105581 | 8.00 |
| | Foreign Promoters | 0.00 | 0.00 |
| 2. | Persons acting in concert | 0.00 | 0.00 |
| | Sub-total | 2105581 | 8.00 |
| B. | NON-PROMOTER'S HOLDING: | | |
| 1. | Institutional Investors | | |
| a. | Mutual Funds and UTI | 0.00 | 0.00 |
| b. | Banks, Financial Institutions, Insurance Companies [Central / State Govt. Institutions/Non-government Institutions] | 0.00 | 0.00 |
| c. | FII's | 0.00 | 0.00 |
| | Sub-total | 0.00 | 0.00 |
| C. | OTHERS: | | |
| a. | Private Corporate Bodies | 12421289 | 47.17 |
| b. | Indian Public | 11569195 | 43.94 |
| c. | NRIs / OCBs | 306 | 00.00 |
| d. | Any other (Clearing Members) | 221852 | 00.84 |
| e. | Trust | 12777 | 00.05 |
| | Sub-total | 24225419 | 92.00 |
| | Grand Total | 26331000 | 100.00 |

Distribution of Shareholding as on 31st March, 2012 :

| No. of Equity shares | No. of Shareholders | % of Total | No. of Shares | % of Total |
|----------------------|---------------------|------------|-----------------|------------|
| Up to 500 | 1307 | 48.10 | 307149 | 1.17 |
| 501 to 1000 | 350 | 12.88 | 300879 | 1.14 |
| 1001 to 2000 | 291 | 10.71 | 466198 | 1.77 |
| 2001 to 3000 | 194 | 7.14 | 504741 | 1.92 |
| 3001 to 4000 | 76 | 2.80 | 278765 | 1.06 |
| 4001 to 5000 | 120 | 4.42 | 585570 | 2.22 |
| 5001 to 10000 | 163 | 6.00 | 1272147 | 4.83 |
| 1,00,01 and above | 216 | 7.95 | 22615551 | 85.88 |
| Total | 2717 | 100 | 26331000 | 100 |



Auditor's Certificate on Corporate Governance :

The Company has obtained a certificate from its statutory auditors M/s. Mahesh C. Solanki & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2011-12. 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, 2012.

Place: Thane
Date: 30/05/2012

SD/-
Mohan Jhavar
(Managing Director)

SD/-
Alka Soni
(Director)



AUDITORS' CERTIFICATE

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

We have examined the compliance of conditions of Corporate Governance by **KCL Infra Projects Limited** ("the Company"), for the year ended 31st March, 2012, 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

Place: Thane
Date: 30/05/2012

C.A. Mahesh Solanki
Partner
Membership No: 074991

DECLARATION FOR CODE OF CONDUCT

I, Mr. Mohan Jhavar, Managing Director of KCL Infra Projects Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49(1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2012.

FOR KCL INFRA PROJECTS LIMITED

Date: 30/05/2012
Place: Thane

SD/-
Mohan Jhavar
(Managing Director)



MR. MOHAN JHAWAR, MANAGING DIRECTOR AND MRS. ALKA SONI, DIRECTOR OF THE COMPANY HEREBY CERTIFY TO THE BOARD OF DIRECTORS OF THE COMPANY THAT:-

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief :
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee :
 - (a) Significant changes in internal control over financial reporting during the year;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For KCL Infra Projects Limited

Date : 30/05/2012

Place : Thane

Mohan Jhavar
Managing Director

Alka Soni
Director

**AUDITOR'S 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, 2012 and also the Statement of Profit & Loss & the 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 Statement of Profit and Loss & 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 Statement of Profit and Loss & 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, 2012 and taken on record by the Board of Directors of the Company we report that none of directors are disqualified as on 31st March, 2012 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, 2012 and
 - (b) In the case Statement of Profit and Loss, of the profit for the year ended on that date.
 - (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Mahesh C. Solanki & Co.
Chartered Accountants
Firm Regn No. 006228C

CA. Mahesh Solanki
Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2012

**ANNEXURE TO THE AUDITOR'S REPORT****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) (a) In our opinion and according to the information and explanation given to us, the Company has not granted any secured or unsecured loans to any parties listed in the register maintained under section 301 of the Act.
- (b) According to the information and explanation given to us, we are of the opinion that the transactions made during the year in pursuance of such contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of Five Lacs Rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) (a) According to the information and explanation given to us, we are of the opinion that particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, required to be entered into the register maintained under Section 301 of the Act have been so entered.
- (b) According to the information and explanation given to us, we are of the opinion that the transactions made during the year in pursuance of such contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956, and exceeding the value of Five Lacs Rupees in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) According to the information and explanations given to us, and as per our examination of records, the Company has not accepted any deposits from public and therefore, the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provision of the Companies Act, 1956, and rules framed there under, are not applicable.
- (vii) In our opinion, the internal audit system is largely commensurate with the size of the Company and nature of its business. However, it needs greater coverage and improvement in periodicity.
- (viii) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, in respect of the Company.



- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including investor education and protection fund, Employee's state insurance, 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, 2012 for a period exceeding six months from the date they become payable.
(b) According to information and explanation given to us, and as per our examination of records of the Company there are no dues on account of sales tax, income tax, custom duty, wealth tax, excise duty and cess matters that have not been deposited on account of dispute as on March 31st 2012.
- (x) The Company has no accumulated losses at the end of financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) Based on our audit procedures and as per information and explanation given by the management, the Company has not obtained any borrowings from any Financial Institution or by way of debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of the transactions and contracts in respect of trading in securities, derivatives and other investments during the year and timely entries have been made therein.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from bank or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the records of the Company and the information and explanation provided by the management, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under section 301 of the Act. Therefore the clause whether the prices at which shares have been issued is not prejudicial to the interest of the Company is not applicable to the Company.
- (xix) According to the information and explanations given to us, during the year under audit, the Company has not issued any debentures.
- (xx) The Company has not raised any money through public issues. Therefore the clause of verification of end use of money raised by public issues as disclosed in the notes to the financial statement is not applicable to the company.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, no fraud on or by the Company has been noticed or reported during the course of our audit.

For Mahesh C. Solanki & Co.

Chartered Accountants
Firm Regn No. 006228C

CA. Mahesh Solanki

Partner
M. No. 074991

Place : Thane
Dated : 30th May, 2012

**BALANCE SHEET AS AT 31ST MARCH, 2012**

(Amount in Rs.)

| Sr. No. | PARTICULARS | NOTE | As at 31.03.2012 | As at 31.03.2011 |
|-----------|-----------------------------------------------------|------|---------------------------|---------------------------|
| I | EQUITY & LIABILITIES | | | |
| 1 | Shareholders Funds | | | |
| | (i) Share Capital | 2 | 52,662,000 | 50,502,000 |
| | (ii) Reserves and Surplus | 3 | 122,732,080 | 51,406,516 |
| | (iii) Share Application Money Pending For Allotment | | - | 39,000,000 |
| | | | <u>175,394,080</u> | <u>140,908,516</u> |
| 2 | Non-Current Liabilities | | | |
| | (i) Long Term Borrowings | 4 | 1,540,846 | - |
| | (ii) Deferred Tax Liabilities (Net) | 5 | 411,495 | 349,793 |
| | | | <u>1,952,341</u> | <u>349,793</u> |
| 3 | Current Liabilities | | | |
| | (i) Short Term Borrowings | 6 | 11,911,419 | - |
| | (ii) Trade Payables | 7 | 35,917,709 | 170,870 |
| | (iii) Other Current Liabilities | 8 | 7,356,157 | 11,030 |
| | (iv) Short Term Provisions | 9 | 556,312 | 675,100 |
| | | | <u>55,741,597</u> | <u>857,000</u> |
| | Total | | <u>233,088,018</u> | <u>142,115,309</u> |
| II | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (i) Fixed Assets | 10 | | |
| | (a) Tangible Asstes | | 5,574,039 | 2,115,530 |
| | (ii) Non-Current Investments | 11 | 7,592,000 | 7,592,000 |
| | (iv) Long-Term Loans And Advances | 12 | 50,029 | 25,029 |
| | (v) Other Non-Current Assets | 13 | 97,064 | - |
| | | | <u>13,313,132</u> | <u>9,732,559</u> |
| 2 | Current Assets | | | |
| | (ii) Inventories | 14 | 55,191,059 | 22,754,728 |
| | (iii) Trade Receivables | 15 | 97,000,000 | 47,200,748 |
| | (iv) Cash And Cash Equivalents | 16 | 12,855,250 | 11,463,900 |
| | (v) Short-Term Loans And Advances | 17 | 25,303,576 | 49,463,374 |
| | (vi) Other Current Assets | 18 | 29,425,000 | 1,500,000 |
| | | | <u>219,774,886</u> | <u>132,382,750</u> |
| | Total | | <u>233,088,018</u> | <u>142,115,309</u> |

Summary of Significant Accounting Policies 1

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

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

Place : Thane

Dated : 30th May, 2012

For and on Behalf of the Board of Directors

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31st MARCH, 2012

(Amt. in Rs.)

| Sr. No | PARTICULARS | NOTE | Year ended on 31.03.2012 | Year ended on 31.03.2011 |
|-------------------------------------|-------------------------------------------------------------|------|-----------------------------|-----------------------------|
| Revenue from operations | | | | |
| I | Revenue from operations | 19 | 221,747,691 | 1,385,713,245 |
| II | Other income | 20 | 2,428,321 | 1,488,008 |
| | Total Revenue | | 224,176,012 | 1,387,201,253 |
| III Expenses : | | | | |
| | Purchase of stock-in-trade | 21 | 188,470,804 | 1,389,559,227 |
| | Changes in inventories of Stock -in-trade Stock In Trade | 22 | 29,118,124 | (7,945,768) |
| | Trading Expenses | 23 | 336,059 | 547,455 |
| | Employee benefits expenses | 24 | 1,745,500 | 1,049,830 |
| | Finance costs | 25 | 540,913 | 36,188 |
| | Depreciation and amortization expense | 26 | 673,069 | 300,209 |
| | Other expenses | 27 | 1,614,324 | 1,433,808 |
| | Total Expenses | | 222,498,794 | 1,384,980,948 |
| IV | PROFIT / (LOSS) BEFORE TAX | | 1,677,219 | 2,220,305 |
| V TAX EXPENSE | | | | |
| | Current tax | | 490,000 | 675,100 |
| | Earlier year tax | | (47) | 35,141 |
| | Deferred tax(Assets)/ liabilities | | 61,702 | (28,630) |
| VI | PROFIT / (LOSS) FOR THE PERIOD | | 1,125,564 | 1,538,694 |
| VII Earning per equity share | | | | |
| | Basic | | 0.04 | 0.06 |
| | Diluted | | 0.04 | 0.06 |
| | Significant Accounting Policies | 1 | | |

The notes are an integral part of these financial statements

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

CA. Mahesh Solanki
Partner
M. No. 074991

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

Sd/-
Mohan Jhawar
Director

Sd/-
Alka Soni
Director

Place : Thane
Dated : 30th May, 2012

**CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2012**

(Amt. in Rs.)

| Particulars | Year ended 31 st March, 2012 | Year ended 31 st March, 2011 |
|----------------------------------------------------------|--------------------------------------------|--------------------------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit before Tax | 1,677,219 | 2,220,305 |
| Adjustment for : | | |
| Depreciation | 648,803 | 300,209 |
| Miscellaneous Exp. W/o | 149,115 | - |
| Preliminary Exp. w/off | 24,266 | |
| Interest Paid | 540,913 | 36,188 |
| Interest Received | (2,127,408) | (1,359,050) |
| Operating Profit before change of Working Capital | 912,907 | 1,197,651 |
| (Increase)/Decrease in Inventories | (32,436,332) | 9,746,044 |
| (Increase)/Decrease in Sundry Debtors | (49,948,367) | (45,383,768) |
| (Increase)/Decrease in Trade Payables | 35,746,839 | (57,518) |
| (Increase)/Decrease in Loan & Advances | 23,710,289 | (10,235,805) |
| (Increase)/Decrease in Current Liabilities | 6,309,601 | |
| (Increase)/Decrease in Other Current Assets | (27,925,000) | |
| Cash Generated from Operation | (43,630,062) | (44,733,395) |
| Income Tax Paid | 250,544 | 702,741 |
| | (43,880,606) | (45,436,136) |
| CASH FLOW FROM INVESTMENT ACTIVITIES | | |
| Interest Received | 2,127,408 | 1,359,050 |
| Interest Paid | (540,913) | (36,188) |
| Purchase of fixed assets | (4,107,312) | (290,817) |
| Sale of Investments | | 3,500,000 |
| | (2,520,817) | 4,532,046 |
| CASH FLOW FROM FINANCING ACTIVITIES | | |
| Increase/(Decrease) in Share Capital (including Premium) | 72,360,000 | - |
| Share Application Money | (39,000,000) | 39,000,000 |
| Preliminary Exp. | (121,330) | |
| Loan taken | 14,554,103 | - |
| | 47,792,773 | 39,000,000 |
| NET CASH INCREASE IN CASH & CASH EQUIVALENTS | 1391350 | (1,904,090) |
| ADD : OPENING CASH & CASH EQUIVALENTS | 11463900 | 13,367,891 |
| CASH & CASH EQUIVALENTS AT END OF THE PERIOD | 12855250 | 11,463,900 |

As per our report of even dated Attached

For Mahesh C. Solanki & Co.

Chartered Accountants

Firm Regn No. 006228C

CA. Mahesh Solanki

Partner

M. No. 074991

Place : Thane

Dated : 30th May, 2012

For and on Behalf of the Board of Directors

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

**1. SIGNIFICANT ACCOUNTING POLICIES**

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

a) Nature of Operations

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

b) Basis of Accounting

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 1956, to the extent applicable. Except where otherwise stated, the accounting principles have been consistently applied, presentation and disclosure of financial statements. The financial statements of the Company have been prepared and presented for the year ended March 31, 2012, as per the format prescribed under the revised Schedule VI notified under the Companies Act, 1956. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for the preparation of the financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

c) Fixed Assets

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

d) Investments

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

e) Inventories

Inventories are valued as follows:

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

f) Revenue recognition

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. As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the profit & loss is charged to the statement of profit & loss Account. Previously company adopted the policy for charging these instrument on the basis of contract note via purchases & sale.

g) Income taxes

Tax expense comprises both current and deferred taxes. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.



h) Earnings per Share

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

i) Segment Reporting Policies

Identification of segments:

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

Allocation of common costs:

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

Segment Policies:

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

j) Provisions and Contingent Liabilities

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



NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2012

(Amount in Rs.)

| NOTE | PARTICULARS | As at 31.03.2012 | As at 31.03.2011 |
|----------|--------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------|
| 2 | SHARE CAPITAL | | |
| (a) | Authorised Capital | 55,000,000 | 55,000,000 |
| | 27,500,000 Equity Shares of Rs.2/- each (Prev. Year 27,500,000 Equity Shares of Rs 2/- each) | | |
| | | <u>55,000,000</u> | <u>55,000,000</u> |
| (b) | Issued, Subscribed and Paid up shares | | |
| | 26,331,000 (Prev. Year 25,251,000) Equity Shares of Rs 2/- each | 52,662,000 | 50,502,000 |
| | | <u>52,662,000</u> | <u>50,502,000</u> |
| (a) | Terms/rights attached to equity shares | | |
| | The company has only one class of equity shares having a par value of Rs. 2 per share. Each holder of equity shares is entitled to one vote per share. | | |
| (b) | Details of shareholders holding more than 5% shares in the company | | |
| | Name | % of Holding | No. of Shares |
| | Manisha Jhawar | (P.Y. 6.59 %) 6.44 | (P.Y.17,35,086 Equity Shares of Rs. 2/- each) 16,25,075 Equity Shares of Rs. 2/- each |
| (c) | Reconciliation of the number of share along with the amounts outstanding at the beginning and at the end of the reporting period. | | |
| | Particular | No fo Shares | (Amount in Rs.) |
| | Number of share at the beginning | 25,251,000 | 50,502,000 |
| | | (P.Y. 25,251,000) | (P.Y. 25,251,000) |
| | Add : Share issued during the year | 1,080,000 | 2,160,000 |
| | | (P.Y. Nil) | (P.Y. Nil) |
| | Number of share at the end | 26,331,000 | 52,662,000 |
| 3 | RESERVE & SURPLUS | | |
| (a) | General Reserve | | |
| | Opening Balance | 1,000,000 | 1,000,000 |
| | Additions During The Year | - | - |
| | Closing Balance (A) | <u>1,000,000</u> | <u>1,000,000</u> |
| (b) | Capital Reserve | | |
| | Opening Balance | 13,028,000 | 13,028,000 |
| | Additions During The Year | - | - |
| | Closing Balance (B) | <u>13,028,000</u> | <u>13,028,000</u> |
| (c) | Securities Premium Account | | |
| | Opening Balance | 30,977,000 | 30,977,000 |
| | Additions During The Year | 70,200,000 | - |
| | Closing Balance (C) | <u>101,177,000</u> | <u>30,977,000</u> |
| (d) | Surplus of Statement of Profit & loss Account | | |
| | Opening Balance | 6,401,516 | 4,862,822 |
| | Additions During The Year | 1,125,564 | 1,538,694 |
| | Closing Balance (D) | <u>7,527,080</u> | <u>6,401,516</u> |
| | | <u>122,732,080</u> | <u>51,406,516</u> |

NOTES TO AND FORMING PART OF FIANCIAL STATEMENTS AS AT 31st MARCH, 2012

(Amount in Rs.)

| NOTE | PARTICULARS | As at 31.03.2012 | As at 31.03.2011 |
|--------------------------------|-------------------------------------------------------------------------------------------------|---------------------|---------------------|
| NON CURRENT LIABILITIES | | | |
| 4 | Long Term Borrowings | | |
| | Secured Term Loans from bank | | |
| | Vehicle Loan* | 1,540,846 | - |
| | | <u>1,540,846</u> | <u>-</u> |
| | * Long term borrowing secured by way of mortgage over the vehicle. | | |
| 5 | Deferred Tax Liabilities (Net) : | | |
| | Opening Balance | 349,793 | 378,423 |
| | Deferred Tax Asset/(Liability) Created During the year | 61,702 | (28,630) |
| | | <u>411,495</u> | <u>349,793</u> |
| CURRENT LIABILITIES | | | |
| 6 | Short-Term Borrowings : | | |
| | Loan Repayable On Demand | | |
| | Cash Credit From Bank for Working Capital Facilities* | 11,911,419 | - |
| | | <u>11,911,419</u> | <u>-</u> |
| | * Cash credit limit granted by Indian Overseas Bank this is secured by way of rent receivables. | | |
| 7 | Trade Payables | | |
| | Trade Creditors | 35,662,474 | - |
| | Sundry Creditors for Expenses | 255,235 | 170,870 |
| | | <u>35,917,709</u> | <u>170,870</u> |
| 8 | Other Current Liabilities | | |
| | Other Current Liabilities | 254,319 | 11,030 |
| | Current Maturities Of Long Term Debts | | |
| | -Vehicle Loan | 1,101,838 | - |
| | Rent Deposit | 1,000,000 | - |
| | Advance from Customer | 5,000,000 | - |
| | | <u>7,356,157</u> | <u>11,030</u> |
| 9 | Short-Term Provisions | | |
| | Provision for Current Tax | 490,000 | 675,100 |
| | Provision for Expenses | 66,312 | - |
| | | <u>556,312</u> | <u>675,100</u> |
| NON CURRENT ASSETS | | | |
| 11 | Non Current Investment | | |
| | Long Term Investments | | |
| | (At Cost/Carrying Amount unless otherwise stated) | | |
| | In Equity Shares | | |
| | Madhya Pradesh Stock Exchange Ltd. | 2,592,000 | 2,592,000 |
| | (86,400 Equity shares of Rs. 1/- each fully paid up) | | |
| | Medistar Health Solution Pvt. Ltd. | 1,000,000 | 1,000,000 |
| | (20,000 Equity shares of Rs. 10/- each fully paid up) | | |
| | Allied News Network P. Ltd. | 4,000,000 | 4,000,000 |
| | (32,000 Equity shares of Rs. 10/- each fully paid up) | | |
| | | <u>7,592,000</u> | <u>7,592,000</u> |

NOTES TO AND FORMING PART OF FIANCIAL STATEMENTS AS AT 31st MARCH, 2012

(Amount in Rs.)

| NOTE | PARTICULARS | As at 31.03.2012 | As at 31.03.2011 |
|-----------|----------------------------------------------------------------------|---------------------|----------------------|
| 12 | Long Term Loans And Advances : | | |
| | (Unsecured Consider good) | | |
| | Security Deposits With others | 50,029 | 25,029 |
| | | <u>50,029</u> | <u>25,029</u> |
| | Other Non-Current Assets | | |
| 13 | Misc . Expenditure | | |
| | (To The Extent Not Written Off Or Adjusted) | | |
| | Incurred during the year | 121,330 | - |
| | Less: 1/5 th Written Off During The Year | 24,266 | - |
| | | <u>97,064</u> | <u>-</u> |
| | CURRENT ASSETS | | |
| 14 | Inventories | | |
| | (As Taken, Valued & Certified By The Management) | | |
| | Land and Development cost | 47,204,518 | 103,585 |
| | Stock in trade | | |
| | In Equity Shares & Units | 7,986,541 | 22,651,143 |
| | | <u>55,191,059</u> | <u>22,754,728</u> |
| 15 | Trade Receivables | | |
| | (Unsecured Considered Good Unless Otherwise Stated) | | |
| | Debts Outstanding For A Period Exceeding 6 Months | - | - |
| | Other Debts | 97,000,000 | 47,200,748 |
| | | <u>97,000,000</u> | <u>47,200,748</u> |
| 16 | Cash & Cash Equivalentts | | |
| | Balance With Scheduled Banks | | |
| | Current Accounts | 9,625,452 | 10,528,123 |
| | Cash On Hand | 1,729,798 | 935,777 |
| | (As Verified and Certified By Management) | | |
| | Fixed deposit account having maturity Less than 3 month | 1,500,000 | - |
| | | <u>12,855,250</u> | <u>11,463,900</u> |
| 17 | Short Term Loans & Advances | | |
| | (Unsecured Considered Good Unless Otherwise Stated) | | |
| | Advances Recoverable In Cash Or In Kind For The Value To Be Received | | |
| | (a) Recievable From Revenue Authorities | 25,047 | - |
| | (b) Advance Income Tax & TDS Receivable | 377,677 | 802,186 |
| | (c) Others Loans & Advances | 24,885,294 | 48,661,188 |
| | (d) Prepaid Insurance | 15,558 | - |
| | | <u>25,303,576</u> | <u>49,463,374</u> |
| 18 | Other Current Assets | | |
| | Advance to Creditors | 29,425,000 | 1,500,000 |
| | | <u>29,425,000</u> | <u>1,500,000</u> |
| 19 | Revenue from operation | | |
| | Sales-Derivatives, Equity & Unit | 160,597,691 | 1,338,863,245 |
| | Liquidated Damages | 61,150,000 | 46,850,000 |
| | | <u>221,747,691</u> | <u>1,385,713,245</u> |

NOTES TO AND FORMING PART OF FIANCIAL STATEMENTS AS AT 31st MARCH, 2012

(Amount in Rs.)

| NOTE | PARTICULARS | As at 31.03.2012 | As at 31.03.2011 |
|-------------------------------------------------|-------------------------------------------|---------------------|----------------------|
| 20 Other income : | | | |
| | Interest income | 2,127,408 | 1,359,050 |
| | Dividend income | 100,913 | 128,312 |
| | Other non-operating income | - | 646 |
| | Rent received | 200,000 | - |
| | | 2,428,321 | 1,488,008 |
| 21 Purchase of Stock-in-Trade | | | |
| | Purchases-Derivatives,Equity & Unit | 128,319,871 | 1,380,005,642 |
| | Purchase & Development Cost | 60,150,933 | 9,553,585 |
| | | 188,470,804 | 1,389,559,227 |
| 22 Stock-in-trade | | | |
| | At the beginning of the accounting period | 84,309,183 | 76,363,416 |
| | At the end of the accounting period | 55,191,059 | 84,309,183 |
| | | 29,118,124 | (7,945,768) |
| 23 Trading Expenses | | | |
| | Service Tax & Other Charges | 284,864 | 265,234 |
| | Securities Transaction Tax | 51,196 | 282,221 |
| | | 336,059 | 547,455 |
| 24 Employee Benefit Expenses | | | |
| | Director remuneration | 750,000 | - |
| | Salary and wages | 995,500 | 1,049,830 |
| | | 1,745,500 | 1,049,830 |
| 25 Finance costs | | | |
| | Interest On Borrowing from Bank | 235,122 | 1,251 |
| | Interest Paid to others | 179,057 | 34,936 |
| | Processing Charges | 126,735 | - |
| | | 540,913 | 36,188 |
| 26 Depreciation And Amortzation Expenses | | | |
| | Depreciation | 648,803 | 300,209 |
| | Preliminary Expenses Written off | 24,266 | - |
| | | 673,069 | 300,209 |
| 27 Other Expenses | | | |
| | Administrartive Expense | | |
| | Audit Fees & expenses | 66,180 | 66,180 |
| | Communication Expenses | 16,853 | 19,046 |
| | Electricity & Water Expenses | 52,813 | 40,295 |
| | Insurance Expenses | 85,589 | 17,551 |
| | Legal & Professional Fees & Expenses | 414,356 | 251,853 |
| | Office Expenses | 188,369 | 115,126 |
| | Postage & Telegram | 27,602 | 39,179 |
| | Rent, Rates & Taxes | 186,750 | 224,000 |
| | Repairs & Maintenance | 30,200 | 40,140 |

NOTES TO AND FORMING PART OF FIANCIAL STATEMENTS AS AT 31st MARCH, 2012

(Amount in Rs.)

| NOTE | PARTICULARS | As at 31.03.2012 | As at 31.03.2011 |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| | Stationery & Printing Exp. | 74,586 | 55,661 |
| | Misc. Balance written off | 149,115 | - |
| | Donation | 1,500 | - |
| | Travelling Expenses | 218,538 | 516,087 |
| | Vehicle repairs & Maintenance | 101,873 | 48,690 |
| | | 1,614,324 | 1,433,808 |
| 28 | PAYMENT TO THE AUDITORS AS | | |
| | Audit Fees | 60,000 | 60,000 |
| | In other capacity | 40,000 | 40,000 |
| | Service Tax | 10,300 | 10,300 |
| | | 110,300 | 110,300 |
| 29 | EARNING PER SHARE (EPS) | | |
| | Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholder | 1,125,564 | 1,538,694 |
| | Weighted Average number of equity shares used as denominator for calculating EPS | 26,331,000 | 25,251,000 |
| | Basic and Diluted Earning per share (Rs.) | 0.04 | 0.06 |
| | Face Value per equity share (Rs.) | 2.00 | 2.00 |
| 30 | CONTINGENT LIABILITIES AND COMMITMENTS | | |
| | No contingent liabilities exist as on the balance sheet date | NIL | NIL |
| 31 | Confirmation of amount due from Sundry Debtors and due to Sundry Creditors, deposits, Loans and Advances have been received from certain parties and necessary adjustments, if any, are made in the books of accounts. | | |
| 32 | In the opinion of the Board of Directors, the current assets, Loans & Advances have value on realization in the ordinary course of business, at least equal to the amount at which they are stated. | | |
| 33 | Balances in respect of Sundry Creditors, Sundry Debtors, Loans and advances (including interest thereon) are subject to confirmation from respective parties. | | |
| 34 | Previous year's figures have been re-grouped/re-arranged and re-classified wherever necessary. | | |
| 35 | Segment Reporting | | |
| | The business of the Company is under two segments i.e. | | |
| | a) Construction & Infrastructure | | |
| | b) Derivative, Equity & Unit. | | |
| | | | (Rs. In Lacs) |
| | | For The Year Ended March 31, 2012 | For The Year Ended March 31, 2011 |
| 1. | Segment Revenues: | | |
| | (a) Constructions & Infrastructure | 611.50 | 468.50 |
| | (b) Turnover in Derivatives, Equity & Unit | 1,605.98 | 13,388.63 |
| | (c) Unallocated | 24.28 | 14.88 |
| | Total Revenues | 2,241.76 | 13,872.01 |
| | Less: Inter Segment Revenue | - | - |
| | Net Sales/Income From Operations | 2,241.76 | 13,872.01 |
| 2. | Segment Results | | |
| | (a) Constructions & Infrastructure | 481.00 | 374.00 |
| | (b) Derivatives, Equity & Unit | (453.65) | (343.95) |
| | (c) Unallocated | 24.28 | 14.88 |
| | Total | 51.64 | 44.93 |



(Rs. In Lacs)

| | For The Year Ended March 31, 2012 | For The Year Ended March 31, 2011 |
|-------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| Less: (i) Financial Cost | 5.41 | 0.36 |
| (ii) Other Un-allocable Expenditure net off un-allocable income | 29.45 | 22.37 |
| Total Profit before Tax | 16.77 | 22.20 |
| 3. Capital Employed (Segment assets – Segment Liabilities) | | |
| (a) Constructions & Infrastructure | 716.30 | 456.88 |
| (b) Derivatives, Equity & Unit | 694.21 | 242.67 |
| (c) Unallocated | 347.55 | 713.03 |
| Total | 1,758.06 | 1,412.58 |

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

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

(Rs. In Lacs)

| Particulars | Associates As at 31st March, 2012 | | Relatives of Key Managerial Personnel As at 31st March, 2012 | | Key Managerial Personnel As at 31st March, 2012 | | Total As at 31st March, 2012 | |
|-------------|--------------------------------------|--------|--------------------------------------------------------------------|------|-------------------------------------------------------|------|---------------------------------|--------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Rent Paid | - | - | - | 0.60 | 1.44 | 1.44 | 1.44 | 2.04 |
| Salary Paid | - | - | - | 1.20 | 7.50 | - | 7.50 | 1.20 |
| Sales | (468.5) | 534.50 | - | - | - | - | (468.5) | 534.50 |

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

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

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

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

As per our report of even date attached

For Mahesh C. Solanki & Co.

Chartered Accountants

Firm Regn No. 006228C

CA. Mahesh Solanki

Partner

M. No. 074991

For and on Behalf of the Board of Directors of

KCL Infra Projects Limited

Sd/-

Mohan Jhawar

Director

Sd/-

Alka Soni

Director

Place : Thane

Dated : 30th May, 2012

NOTE-10 FIXED ASSETS

| PARTICULARS | GROSS BLOCK | | | DEPRECIATION | | | | NET BLOCK | | |
|----------------------|-----------------------|--------------------------|---------------------------|------------------|------------------|----------------|--------------|------------------|------------------|------------------|
| | Cost as on 01/04/2011 | Addition During the year | Deletions During the year | As on 31/03/2012 | Upto 01/04/2011 | For the year | Written Back | Upto 31/03/2012 | As on 31.03.12 | As on 31.03.11 |
| Office Premises | 911000 | - | - | 911,000 | 142,031 | 30,511 | - | 172,542 | 738,458 | 768,969 |
| Plant and Machinery | 145700 | - | - | 145,700 | 36,324 | 6,940 | - | 43,264 | 102,436 | 109,376 |
| Furniture & Fittings | 261500 | 22,183 | - | 283,683 | 90,183 | 17,694 | - | 107,877 | 175,806 | 171,317 |
| Office Equipments | 353182 | 20,000 | - | 373,182 | 48,759 | 23,407 | - | 72,166 | 301,016 | 304,423 |
| Motor Vehicle | 1425474 | 4,065,129 | - | 5,490,603 | 882,454 | 470,134 | - | 1,352,588 | 4,138,015 | 543,020 |
| Computer | 615935 | - | - | 615,935 | 397,510 | 100,117 | - | 497,627 | 118,308 | 218,425 |
| TOTAL | 3,712,791 | 4,107,312 | - | 7,820,103 | 1,597,261 | 648,803 | - | 2,246,064 | 5,574,039 | 2,115,530 |
| Previous Year | 3,421,974 | 290,187 | - | 3,712,791 | 1,297,052 | 300,209 | - | 1,597,261 | 2,115,530 | 2,124,922 |

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



KCL Infra Projects Limited

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

POSTAL BALLOT FORM

1. Name(s) & Registered Address of sole /first named Member:
2. Name(s) of the Joint Member(s):
3. Registered Folio No./DP ID No./ Client Id No.:
4. No. of Equity Shares held:
5. I/We hereby exercise my/our vote in respect of special resolution to be passed through postal ballot for the Business stated in the AGM Notice dated August 30, 2012 of the Company by sending my/ our assent or dissent to the said resolution by placing (Y) at the appropriate box below.

| S.NO. | Description | No. of Equity Shares | I/We assent to the Resolution | I/We dissent to the Resolution |
|-------|-----------------------------------------------------------------------------------------------|----------------------|-------------------------------|--------------------------------|
| 1. | Special Resolution regarding alteration in Clause no. III(C) of the Memorandum of Association | | | |

Place: _____

Date: _____

Signature of the Shareholde

Note : Please read carefully the Instructions printed overleaf before excising the Vote.



KCL Infra Projects Limited

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

PROXY FORM

Regd. Folio No./DP Client ID:

I/We.....resident. of.....in the district being a member/members of the above named Company hereby appoint..... resident ofin the district as my/our proxy to vote for me/us on my/our behalf at the Seventeenth Annual General Meeting of the Company at Food Zone IIInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101at 12:30 P.M. on Friday, the 28th day of September 2012 and at any adjournment thereof.

Signed thisday of, 2012

Rupee
one
Revenue
Stamp

Signature

Note:

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

KCL Infra Projects Limited

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

ATTENDANCE SLIP

Seventeenth Annual General Meeting – September 28, 2012

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

I hereby record my presence at the Seventeenth Annual General Meeting of KCL Infra Projects Ltd. at Food Zone IIInd Floor, Maxus Mall near Flyover Opp. Salasar Bridge Bhoomi, 150 Road, Bhayandar West Thane- 401101 at 12:30P.M. on Friday the 28th day of September 2012

*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, Rinku Park, Geeta Nagar,
Bhayander (West) Thane-401101