



# JMC Projects (India) Limited

(a Kalpataru Group Enterprise)

Regd. Office : A-104, Shapath-4, Opp. Karnavati Club, S. G. Road, Ahmedabad 380 015

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE** is hereby given that 27th Annual General Meeting of the Members of JMC Projects (India) Limited, will be held on Thursday, 25th day of July, 2013 at 11.30 a.m. at ATMA Auditorium, Opp. Old RBI Office, Ashram Road, Ahmedabad 380 009, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and Profit & Loss Account for the year ended on that date together with Directors' Report and Auditor's Report thereon.
2. To declare dividend on Equity Shares for the financial year 2012-13.
3. To appoint a Director in place of Mr. Kamal Jain, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Manish Mohnot, who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and, if thought fit, to pass the following resolution as Ordinary Resolution, relating to the re-appointment of the Statutory Auditor of the Company:

“**RESOLVED** that M/s Kishan M. Mehta & Co., Chartered Accountants, Ahmedabad be and are hereby re-appointed as the Statutory Auditor of the Company under Section 224 and other applicable provisions, if any, of the Companies Act, 1956 to hold office as such from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration, plus reimbursement of out of pocket expenses, as may be incurred in the performance of their duties, as may be decided by the Board of Directors.”

Place : Mumbai  
Date : May 16, 2013

By order of the Board  
For **JMC Projects (India) Limited**

**Regd. Office :**  
A-104, Shapath-4,  
Opp. Karnavati Club, S. G. Road,  
Ahmedabad 380 015

Sd/-  
**Amit Raval**  
**Vice President & Company Secretary**

### Notes

- **A member entitled to attend and vote at the meeting, is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
- The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, July 20, 2013 to Thursday, July 25, 2013 (both days inclusive).
- Members are requested to:
  - Dematerialize their physical shares
  - Quote folio no./DP ID & Client ID for any communication for their shareholding.
  - Bring the copy of Annual Report at the meeting.
  - Intimate change in their registered address or bank details if any, to the Company's Registrar and Transfer Agent, M/s. Link Intime India Pvt. Ltd. [Unit : JMC Projects (India) Limited] Office No. 303, 3<sup>rd</sup> Floor, Shopper's Plaza V, Opp. Municipal Market, B/h. Shopper's Plaza II, Off. C. G. Road, Ahmedabad 380009, Phone & Fax no. 079-26465179 Email : [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in) in respect of their holdings in physical form.
  - Notify immediately any change in their registered address or bank details to their Depository Participants in respect of their holdings in electronic form.



- Register their email address and changes therein from time to time with M/s. Link Intime India Pvt. Ltd. for shares held in physical form and with their respective Depository Participants for shares held in demat form.
- Non-Resident Indian Members are requested to inform M/s. Link Intime India Pvt. Ltd. (for shares held in physical form) and to their Depository participant (for shares held in electronic form) immediately of the change in residential status on return to India for permanent settlement.
- The copies of relevant documents can be inspected at the Registered office of the Company on any working day between 11.00 a.m. to 1.00 p.m. up to the date of A.G.M.
- Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividends which remain unclaimed in the unpaid dividend account for a period of 7 years from the date of payment, will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to Section 205C of the Companies Act, 1956.
- The member seeking any further information regarding accounts should send request to the Company at its registered office and member should ensure that it reaches the Company at least 7 days before the Annual General Meeting.
- The details of Directors seeking re-appointment in the ensuing Annual General Meeting have been provided in Corporate Governance Report attached and forms part of Annual Report.
- Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.

#### **Green Initiative**

Ministry of Corporate Affairs has taken a green initiative by permitting companies to send various documents like notices, annual reports including annual accounts etc. to its Members through electronic mode. Keeping in spirit with the said initiative, we request you to update your email ID with your respective DP's in case of shares held in electronic form and with Registrar & Share Transfer Agent - M/s Link Intime India Private Limited in case of shares held in physical form. Email is a better method to receive the communications quickly, with least cost implications and have longer shelf life. Company proposes to send all permitted communications electronically to the email id's of Members unless specific request is received for a physical copy from Member. Please act and contribute to preserve environment for our better future.

**FORM OF PROXY****JMC Projects (India) Limited**

(a Kalpataru Group Enterprise)

Regd. Office : A-104, Shapath-4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380 015

I/We \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_  
being member(s) of the above named Company, hereby appoint \_\_\_\_\_  
of \_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the **TWENTY-SEVENTH ANNUAL GENERAL MEETING** of the Company to be held at 11.30 a.m. on Thursday, July 25, 2013 at ATMA Auditorium, Opp. Old RBI Office, Ashram Road, Ahmedabad 380 009 and at any adjournment thereof.

Signed at \_\_\_\_\_ (Place) this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

DP ID\* Folio No. Affix  
15 paise  
revenue  
StampClient ID\* No. of Shares held 

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

\* Applicable for investor holding shares in electronic form.

**ATTENDANCE SLIP****JMC Projects (India) Limited**

(a Kalpataru Group Enterprise)

Regd. Office : A-104, Shapath-4, Opp. Karnavati Club, S. G. Road, Ahmedabad - 380 015

To be handed over at the entrance of the Meeting Hall

Name of the Attending Member (In Block Letters)	DP ID*
	Client ID*
Name of Proxy (in Block Letters) (To be filed in the Proxy holder instead of the member)	Membership Folio No.
	No. of Shares held

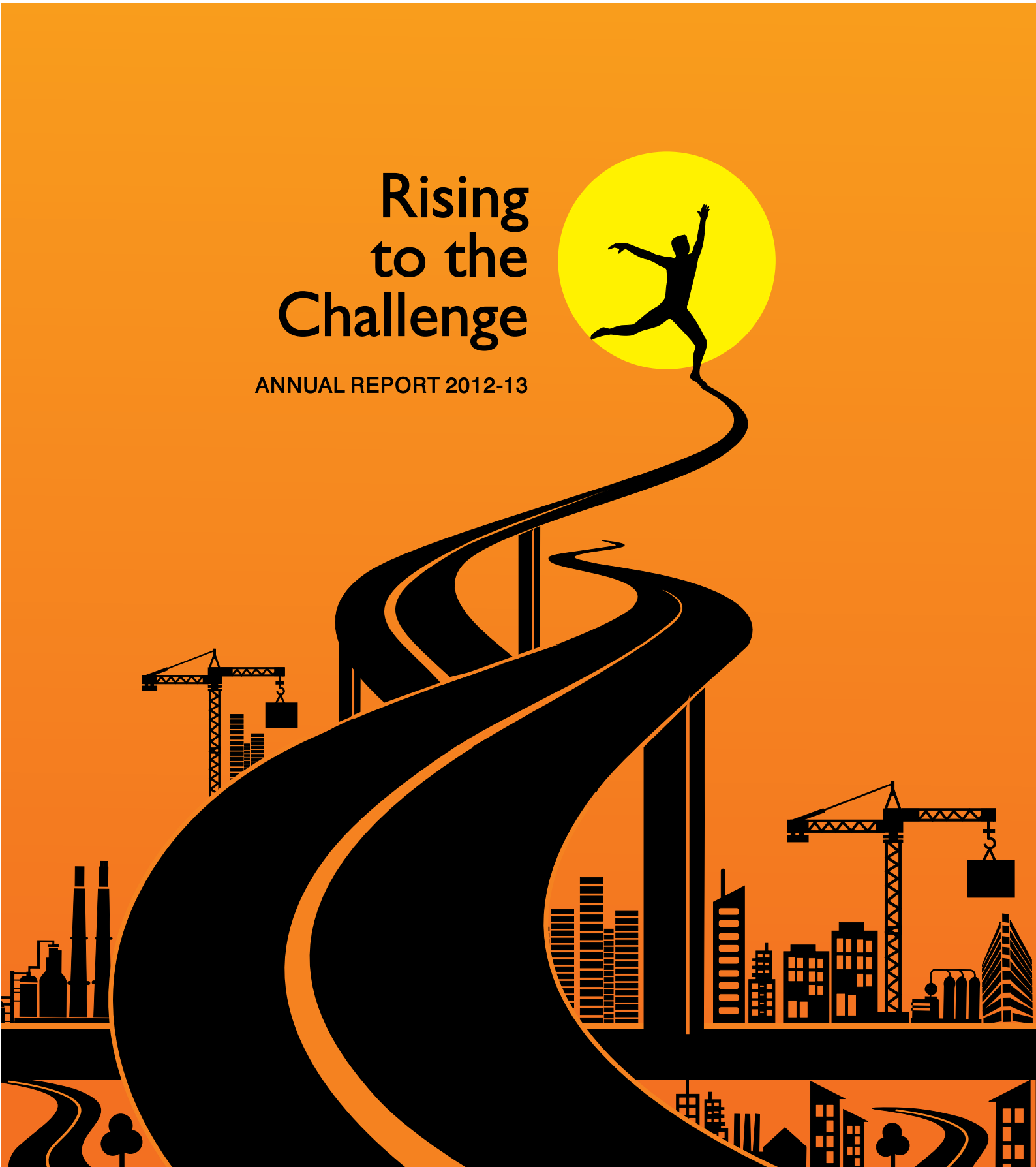
I hereby record my presence at the **TWENTY-SEVENTH ANNUAL GENERAL MEETING** of the Company to be held at 11.30 a.m. on Thursday, July 25, 2013, at ATMA Auditorium, Opp. Old RBI Office, Ashram Road, Ahmedabad 380 009.

\_\_\_\_\_  
Member's/Proxy's Signature  
(To be signed at the time of handing over this Slip)

\*Applicable for investors holding shares in electronic form.

# Rising to the Challenge

ANNUAL REPORT 2012-13



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# Rising to the Challenge

During our journey of last three decades, we have faced multitude of challenges across different fronts. The only similarity being that every challenge has made us stronger and given us the strength to Rise - rise our productivity levels, our commitment to deliver excellence, our timeliness, our quality and has boosted our confidence to reach higher echelons of growth. The outcome, a more robust, a more agile and more focused JMC.

We remain confident that the current challenging macro-economic environment would provide sufficient factors that would aid our rise even further. A few of these are already visible to us. During the last two years of ebbing growth environment, our revenues have grown at a CAGR of over 35%, while our order book has grown by 110% over the last three years. During the year, we bagged our first international project and also added a stable revenue stream to our business model by leveraging our strong balance sheet to add four BOOT road projects. We have also taken number of measures to stabilize our operating margins.

As we move ahead, the factors that would aid our rise would continue to increase. With further strengthening of our management pool and unwavering trust of our satisfied clients, we remain convinced on our ability of 'Rising to the Challenge' and of a much brighter future ahead.





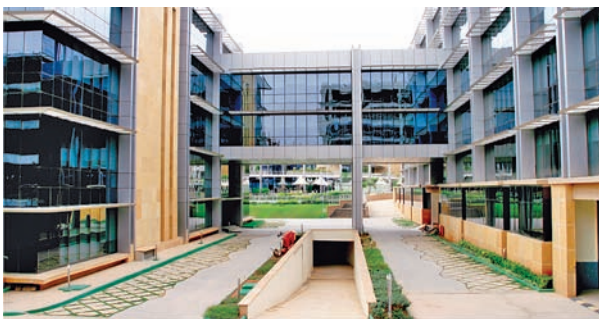
# Prestigious Projects



SJR - Luxuria Residential Project, Bangalore



Pritech Park 3 - SEZ, Bangalore



Software Technology Park, CISCO, Bangalore



Rohtak-Bawal Road Project



1 x 300 MW Coal Based Power Project at Butibori, Nagpur



GSECL - BHEL Power Project at Sikka, Gujarat



Fly Over and Elevated Road,  
Mumbai - Pune National Highway



Shopping Mall & Multiplex, Chennai



# Corporate Information

## BOARD OF DIRECTORS

Mr. D. R. Mehta  
Chairman-Independent Director

Mr. Hemant Modi  
CEO & Vice Chairman & Managing Director (upto 31/03/2013)  
Non-Executive Director (w.e.f. 01/04/2013)

Mr. Suhas Joshi  
Whole-time Director (upto 31/03/2013)  
Non-Executive Director (w.e.f. 01/04/2013)

Mr. Shailendra Raj Mehta  
Independent Director

Mr. Mahendra G Punatar  
Independent Director

Mr. Shailendra Kumar Tripathi  
Dy. Managing Director (w.e.f. 18/05/2012)  
CEO & Dy. Managing Director (w.e.f. 01/04/2013)

Mr. Manoj Kumar Singh  
Executive Director (w.e.f. 18/05/2012)

Mr. Manish Mohnot  
Non-Executive Director

Mr. Kamal Jain  
Non-Executive Director

## AUDIT COMMITTEE

Mr. D. R. Mehta  
Chairman

Mr. Mahendra G Punatar  
Member

Mr. Kamal Jain  
Member

Mr. Shailendra Raj Mehta  
Member (w.e.f. 03/08/2012)

## SHAREHOLDERS' GRIEVANCE COMMITTEE

Mr. Kamal Jain  
Chairman

Mr. Suhas Joshi (upto 31/03/2013)  
Member

Mr. Hemant Modi (upto 31/03/2013)  
Member

Mr. S K Tripathi (w.e.f. 01/04/2013)  
Member

Mr. Manoj Kumar Singh (w.e.f. 01/04/2013)  
Member

Mr. Manish Mohnot (w.e.f. 01/04/2013)  
Member

## REMUNERATION COMMITTEE

Mr. D. R. Mehta  
Chairman

Mr. Kamal Jain  
Member

Mr. Mahendra G Punatar  
Member

Mr. Shailendra Raj Mehta  
Member (w.e.f. 16/05/2013)

## CHIEF FINANCIAL OFFICER

Mr. Rahul Shah (upto 27/01/2013)  
Mr. Manoj Tulsian (w.e.f. 28/01/2013)

## COMPANY SECRETARY

Mr. Amit Raval

## AUDITORS

Kishan M Mehta & Co.,  
Chartered Accountants, Ahmedabad

## BANKERS

Oriental Bank of Commerce  
State Bank of India  
Indian Bank  
Karur Vysya Bank Ltd.  
Union Bank of India  
Punjab National Bank  
Axis Bank

## REGISTERED & CORPORATE OFFICE

A-104, Shapath-4,  
Opp. Karnavati Club,  
S. G. Road, Ahmedabad - 380 015, Gujarat, India.  
Phone: +91-79-3001 1500  
Fax: +91-79- 3001 1700  
Email: jmcho@jmcprojects.com

## REGISTRAR & TRANSFER AGENT

M/S. Link Intime India Pvt. Ltd.,  
Unit: JMC Projects (India) Ltd.,  
Office No. 303, 3<sup>rd</sup> Floor, Shopper's Plaza V,  
Opp. Municipal Market, Off. C. G. Road,  
Ahmedabad 380 009, Gujarat, India  
Phone & Fax: +91-79-2646 5179  
Email: ahmedabad@linkintime.co.in





# CEO's Message



**During the last year, our road BOOT project has achieved significant progress. All the four road BOOT projects have achieved financial closure and reached a significant level of completion. Two of the projects are currently progressing ahead of schedule by 5-6 months from contractual completion time and we are very hopeful of early tolling in these projects during this financial year.**

## Dear Shareholders,

It gives me immense pleasure to present the 27th Annual Report of your Company.

It is evident that India's infrastructure growth story has taken backseat due to several country-specific issues like economic slowdown, high interest rates, current account deficit, inflation etc. These issues translate immense challenges for a company like yours in terms of muted capex plans of both government and private bodies, intense competition, availability of quality labour, prolonged working capital cycle etc.

In the backdrop of this challenging environment, your Company has achieved good topline growth of 23%, although the operating margins have declined sharply mainly due to several external factors beyond our control. The most critical ones among them being steep increase in raw material costs like steel, cement and sand, as well as sharp increase in logistics costs due to diesel price hikes etc. Moving ahead of financial numbers, FY 2012-13 was the year of transformation for your Company. I would like to provide a brief update of the same which is as follows:

- Adding new orders with mostly price variation clauses, which reduces the commodity price risks to great extent – over 70% of the current order book is with price variation clauses or is getting free supply of raw materials from our clients
- Revamping systems and processes across the functions to reduce inadequacies and enhance decision making process - enhanced use of modern tools and techniques across the organization including continuous improvement in IT enabled process and systems
- Cost rationalization and waste minimization initiatives including consolidation of various functions at corporate and regional level
- Infusion of new management pool across the hierarchy structure with diverse educational backgrounds and industry experience. It enhances the management bandwidth to cater to the upcoming large global opportunities along with challenges
- Entry into International markets by leveraging presence of our Parent Company - Company has secured its first International Road EPC contract in Ethiopia up to the tune of ₹ 340 crore

We are confident that these initiatives would take the Company to the next level of profitable growth.

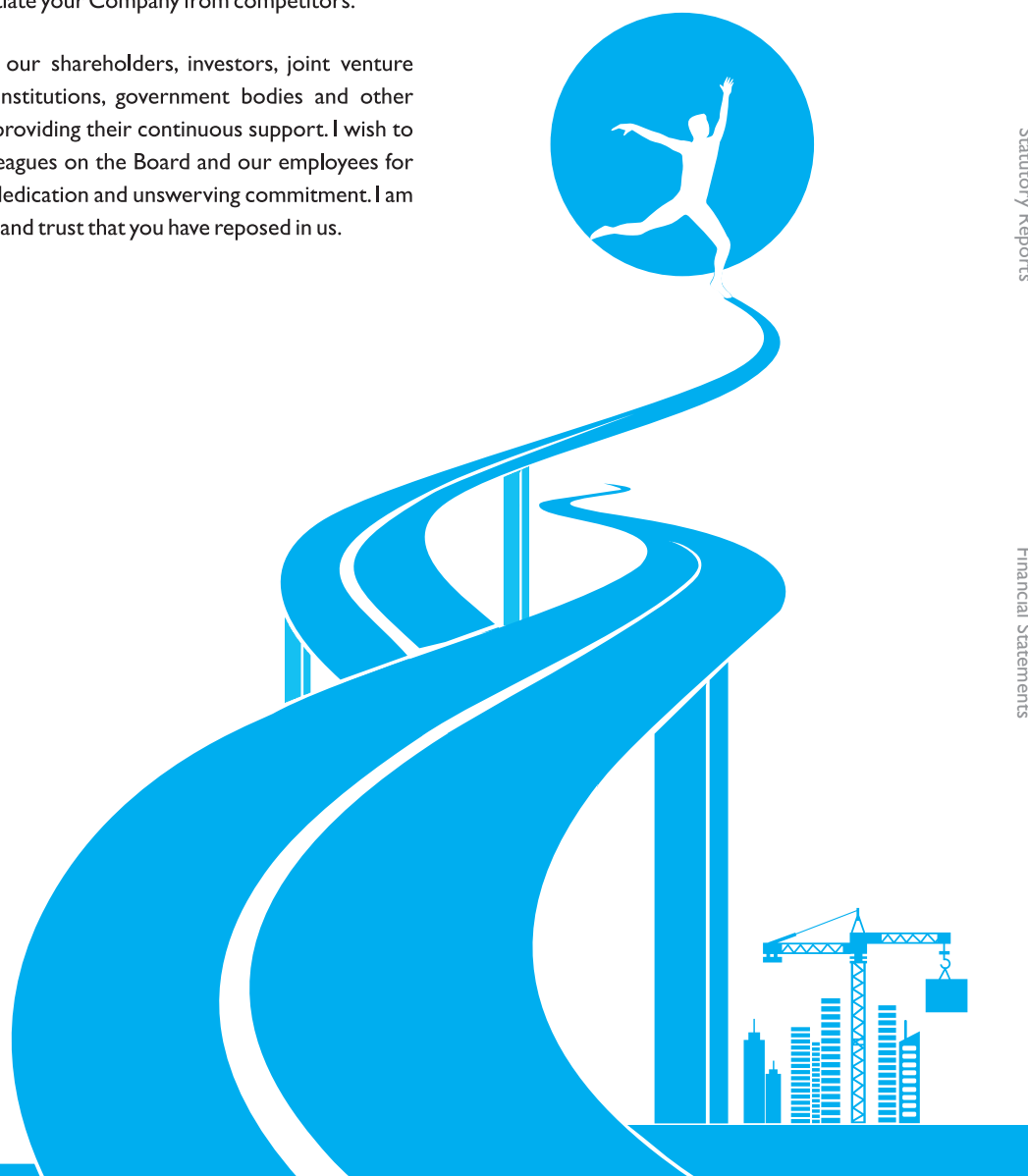


Apart from the new initiatives, we have strengthened execution capabilities to cater large size orders; currently we are executing orders of over ₹ 6,000 crores. During the last year, our road BOOT project has achieved significant progress. All the four road BOOT projects have achieved financial closure and reached a significant level of completion. Two of the projects are currently progressing ahead of schedule by 5-6 months from contractual completion time and we are very hopeful of early tolling in these projects during this financial year. The Rohtak-Bawal project should be operational by the time this message reaches you all. The other two projects would be operational by the next financial year.

We firmly believe that an economic slowdown cannot stagger the growth of companies which have strong core values and systems for long. We feel that such a slowdown will on the contrary serve as an opportunity; it will enable us to develop critical competencies that would otherwise not have been possible in a favorable environment. The foundation of people, processes, systems and organizational flexibility will differentiate your Company from competitors.

I express my sincere gratitude to our shareholders, investors, joint venture partners, lenders, banks, financial institutions, government bodies and other regulatory authorities/agencies for providing their continuous support. I wish to express my appreciation to my colleagues on the Board and our employees for their thought leadership, unparalleled dedication and unwavering commitment. I am grateful to you for your cooperation and trust that you have reposed in us.

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director



# Financial Highlights

PARTICULARS	FINANCIAL YEAR					( ₹ in Lacs )
	2008-09	2009-10	2010-11 <sup>#</sup>	2011-12 <sup>#</sup>	2012-13 <sup>#</sup>	
Total Income	131,944	132,100	138,036	208,146	254,913	
Growth %	43%	0%	4%	51%	22%	
Total Expenditure	121,129	121,111	126,067	192,267	242,340	
Operating Profit (PBDIT)	10,815	10,989	11,969	15,879	12,573	
Interest	2,637	2,186	2,808	4,736	5,495	
Profit Before Depreciation and Tax (PBDT)	8,178	8,803	9,161	11,143	7,078	
Depreciation	2,983	3,482	3,950	4,706	5,486	
Profit Before Tax (PBT)	5,195	5,321	5,211	6,437	1,592	
Provision for IncomeTax / FBT / Deferred Tax	1,519	1,351	1,207	1,243	(241)	
Profit After Tax (PAT)	3,676	3,970	4,003	5,194	1,833	
Equity Share Capital	1,814	2,177	2,612	2,612	2,612	
Preference Share Capital	2,525	-	-	-	-	
Net Worth*	20,195	24,993	37,421	41,678	42,817	
Long Term Borrowings	6,928	6,866	8,022	13,755	17,784	
Short Term Borrowings (including current maturity of long term debts)	12,716	10,125	10,644	15,079	22,010	
Total Borrowings	19,644	16,991	18,666	28,834	39,794	
Capital Employed (Net Worth + Total Borrowings)	39,839	41,984	56,087	70,512	82,612	
Debt Equity Ratio (Total)	0.97:1	0.68:1	0.50:1	0.69:1	0.93:1	
Debt Equity Ratio (Long Term)	0.34:1	0.27:1	0.21:1	0.33:1	0.42:1	
Book Value per Equity Share (Rs.)	111	115	143	160	164	
Earning per Equity Share (Rs.)	19.29	19.27	17.16	19.88	7.02	
Equity Dividend %	20%	20%	20%	20%	10%	
Operating Profit %	8.26%	8.39%	8.70%	7.67%	4.95%	
Profit Before Tax %	3.97%	4.06%	3.79%	3.11%	0.63%	
Profit After Tax %	2.81%	3.03%	2.91%	2.51%	0.72%	
Return (Pre-tax) on Average Network %	28%	24%	17%	16%	4%	
Return on Average Capital Employed %**	23%	18%	16%	18%	9%	
Order Backlog at the year end***	180,900	267,100	415,000	567,500	557,782	
No. of Employees	2,207	2,342	3,073	3,133	2,977	

# The Figures for the FY 2010-11 & FY 2011-12 are re-grouped in line with FY 2012-13, which are based on requirements as per Revised Schedule VI of the Companies Act, 1956.

\* Networth calculated for FY 2008-09 to 2010-11 is after adjustment of miscellaneous expenditure to the extent not written off & exclusion of Debenture Redemption Reserve. Networth calculated for the FY 2010-11, FY 2011-12 & FY 2012-13 is after exclusion of Debenture Redemption Reserve.

\*\* For calculating Return, interest is added back in Profit before tax.

\*\*\* Includes orders in the name of Joint Ventures



# Directors' Report

To,

The Members,

Your Directors have pleasure in presenting the 27<sup>th</sup> Annual Report on the business and operations together with the Audited accounts for year ended March 31, 2013.

The performance of the Company for the year ended on March 31, 2013 is summarized below.

(₹ in Millions)

FINANCIAL RESULTS	For the year ended March 31, 2013	For the year ended March 31, 2012
Total Revenue	25,491.34	20,814.60
Profit before Depreciation, Interest & Tax	1,257.34	1,587.88
Less: Depreciation	548.57	470.61
Interest	549.53	473.61
Profit before Tax	159.24	643.66
Provision for Tax (including Deferred Tax)	(24.07)	124.30
Net Profit after Tax (for the period)	183.31	519.36
Add: Surplus brought forward from previous year	1,473.61	1,099.96
Profit available for Appropriation	1,656.92	1,619.32
<b>APPROPRIATION:</b>		
Proposed Dividend on Equity Shares of ₹ 10/- each	26.12	52.24
Corporate Dividend Tax on Equity Dividend (including surcharge)	4.44	8.47
Transfer to Debenture Redemption Reserve	32.50	32.50
Transferred to General Reserve	22.50	52.50
Balance carried to Balance Sheet	1,571.36	1,473.61
<b>TOTAL</b>	<b>1,656.92</b>	<b>1,619.32</b>

## DIVIDEND

Your Directors are pleased to recommend payment of dividend for the year ended March 31, 2013 @ ₹ 1/- per Equity Share of the face value of ₹ 10/- (i.e. 10%) on 26,118,348 paid up Equity Shares, subject to approval of shareholders at the ensuing Annual General Meeting.

## TRANSFER TO RESERVES

We propose to transfer ₹ 32.5 millions to Debenture Redemption Reserve, ₹ 22.5 millions to General Reserve and retain balance amount of ₹ 1,571.4 millions in the Profit and Loss Account.

## RESULTS OF OPERATION

During the year ended March 31, 2013, your Company has achieved Total Revenue (i.e. Revenue from Operations & Other income) of ₹ 25,491.3 millions as against ₹ 20,814.6 millions for the previous year ended March 31, 2012. The Company has achieved Profit before tax of ₹ 159.2 millions for the current year as against ₹ 643.7 millions for the previous year.

## NEW CONTRACTS

During the year under review, the Company has received new contracts of approximately ₹ 24,410 millions. The details of some of the major contracts received during the year are provided in Management Discussion and Analysis section of this Annual Report.

As on March 31, 2013 the aggregate value of orders on hand stands at ₹ 55,770 millions.

## FUTURE PROSPECTS

The Company has sufficient order book position to achieve the growth in both top line as well as bottom line in the coming years. The Company has already entered into international business by securing a road project and is looking for better opportunities in International market. Looking at the current scenario of global as well as Indian economy, the Company is well poised for growth in turnover and some improvement in margins in the next year. The Company is taking all necessary steps for improvement in



productivity of key resources and reduction in costs wherever required.

#### EMPLOYEE STOCK OPTION SCHEME

During the year under review, none of the employees has opted for conversion of the Options into Equity shares.

The disclosure required to be made under Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999, is provided in Annexure 'A' forming part of this Report.

#### FINANCE

During the year, the Company has further invested ₹ 527.7 millions as equity and provided loans of ₹ 505.7 millions to Special Purpose Vehicles (SPVs) incorporated for execution of Road Projects which was funded through long term loans & internal accruals.

Total addition in the fixed assets was ₹ 415.7 millions during the year, which was funded through Rupee Term Loans and internal accruals. The Company has sufficient fund based & non-fund based limits to cater its existing fund requirement.

#### FIXED DEPOSIT

During the year, the Company has accepted deposits from Public and Shareholders within the prescribed limits. As on March 31, 2013, deposits stood at ₹ 152.8 millions, out of which a sum of ₹ 2.7 millions relating to 66 depositors remained unclaimed. The Company had sent reminders to all the depositors for their unclaimed deposits, out of which some deposits were claimed and paid subsequently. There were no deposits which were claimed and remained unpaid by the Company as on March 31, 2013.

#### DIRECTORS

The terms of appointment of two Promoter Directors, Mr. Hemant Modi as CEO, Vice Chairman & Managing Director and Mr. Suhas Joshi as Whole Time Director ended on March 31, 2013 and both the directors have expressed their desire to relinquish from the role of Executive Directors. However, on the request of the Board, they have agreed to continue as Non-Executive Directors of the Company effective from April 1, 2013.

The Board places on record its deep sense of appreciation for invaluable contribution made by Mr. Hemant Modi as a Co-founder, Chief Executive Officer, Vice Chairman and Managing Director and by Mr. Suhas Joshi as a Co-founder & Whole-time Director for the growth and development of the Company. On behalf of the Company, the Board conveys gratitude for their dedicated and committed efforts in creating and upholding JMC Brand for almost three decades.

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Kamal Jain and Mr. Manish Mohnot are liable to retire by rotation at the 27th Annual General Meeting. Both the Directors have offered themselves for re-appointment.

The brief particulars of both the above directors have been provided in the Corporate Governance Report pursuant to Clause 49 of the Listing Agreement.

#### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, it is hereby confirmed:

- (a) that in preparation of annual accounts for the year ended March 31, 2013, the applicable accounting standards have been followed;
- (b) that 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 a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for year ended on that date;
- (c) that 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;
- (d) that the Directors have prepared the annual accounts for the year ended March 31, 2013 on a "going concern" basis.

#### CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges, a separate section on Corporate Governance and certificate obtained from Practising Company Secretary confirming its compliance, is provided and forming part of this Report. Management Discussion and Analysis report is provided separately and is forming part of this report.

#### SUBSIDIARIES

##### JMC Mining and Quarries Ltd. (JMQL)

JMQL has achieved Total Revenue of ₹ 11.8 millions for the current year as against ₹ 11.2 millions for the previous year. During the year the Company has achieved profit before tax of ₹ 0.59 million as against loss of ₹ 1.08 millions in previous year.

##### Brij Bhoomi Expressway Pvt. Ltd. (BBEPL)

BBEPL is Special Purpose Vehicle (SPV) incorporated as a wholly owned subsidiary of the Company for execution of a road project between Agra – Aligarh in the State of U.P. on DBFOT basis awarded by NHAI. As the construction activity is still going on, there was no Revenue from operations during the year. The Company has invested ₹ 15 millions in BBEPL by way of equity share capital and also provided loan of ₹ 210.8 millions during the year under review.

##### Wainganga Expressway Pvt. Ltd. (WEPL)

WEPL is Special Purpose Vehicle (SPV) incorporated as a wholly owned subsidiary of the Company for execution of a road



project from Nagpur to Wainganga Bridge section in the State of Maharashtra on DBFOT basis awarded by NHAI. During the year, the Company has provided loan of ₹ 2 millions. The Company has achieved Turnover of ₹ 152.7 millions on account of utility shifting during the year.

#### Vindhyachal Expressway Pvt. Ltd. (VEPL)

VEPL is Special Purpose Vehicle (SPV) incorporated as a wholly owned subsidiary of the Company for execution of a road project from Rewa to Madhya Pradesh/Uttar Pradesh Border in the State of Madhya Pradesh on DBFOT basis awarded by Madhya Pradesh Road Development Corporation Ltd. (MPRDC). During the year, the Company has invested ₹ 270 millions in VEPL by way of equity share capital and also has provided loan of ₹ 292.2 millions. As the construction work is still going on, there was no Revenue from operations during the year.

The statement pursuant to Section 212 of the Companies Act, 1956 containing details of subsidiaries of the Company forms part of this Annual Report.

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8<sup>th</sup> February 2011 and 21<sup>st</sup> February 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements. The annual accounts of the subsidiary companies will be kept open for inspection at the registered office of the Company as well as at the registered offices of the respective subsidiary companies.

#### CONSOLIDATED FINANCIAL STATEMENTS

In compliance of clause 32 and clause 50 of the Listing Agreement with the Stock Exchanges, the Company has prepared Consolidated Financial Statements of the Company and its subsidiaries as per the Accounting Standard on Consolidated Financial Statements (AS - 21). The Audited Consolidated Financial Statements along with the Auditors' Report have been annexed with this Annual Report. The Auditors' Report to the Board of Directors does not contain any qualification.

#### PARTICULARS OF EMPLOYEES

The information required under Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended, the names and other particulars of employees are required to be set out in annexure to the Directors' Report.

However, having regard to the provisions of Section 219(1)(b)

(iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all members of the Company & others entitled thereto. Any member interested in obtaining such particulars may write to the Registered Office of the Company.

#### STATUTORY DISCLOSURE

Particulars required to be furnished by the Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988.

- Part A & B pertaining to Conservation of Energy and Technology Absorption is not applicable to the Company. The Company has, however, used information technology extensively in its operations.
- During the period, the Company has not earned any foreign exchange, while the outgo of foreign exchange is of ₹ 2.4 millions (P.Y. ₹ 31.5 millions) towards Capital goods, ₹ 52.9 millions (P.Y. ₹ 35.6 millions) for Construction Materials, ₹ 1.7 millions (P.Y. ₹ 0.2 million) towards foreign traveling, ₹ 37.5 millions (P.Y. ₹ 9.2 millions) towards Interest on foreign currency working capital loan, ₹ 2.02 millions (P.Y. ₹ 8.3 millions) towards Professional, Technical & Consultancy fees and ₹ Nil (P.Y. ₹ 0.1 million) towards Advertisement expenses.

#### AUDITORS & AUDITORS' REPORT

The Board of Directors has proposed to reappoint M/s. Kishan M. Mehta & Co., Chartered Accountants as Statutory Auditor of the Company, who have consented to act as auditors, if re-appointed. Members are requested to consider their re-appointment.

Auditor's comments on your Company's accounts for year ended March 31, 2013 are self explanatory in nature and do not require any explanation as per provisions of Section 217(3) of the Companies Act, 1956.

#### ACKNOWLEDGEMENT

Your Directors place on record deep gratitude to the stakeholders, banks, clients, suppliers and business associates for their continued support and confidence. Your Directors also place on record their appreciation of the dedication, commitment and contribution made by employees at all levels and look forward their continued support in future as well.

On behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Kumar Singh**  
Executive Director

Place : Mumbai  
Date : May 16, 2013





# Annexure - A to Directors' Report

Information required to be disclosed under SEBI (ESOS & ESPS) Guidelines, 1999

Employee Stock Option Scheme 2007

PARTICULARS	ESOP – 2007
Options Granted	600,000
The Pricing Formula	20% discount to the closing market price on the date prior to the date of the meeting of the Remuneration Committee in which Options are granted. The closing market price quoted on BSE on July 20, 2007 ₹ 272/-, and these options were granted at ₹ 217/- per share on July 21, 2007.
Options Vested and in force as on March 31, 2013	245,751
Options exercised	Nil
Total number of shares arising as a results of exercise of Options (equity shares of ₹10/- each)	Nil
Fund raised by exercise of Options	Nil
Total Options Lapsed (on a cumulative basis upto March 31, 2013)	354,249
Variation of terms of Options	Nil
Total number of Options in force as on March 31, 2013	
- Vested	245,751
- Unvested	Nil
<b>EMPLOYEE WISE DETAILS</b>	
Options granted to Senior Managerial Personnel and in force as on March 31, 2013.	84,190
Any other employee who receives a grant, in any one year, of Options amounting to 5% or more of Options granted during that year	32,550 options granted to Mr. Kamal Jain, Non-Executive Director on July 21, 2007.
Identified employees who were granted Options, during one year, equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversion) of the Company at the same grant.	Nil



# Management Discussion and Analysis

The Company presents its performance for the financial year 2012-13 and the outlook for the future based on current business environment which may vary due to future economic, political and other developments in India as well as overseas.

## 1. ECONOMIC SCENARIO

During FY 2012-13, the global economic scenario continued to be in despair, however there has been partial rebound in some of the developing countries. Major economies have registered slower growth in view of uncertain and difficult business environment. Indian economy also remained largely affected by the slump in global macroeconomic environment. India's Gross Domestic Product (GDP) growth rate for FY 2012-13 is below 5%, which is lowest in the decade. The impact of the slowdown has been felt across all the sectors of economy. The growth in agriculture is estimated at 1.8% in 2012-13 as compared to 3.6% in previous year. The manufacturing sector witnessed a decline in growth to 1.9% in 2012-13 as against 2.7% in previous year. The growth in service sector outperformed other two sectors but could not maintain double digit growth rate achieved in previous six years. Although, Wholesale Price Index (WPI) has moderated during the recent months, food inflation continues to be high. This has severely affected consumption demand, savings and flow of investments. The Union Govt. has recently announced several measures aimed at restoring fiscal health and improving growth rate which should help in improving the Indian economy's outlook for FY 2013-14.

## 2. INDUSTRY SCENARIO

Corporate and Govt. investment during FY 2012-13 remained subdued on account of weak investment climate and infrastructure bottlenecks. Project implementation in rail, road and power sectors got delayed considerably due to number of constraints including acute shortage of critical inputs. Financing projects has become difficult as over leveraged companies are unable to raise debt in absence of fresh equity. Infrastructure industry is likely to register growth of 3.6% in FY 2012-13 as compared to 4.8% in the previous year. The slowdown in housing and real estate sector has adversely affected growth in construction sector. The measures announced by the Govt. in the recent union budget clearly manifested huge investment requirements. Some of these measures include raising funds through Infrastructure Debt Funds, credit enhancement by Indian Infrastructure Finance Company Limited, additional issue of tax free bonds, raising the corpus of the Rural Infrastructure Development Fund etc. For propelling growth in power sector, a Cabinet Committee on Investment has been set up for monitoring delayed as well as stalled projects and will guide the decision making process to remove impediment. For expediting development in road sector, a regulatory authority will be constituted to address the issues such as financial closure, construction risks and contract management concerns which are stalling road projects. These initiatives to enhance investment flows and push implementation of projects are going to bring much needed growth momentum in the construction industry in the long run.

## 3. OPPORTUNITIES

The 12<sup>th</sup> Five Year plan envisages an investment of ₹ 55 trillion in the infrastructure sector of which about 47% is expected to come from private sector. The significant increase in plan outlay for power, roads, oil & gas, urban infrastructure and ports will give major boost to the inflow of funds into various segments and consequently provide abundant opportunities for sustaining growth in coming years. Budget announcement of awarding 3000 kms of roads in the states of Uttar Pradesh, Madhya Pradesh, Gujarat, Maharashtra, Rajasthan and North-Eastern region are expected to provide a stimulus to the sector. The Ministry of Road Transport and Highways has been allocated ₹ 375 billion for FY 2013-14 signifying high priority to the sector. The majority of new road projects are expected to be awarded on EPC basis. There will be enormous spending through Public Private Partnership on revamping of existing / development of urban infrastructure over a period of next five years which will provide major opportunities for growth of Construction Industry.

## 4. CONCERNS

Prices of the construction materials such as steel, cement, sand, aggregates and diesel have increased substantially due to inflationary pressures. Welfare schemes like NREGA provide employment opportunity in rural area resulting into acute shortage of labor for construction industry in urban area. It has resulted into abnormal increase in labour costs due to major gap in demand and supply of skilled / unskilled labour. There is strong need for change in construction methodology and technology that reduces dependence on labour. Apart from these, delay in land acquisition, environmental clearances, delay in availability of debts for BOOT projects due to high leverage, increasing finance costs, lack of proper regulatory and policy framework conducive for private participation, lack of easy exit route for private investors in BOOT projects etc. are some of the major causes of concern which would remain major challenges in future.

## 5. SEGMENT WISE PERFORMANCE

The Management Information System of the Company recognizes and monitors "construction" as the only Business Segment and hence requirement of disclosure of segment wise performance is not applicable to the Company as required under clause 41 of the Listing Agreement.

## 6. OUTLOOK

Infrastructure development activities are expected to roll further as India plans to double its investments in infrastructure sector during 12<sup>th</sup> Five Year plan to ₹ 55 trillion which is approximately the size of current GDP. In view of the various initiatives and policy measures being taken by the Govt., the outlook for overall growth of Indian economy and construction industry in particular seems to be healthy and promising.

## 7. INTERNAL CONTROLS AND THEIR ADEQUACY

The Company's business is spread to various states and many



of the sites are located at remote places. The Company has adequate systems and procedural guidelines concerning all operational areas encompassing tendering, budgeting, execution, quality, safety, procurement, asset management, finance, accounts & audit, human resource etc. which are adequate and necessary considering the size and level of operations of the Company. The management has been making constant efforts to review and upgrade existing systems and processes to gear up and meet with the changing needs of the business.

## 8. FINANCIAL DISCUSSION AND ANALYSIS

The financial statements have been prepared in compliance with the requirement of revised Schedule VI notified by the Ministry of Corporate Affairs, the Companies Act, 1956 and prescribed Accounting Standards. The management accepts responsibility for the integrity and objectivity of these financial statements as well as estimates and judgments used in preparing financial statements. However, investors are cautioned that this discussion contains prospective views that involve risks and uncertainties.

### RESULTS OF OPERATION

#### Operational Highlights / Achievements

The value of the order booked during the FY 2012-13 was over ₹ 24,410 millions and value of orders on hand as on March 31, 2013 stood at around ₹ 55,770 millions. During the year the Company has been awarded certain prestigious orders, some of which are highlighted as under:

#### Infrastructure

- Design and Construction of elevated Viaduct & 6 stations including finishing work for Delhi Metro Rail Corporation Limited.
- Construction work of Mombasa – Nairobi – Addis Ababa Road corridor in Ethiopia

#### Factories and Buildings

- Civil work and finishing services for Indian Institute of Public Health at Gandhinagar.
- Civil work for exhibition hall and multipurpose utility building for India – International Textile Machinery Exhibition Society at Gift City at Gandhinagar.
- Construction of Residential Complex for Mahindra Lifespaces at Pune.
- Construction of Civil structure and finishing works of “Mahagun Mezzaria” for Nextgen Infracon Pvt. Ltd. at Noida.
- Construction of Regional office for Maruti Suzuki India Ltd at Jaipur.

- Civil & structural works of Krescent home towers for Jaiprakash Associates Ltd at Noida.
- Civil work for Hinduja Software Technology Park at Bangalore.
- Construction of academic blocks and residential towers for International centre for Theoretical Sciences of Tata Institute of Fundamental Research at Bangalore.
- Construction of Residential complex “Embassy Lake Terraces” at Bangalore for Synergy Property Development Services Pvt. Ltd.
- Construction of Residential and Commercial building “Prestige Silversun & Trinity Centre” at Bangalore for Prestige Group
- Civil works at Prestige Misty Waters for Prestige group at Bangalore

#### Power

- Construction of foundation, power blocks and coal handling packages at Raigarh, Chhattisgarh, for Cethar Construction Ltd.

### REVENUES

The Income from Operations for the Company has increased from ₹ 20,660 millions in the last year to ₹ 25,380 millions in the current year, up by 23%.

#### Other Operating Revenue & Other Income

Other Operating Revenue declined to ₹ 31 millions for FY 2012-13 from ₹ 40 millions for FY 2011-12.

Other Income reduced to ₹ 72.2 millions for FY 2012-13 from ₹ 111.5 millions for FY 2011-12, on account of reduction in interest and rental income from machineries.

#### Operating Margin

EBIDTA (including other income) for the year FY 2012-13 was ₹ 1,257 millions as compared to ₹ 1,588 millions for the year FY 2011-12. In terms of percentage, EBIDTA stood at 4.95% for the year FY 2012-13 as compared to 7.68% for FY 2011-12. The operating margin remained lower mainly due to inflationary pressure on commodity prices like steel, cement, diesel etc. and labour cost.

### COSTS & EXPENSES

#### Employee Costs

Manpower Cost for the FY 2012-13 was ₹ 1,480 millions, as compared to ₹ 1,421 millions for the year FY 2011-12. In terms of percentage of Turnover, it reduced to 5.83% as compared to 6.88% in the previous year.

#### Other Expenses

Other expenses as a percentage of turnover have improved from 6.09% in FY 2011-12 to 5 % in FY 2012-13. Other



expenses mainly include general and administrative expenses such as traveling and conveyance, communications, security, insurance, information technology expenses, sundry expenses, rates and taxes, professional and legal charges etc.

#### Interest Expenses

Interest expense for the year FY 2012-13 increased to ₹ 549.5 millions from ₹ 473.6 millions for FY 2011-12; in terms of percentage it is reduced to 2.16% for FY 2012-13 from 2.29% for FY 2011-12. Increase in the interest cost was mainly on account of investment in Special Purpose Vehicle (SPV) Subsidiary Companies, Capital Expenditure and increase in interest rate.

#### Depreciation

Depreciation cost as a percentage of turnover has reduced from 2.28% in FY 2011-12 to 2.16% in FY 2012-13.

#### Taxes on Income and Deferred Tax Provision

The Company's Deferred Tax Asset (Net) has increased from ₹ 77.80 millions in 2011-12 to ₹ 174.85 millions in 2011-12 and the differential amount was credited in the Statement of Profit and Loss for FY 2012-13.

For FY 2012-13, the Company has made Income Tax provision of ₹ 72.98 millions; net Tax credit was ₹ 24.07 millions.

### FINANCIAL STATUS

#### Net Worth

The net worth of the Company has increased from ₹ 4,224.7 millions as on March 31, 2012 to ₹ 4,401.7 millions as at March 31, 2013. The increase in amount of net worth is on account of internal accruals.

#### Borrowings

The total borrowing has increased from ₹ 2,884.3 millions as on March 31, 2012 to ₹ 3,979.4 millions as on March 31, 2013. The Debt-Equity Ratio has stood at 0.92 as on March 31, 2013 which was 0.69 on March 31, 2012.

During the year the Company has raised funds through Terms loans and working capital loans.

#### Investments

Total Investments of the Company increased to ₹ 1,706.8 millions as on March 31, 2013 as against ₹ 1,178.1 millions as on March 31, 2012; increase is mainly on account of equity investments in its 100% subsidiaries and associate Company which are executing road projects on BOT basis.

#### Capital Expenditure

During FY 2012-13, the Company made an additional investment of ₹ 415.7 millions in fixed assets to increase its project execution capacity. Major funding of the capital

expenditure was made from the proceeds from Rupee Term Loans and internal accruals.

#### Current Assets & Liabilities

The Company's current assets primarily consist of debtors, inventories, cash & bank balances and loans & advances. Total current assets as on March 31, 2013 was ₹ 9,211 millions as against ₹ 7,989.5 millions as on March 31, 2012.

The Company's current liabilities primarily consist of short term borrowings, trade payables, short term provisions and other current liabilities. Total current liabilities as on March 31, 2013 was ₹ 7,987.4 millions as against ₹ 6,824.4 millions as on March 31, 2012.

#### Current Ratio

The current ratio as at March 31, 2013 marginally reduced from 1.17 as on March 31, 2012 to 1.15 as on March 31, 2013.

## 9. CORPORATE SOCIAL RESPONSIBILITY

Being a dominant player in the construction sector, JMC is actively involved in various CSR activities. As JMC employs huge work force, these activities are mainly directed for their benefit & also to serve as motivational force for them.

The major activities in these areas include:

- Medical facilities / aids to labour by engaging doctors at labour camps on regular basis
- Free medical check-up for the labour is done in all the sites at regular intervals
- Arranging blood donation camps
- Crèche / Day care centre for providing free primary educations to the children of workers at few sites
- Organizing free food, distribution of sweets on festivals and other curricular activities
- Performing plays related to social awareness such as HIV AIDS, save water, save electricity, childhood marriage etc.
- Distribution of toys, School bags, Study materials, etc. to the children of workers
- Sponsorship of libraries in the schools in the nearby areas of project sites
- Organizing Pulse Polio event for kids of workers at sites
- Celebration of World Environment Day by organizing tree plantation and other related activities at various project sites
- Donations to philanthropic and charitable organizations



## 10. QUALITY, HEALTH & SAFETY MANAGEMENT SYSTEM

To strive for excellence through continual improvement and to maintain its commitment to customer's expectations for quality and services, the Company adheres to the Quality Management Systems as per International Standard ISO 9001:2008. Company has implemented Integrated Management System by integrating ISO 14001:2004 (Environmental Management System), BS OHSAS 18001:2007 (Occupational Health & Safety System) with ISO 9001:2008. The Company has been consistently pursuing best construction practices with uncompromising quality, environment and safety standards which are recognized by our clients / associates and Govt. bodies through awards / accreditations.

### Awards and recognitions

In our quest for maintaining best quality and safety standards, Company has received following recognitions and awards during the year.

- Prestigious National Safety Award from Hon. Union Minister for Labour and Employment, Shri Mallikarjuna Kharge for four projects Viz. Classic Mall at Chennai, Provident Welworth City, CISCO and Salarpuria Laxuria at Bangalore.
- BHEL project at Jamnagar was selected for the best performance in entire BHEL Power Sector Western Region. BHEL presented "Best Performance Award 2011-2012" in their Associate Meet in November 2012. The same site has been awarded "Best Safety Performance Trophy" by the clients GSECL & BHEL.
- Power project at Mauda for TRF won "Best Safety Champion Award" among 22 organizations including L&T, TRF, BHEL, Gammon etc. in Best Safety competition organized by NTPC.
- Pritech Park -3 (LEED Platinum building), at Bangalore has been adjudicated as a winner of the "Greenest Project" in the Commercial category at National Level for the year 2012 - CNBC Awaaz Real Estate Awards.
- RMZ Ecoworld Infrastructure & Purvankara Welworth City projects at Bangalore have received Achievement Awards for Construction Environment, Health & Safety at 5<sup>th</sup> CIDC Vishwakarma Awards 2013. We also received special award for "CIDC Partner in Progress 2013".
- Pritech Park - 3 site has won the 2<sup>nd</sup> Best Construction Project award from Dept. of Factories & Boilers, Industrial Safety & Health, Govt. of Karnataka.

- Reliance Power project at Butibori has received a certificate for "Achieving 13.22 Millions Safe Man Hours without any Loss Time Accidents" by Reliance, Vidarbha unit.

## 11. Human Resources

We strongly believe that the employees are the prime movers of the organization and investment in the human capital and strategic alignment of human resources reaps the business results & pay-off in the long run. The systematic approach in attraction, retention & regular training and development of the talent brings congruence between personal career goals of the employees & achievement of overall objective of the organization. JMC has put in comprehensive system in place for identifying and addressing the competency requirement and fulfilling the same through various training programs at all the levels in the organization. Through various Organizational Development (OD) interventions we are enhancing the competency of our employees to work in challenging environment & empower them at work place. We cultivate the culture of dedication, work ethics & values in the organization. Employees have been provided training on behavioral aspects, such as personality development, leadership development through self-awareness etc. to help to achieve higher level of performance. During the year, Company has organized total 2,531 Training programs involving 8,545 man days with average of 3 man-days training per employee; which include technical Trade, managerial skills, functional skills, behavioral skills, etc.

In addition to the above, we continue to invest in the time & resources for our employees and their families like Annual day celebrations, distribution of long service awards, etc. We have created Employees' Welfare Trust, which provides financial assistance to the needy employees of the Company and also to other organizations working for social, philanthropic and charitable objects.

## 12. Cautionary statement

Statements in Management Discussion and Analysis describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities law and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include stiff competition leading to price-cuts, high volatility in prices of major inputs such as steel, cement, building materials, petroleum products, change in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.



# Report on Corporate Governance

The Securities and Exchange Board of India (SEBI) has stipulated Corporate Governance Standards for listed companies vide Clause 49 of the Listing Agreement with Stock Exchanges.

Corporate Governance is a corporate discipline extended to transparency, integrity and accountability towards all stakeholders. Corporate Governance helps to achieve excellence to enhance stakeholders' value by focusing on long-term value creation without compromising on integrity, social obligations and regulatory compliances.

## Company's Philosophy on Corporate Governance

At JMC Projects, we believe and constantly try to achieve good governance through timely disclosures, transparency, accountability and responsibility in all our dealings with our employees, shareholders, clients and community at large.

The Board of Directors represents the interest of the Company's stakeholders, for optimizing long-term value by way of providing necessary guidance and strategic vision to the Company. The Board also ensures that the Company's management and employees operate with the highest degree of ethical standards through compliance of Code of Conduct.

## I Board of Directors

### Composition

Your Company's Board consists of 9 Directors as on March 31, 2013, of which 3 are Non-Executive and Independent, 2 are Non-Executive and 4 are Executive Directors. The Chairman of the Board is Non-Executive and Independent Director. The Company is in compliance of clause 49 of the Listing Agreement.

The Composition of the Board is as under:

Name of Director	Age in yrs.	Designation	Category	Date of Initial Appointment & Nature of employment	No. of outside Directorship held <sup>(1)</sup>	Outside Committees <sup>(2)</sup>		No. of equity shares held	No. of Stock options held and in force
						Chairman	Member		
Mr. D. R. Mehta	75	Chairman	Independent Non-Executive	11/12/2008 -	10	Nil	Nil	Nil	Nil
Mr. M. G. Punatar	77	Director	Independent Non-Executive	30/01/2006 -	1	Nil	1	Nil	Nil
Mr. Shailendra Raj Mehta	53	Director	Independent Non-Executive	08/02/2012 -	1	Nil	1	Nil	Nil
Mr. Hemant Modi	57	Vice Chairman & Managing Director	Promoter Executive	05/06/1986 Contractual	3	Nil	Nil	189,187	Nil
Mr. Suhas Joshi	58	Whole Time Director	Promoter Executive	05/06/1986 Contractual	3	Nil	Nil	100,473	Nil
Mr. Shailendra Kumar Tripathi	48	CEO & Dy. Managing Director	Non-Promoter Executive	22/10/2011 Contractual	Nil	Nil	Nil	Nil	Nil
Mr. Manoj Kumar Singh <sup>(3)</sup>	50	Executive Director	Non-Promoter Executive	18/05/2012 Contractual	Nil	Nil	Nil	Nil	Nil
Mr. Kamal Jain	55	Director	Promoter Non-Executive	05/02/2005 -	12	1	Nil	Nil	27,550 <sup>(4)</sup>
Mr. Manish Mohnot	40	Director	Promoter Non-Executive	29/05/2009 -	8	Nil	2	Nil	Nil

<sup>(1)</sup> Including Private Companies.

<sup>(2)</sup> Represents Chairmanship / Membership of Audit Committee and Shareholders' Grievance Committee only

<sup>(3)</sup> Appointed w.e.f. May 18, 2012

<sup>(4)</sup> Employee Stock Options have been granted to eligible employees including Non-Executive Director on July 21, 2007 and the same will be vested over a period of 4 years from date of vesting.

The contractual agreements with CEO & Dy. Managing Director and Executive Director can be terminated by either party giving 6 months prior notice to the other.





No Director is a relative of any other directors on the Board as defined in Clause 49 of the Listing Agreement. There is no pecuniary relationship or transaction of the Company with any of the Non-Executive Directors, except payment of sitting fees. The Company does not pay any severance fees.

None of the Directors of Board is a member of more than 10 Committees and no Director is the Chairman of more than 5 committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

#### Board Meetings

The Board normally meets once in a quarter. Additional meetings are held as and when required. During the year under review, Board of Directors of the Company met 5 times, viz., May 18, 2012, August 3, 2012, October 31, 2012, January 28, 2013 & March 20, 2013. The gap between any two meetings did not exceed four months, as stipulated under clause 49 of the Listing Agreement. The agenda papers along with notes and other supporting were circulated in advance of the Board Meeting with sufficient information as required under Clause 49 of the Listing Agreement.

#### Directors Attendance Record in Board Meetings & Last Annual General Meeting

Name of Director	No. of Board Meetings held /attended	Attendance at Last Annual General Meeting
Mr. D. R. Mehta	5 / 5	Yes
Mr. Hemant Modi	5 / 5	Yes
Mr. Suhas Joshi	5 / 5	Yes
Mr. Shailendra Kumar Tripathi	5 / 5	Yes
Mr. Kamal Jain	5 / 5	Yes
Mr. M G Punatar	5 / 4	No
Mr. Manish Mohnot	5 / 5	Yes
Mr. Shailendra Raj Mehta	5 / 4	Yes
Mr. Manoj Kumar Singh *	5 / 4	Yes
Mr. Ramesh Sheth#	1 / 0	N.A.

Note : \* Appointed w.e.f. May 18, 2012

# Resigned w.e.f. May 18, 2012

#### Code of Conduct

The Board has laid down the code of conduct for all Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company at [www.jmcprojects.com](http://www.jmcprojects.com). All Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the year ended on March 31, 2013. A declaration to this effect duly signed by CEO of the Company is attached herewith and forms part of Corporate Governance Report.

## II. Committees of Board

### Audit Committee

#### Composition

The Audit Committee comprises of 4 members. All members of the Audit Committee are Non-Executive Directors, out of which 3 are Independent Directors. The Committee met 4 times during the year on May 18, 2012, August 3, 2012, October 31, 2012 and January 28, 2013. The composition of committee and particulars of attendance at the meetings are provided below:

Name of Director	Category	Status	No. of Meetings held / attended
Mr. D. R. Mehta	Non-Executive & Independent	Chairman	4 / 4
Mr. M. G. Punatar	Non-Executive & Independent	Member	4 / 3
Mr. Kamal Jain	Non-Executive Promoter	Member	4 / 4
Mr. Shailendra Raj Mehta^	Non-Executive & Independent	Member	2 / 2
Mr. Ramesh Sheth*	Non-Executive & Independent	Ex-Member	1 / 0

^ Appointed as a member of Audit Committee w.e.f. August 3, 2012

\* Resigned on May 18, 2012



### Broad Terms of Reference

The broad terms of reference as laid down by the Board includes overseeing of the Company's financial reporting process, the appointment of the statutory auditor, reviewing the quarterly and annual financial statements before submission to the board for approval, compliance with listing and other legal requirements relating to financial statements, reviewing adequacy of the internal controls, reviewing the adequacy of internal audit function, etc.

The Company has complied with all the requirements of Clause 49 (II) of the Listing Agreement.

Statutory Auditors and Chief Financial Officer is regular invitee to the Audit Committee meetings. The Company Secretary is the Secretary to the Audit Committee. The Committee also invites senior executives, where it considers appropriate, to attend meetings of the Audit Committee.

The Audit Committee has reviewed the Management Discussion and Analysis of financial condition and results of operations forming part of this Annual Report and other information as mentioned in Clause 49 (II) (E) of the Listing Agreement.

### Shareholders' Grievance Committee

The Shareholders' Grievance Committee inter alia reviews shareholders' / investors' grievances. During the year under review, the Committee met 4 times on May 18, 2012, August 3, 2012, October 31, 2012 and January 28, 2013. The composition of committee and particulars of attendance at the meetings are provided below.

Name of Director	Category	Status	No. of Meetings held / attended
Mr. Kamal Jain	Non-Executive	Chairman	4 / 4
Mr. Hemant Modi	Executive	Member	4 / 4
Mr. Suhas Joshi	Executive	Member	4 / 4

Mr. Amit Raval, Company Secretary is the Compliance Officer.

During the year, the Company has received 3 complaints and has resolved all 3 complaints. As on 31<sup>st</sup> March, 2013, there was no outstanding complaint. The status of complaints is periodically reported to the Committee. There is no outstanding complaint at the end of the year

### Remuneration Committee

#### Composition

The Remuneration Committee comprises of 3 Non-Executive Directors, of which 2 directors are Independent. During the year under review, the Committee met 1 time on May 18, 2012. The composition of committee and particulars of attendance at the meetings are provided below.

Name of Director	Category	Status	No. of Meetings held / attended
Mr. D. R. Mehta	Non-Executive & Independent	Chairman	1 / 1
Mr. M. G. Punatar	Non-Executive & Independent	Member	1 / 1
Mr. Kamal Jain	Non-Executive Promoter	Member	1 / 1

### Terms of Reference

The terms of reference as laid down by the Board include periodical review of the terms of appointment of executive directors, their remuneration package including commission and to frame and approve terms and conditions of the Employee Stock Option Scheme, to determine the detailed terms and conditions of the Employee Stock Option Scheme in accordance with SEBI guidelines.

Non-Executive Directors have no transaction with the Company, except receiving sitting fees for attending Board Meetings and Audit



Committee Meetings. The details of remuneration, sitting fees paid and other perquisites provided to each Director for the year ended on March 31, 2013 are as under:

(₹ in lacs)

Name of Director	Remuneration			Commission	Sitting Fees	Total Remuneration
	Salary	Perquisites	Retirement Benefits			
Mr. D. R. Mehta	Nil	Nil	Nil	Nil	1.40	1.40
Mr. M. G. Punatar	Nil	Nil	Nil	Nil	1.10	1.10
Mr. Shailendra Raj Mehta	Nil	Nil	Nil	Nil	1.00	1.00
Mr. Hemant Modi	36.38	1.76	6.60	Nil	Nil	44.74
Mr. Suhas Joshi	21.05	12.54	4.43	Nil	Nil	38.02
Mr. Shailendra Kumar Tripathi	40.22	5.07	8.39	15.00	Nil	68.68
Mr. Manoj Kumar Singh <sup>(1)</sup>	38.90	0.15	6.89	Nil	Nil	45.94
Mr. Kamal Jain	Nil	Nil	Nil	Nil	1.40	1.40
Mr. Manish Mohnot	Nil	Nil	Nil	Nil	1.00	1.00
Mr. Ramesh Sheth <sup>(2)</sup>	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> Appointed w.e.f. May 18, 2012

<sup>(2)</sup> Resigned w.e.f. May 18, 2012

#### Subsidiary Companies

As of March 31, 2013, the Company has four subsidiary companies namely JMC Mining & Quarries Ltd., Brij Bhoomi Expressway Pvt. Ltd., Wainganga Expressway Pvt. Ltd. and Vindhyaachal Expressway Pvt. Ltd. which are Non-Material Non-Listed Indian subsidiary companies. The Audit Committee reviews the financial statements, particularly, the investments made in subsidiary companies. Minutes of said subsidiary companies are being placed before the Board for its review. The Board also reviews the accounts of the said subsidiary companies on a quarterly basis.

#### Disclosures

##### A. Basis of Related Party Transaction

For related party transactions, refer to note no. 37 of the Notes on Accounts contained in financial statements in this Annual Report.

##### B. Disclosure of accounting treatment in preparation of Financial Statement

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

##### C. Risk Management

Construction industry operates in extremely complex and dynamic environment, which exposes your Company to various internal and external risks. Risk identification, assessment and mitigation assume paramount importance in view of the expanding size and geographical horizons of the Company. The Company has put in place Risk Management Policy and Procedures for assessing, timely responding and mitigating these risks on continuous basis. The Policy seeks to address the risks involved in major areas i.e. Pre-bidding / Tendering Risks, Execution Risks, Contractual Risks and Financial / Statutory Compliance Risks with a view to avoid / mitigate adverse impact, if any.

The Company has laid down procedures to periodically inform Board Members about Risk assessment and mitigation.

##### D. Proceeds from Public Issues / Rights Issue / Preferential Issue etc.

The Company has not raised any fund through Public Issue, Rights Issue or Preferential issue during the financial year 2012-13.

##### E. Details of non-compliance by the Company

Company has complied with all the requirements of regulatory authorities and clause 49 of the Listing Agreement. No penalty / strictures were imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital market during the last three years.

##### F. Management Discussion and Analysis

The Management Discussion and Analysis Report have been separately given in this Annual Report as required under Clause 49 of the Listing Agreement.



## Shareholders Information

### Details of the Directors seeking appointment / re-appointment in forthcoming Annual General Meeting

Name of Directors	Mr. Kamal Jain	Mr. Manish Mohnot
Date of Birth	June 5, 1957	May 15, 1972
Date of Initial appointment	February 5, 2005	May 29, 2009
Qualifications	Chartered Accountant	Chartered Accountant & Cost Accountant
Expertise in Specific functional field	Experience of over 30 years in the field of finance, taxation, Corporate affairs and Human Resource Development	Experience of 20 years of consulting in the field of Oil, Gas, Power and other sectors related to Infrastructure, Business Strategy and Corporate planning
No. of Shares held in the Company	Nil	Nil
List of other Public Limited Companies (in India) in which he holds Directorship as on March 31, 2013	<ul style="list-style-type: none"> <li>• Energylink (India) Ltd.</li> <li>• JMC Mining &amp; Quarries Ltd.</li> <li>• Shree Shubham Logistics Ltd.</li> <li>• Adeshwar Infrabuild Ltd.</li> <li>• Amber Real Estate Ltd.</li> <li>• Saicharan Properties Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• Kalpataru Power Transmission Ltd.</li> <li>• Shree Shubham Logistics Ltd.</li> <li>• Adeshwar Infrabuild Ltd.</li> <li>• Amber Real Estate Ltd.</li> <li>• Saicharan Properties Ltd.</li> </ul>
Chairmanship / Membership of Committee(s) of Director of the Company	Audit Committee – Member Shareholders' Grievance Committee - Chairman Remuneration Committee – Member	Nil
Chairman / Member of the Committee(s) of Board of Directors of other Public Limited Companies in which he is a Director	Audit Committee – Chairman Remuneration Committee - Member	Audit Committee - Member Shareholders' Grievance Committee - Member

### Information about last 3 Annual General Meetings

The details of last 3 Annual General Meetings are as under:

AGM	Financial Year	Date & Time of AGM	Place of Meeting
24 <sup>th</sup> AGM	2009-10	July 29, 2010 at 12.00 p.m.	ATMA Auditorium, Ashram Road, Ahmedabad
25 <sup>th</sup> AGM	2010-11	July 28, 2011 at 2.30 p.m.	ATMA Auditorium, Ashram Road, Ahmedabad
26 <sup>th</sup> AGM	2011-12	August 3, 2012 at 3:30 p.m.	ATMA Auditorium, Ashram Road, Ahmedabad

### Special Resolution in last 3 AGMs

At the Annual General Meeting held on July 29, 2010, one special resolution was passed for amending Clause (5) (a) relating to restructuring of Authorized Capital of the Company.

At the Annual General Meeting held on July 28, 2011, one special resolution was passed for amending clause relating to Gratuity payable to Mr. Hemant Modi & Mr. Suhas Joshi, pursuant to amendment in The Payment of Gratuity Act, 1972.

At the Annual General Meeting held on August 3, 2012, no special resolution was passed.

### Postal Ballot

During the year under review, one resolution was passed through postal ballot for authorizing Board of Directors to create charge on assets of the company to the extent of ₹ 4000 crores u/s 293(1) (a) of the Companies Act, 1956.

### CEO / CFO Certification

The Chief Executive Officer and Chief Financial Officer (CEO & CFO) of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement. The CEO & CFO also give quarterly certification on financial results, while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement.



### Means of Communication

The Company has published its Quarterly Financial Results in Economic Times – English & Gujarati, Business Standard - English. The results were also displayed on Company's web-site www.jmcprojects.com. The same were also submitted to Stock Exchanges after conclusion of the Board Meetings.

### General Information for Shareholders

#### Annual General Meeting, Book Closure & Dividend Payment

The information of forthcoming Annual General Meeting, Book Closure and Dividend payment details have been provided in the Notice of Annual General Meeting enclosed along with this Annual Report.

### Financial Calendar

Financial year : April 1 to March 31

### Financial Results

First quarter : by 14th August  
Second quarter : by 14th November  
Third quarter : by 14th February  
Annual Results : by 30th May

### Listing

Presently, the equity shares of the Company are listed on Bombay Stock Exchange of India (BSE) and National Stock Exchange of India Ltd. (NSE). The details of listing of securities are as under:

Name of Stock Exchange	Stock Code
Bombay Stock Exchange Ltd.	: 522263
National Stock Exchange of India Ltd.	: JMCPROJECT
ISIN (Dematerialized Securities)	: INE890A1016

The Company has paid listing fees to Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. for financial year 2012-2013 within time.

### Market Price Data

The High & Low share price and High & Low Index during each month in financial year 2012-13 on Bombay Stock Exchange Ltd. and National Stock Exchange of India Ltd. are as under:

Month	Bombay Stock Exchange Ltd.				National Stock Exchange of India Ltd.			
	High Share Price ₹	Low Share Price ₹	Index during the month		High Share Price ₹	Low Share Price ₹	Index during the month	
			High	Low			High	Low
Apr-12	115.85	98.00	17,664.10	17,010.16	115.90	98.00	5,378.75	5,154.30
May-12	123.65	99.00	17,432.33	15,809.71	123.80	98.50	5,279.65	4,788.95
Jun-12	125.75	108.00	17,448.48	15,748.98	124.50	110.00	5,286.25	4,770.35
Jul-12	131.50	111.10	17,631.19	16,598.48	130.95	108.00	5,348.45	5,032.40
Aug-12	127.00	97.00	17,972.54	17,026.97	126.00	96.00	5,448.60	5,215.70
Sep-12	115.00	95.00	18,869.94	17,250.80	114.25	95.40	5,735.15	5,225.70
Oct-12	118.55	108.05	19,137.29	18,393.42	118.25	106.00	5,815.35	4,888.20
Nov-12	113.00	102.00	19,372.70	18,255.69	116.95	101.70	5,885.20	5,548.35
Dec-12	131.70	106.00	19,612.18	19,149.03	132.45	105.30	5,965.15	5,823.15
Jan-13	128.70	101.40	20,203.66	19,508.93	128.90	101.00	6,111.80	5,935.20
Feb-13	107.00	85.00	19,966.69	18,793.97	107.65	84.20	6,052.95	5,671.90
Mar-13	98.00	70.60	19,754.66	18,568.43	97.65	70.40	5,971.20	5,604.85



### Share Transfer System

Applications for transfer of shares in physical form are very minimal and processed by the Company's Registrar & Transfer Agent M/s. Link Intime India Pvt. Ltd. The Share Transfer Committee constituted for transfer / transmission of shares, issue of duplicate shares and allied matters, considers and approves the share transfer once in fortnight subject to transfer instrument being valid and complete in all respects.

The Company has obtained half yearly certificates from Practicing Company Secretary for compliance of share transfer formalities as required under Clause 47(c) of the Listing Agreement with Stock Exchanges and the same were submitted to Stock Exchanges. The Company has also carried out quarterly Reconciliation of Share Capital of the Company as required under SEBI circular no. 16 dated December 31, 2002.

### Distribution of Shareholding as of March 31, 2013

No. of Shares of ₹ 10/- each.	Shareholders		Share Amount	
	Number	% of Total	In ₹	% of Total
Upto – 500	10,409	85.05%	13,916,210	5.33%
501 – 1000	895	7.31%	6,693,430	2.56%
1001 – 2000	498	4.07%	7,309,990	2.80%
2001 – 3000	176	1.44%	4,398,390	1.68%
3001 – 4000	61	0.50%	2,153,920	0.83%
4001 – 5000	53	0.43%	2,438,350	0.93%
5001 – 10000	74	0.60%	5,326,370	2.04%
10001 – and above	73	0.60%	218,946,820	83.83%
<b>TOTAL</b>	<b>12,239</b>	<b>100.00%</b>	<b>261,183,480</b>	<b>100.00%</b>

### Shareholding Pattern as of March 31, 2013

Sr.	Category	No. of Shares	% of shares held
A	<b>Promoter &amp; Promoter Group Shareholding</b>		
	1. Promoters	17,838,568	68.30%
	2. Persons Acting in Concert	70,389	0.27%
	<b>Total Promoter &amp; Promoter Group Shareholding (A)</b>	<b>17,908,957</b>	<b>68.57%</b>
B	<b>Public Shareholding</b>		
	1. Institutional :		
	a. Mutual Fund	338,147	1.29%
	b. Foreign Institutional Investors	1,319,873	5.05%
	2. Non-Institutional :		
	a. Corporate Bodies	864,471	3.31%
	b. NRIs	695,246	2.66%
	c. Indian Public	4,852,727	18.58%
	d. Trust	82,500	0.32%
	e. Clearing Members	56,427	0.22%
	<b>Public Shareholding (B)</b>	<b>8,209,391</b>	<b>31.43%</b>
	<b>Total (A + B)</b>	<b>26,118,348</b>	<b>100.00%</b>

No person in Promoter or Promoter Group of the Company has pledged any shares of JMC Projects (India) Ltd.

### Dematerialization of Shares & Liquidity

As on March 31, 2013, 99.51% shares were held in dematerialized form and balance 0.49% shares were held in physical form.





### Outstanding GDRs / ADRs / Warrants / Options or any Convertible Instruments

The Company has issued 600,000 Stock Options to eligible employees, which are convertible into equity shares within four years from the date of vesting of options, subject to exercise of option by the employee concerned. The exercise period for conversion of these options has already been started, however no employee has exercised the option for conversion of shares and as of March 31, 2013, the total no. of such options which have been vested but not exercised are 245,751. The Company has no outstanding GDRs / ADRs / Warrants or any other Convertible Instruments as on March 31, 2013, except as stated above.

### Certificate by Chief Executive Officer

All the Board members and Senior Management Personnel have, for the year ended March 31, 2013, affirmed compliance with the Code of Conduct as laid down by the Board of Directors in terms of Listing Agreement with the Stock Exchanges.

Place : Mumbai  
Date : May 16, 2013

Shailendra Kumar Tripathi  
CEO & Dy. Managing Director

### Corporate Governance Compliance Certificate

CIN : L45200GJ1986PLC008717

Nominal Capital : ₹ 500,000,000/-

To,  
The Members of  
JMC PROJECTS (INDIA) LIMITED

In accordance with Clause 49 of the Listing Agreement entered into by JMC Projects (India) Limited with the Stock Exchanges, I have examined all the relevant records of the Company relating to its compliance of conditions of Corporate Governance as stipulated in Clause 49, for the financial year ended on March 31, 2013.

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

In my opinion and to the best of my information and according to the explanations given to me and the re-presentations made by the Directors and the Management, I certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in above mentioned Listing Agreement.

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

Place : Ahmedabad  
Date : May 16, 2013

Name of Company Secretary : TAPAN SHAH  
Membership No. : FCS4476  
C. P. Number : 2839



# Independent Auditor's Report

To  
The Members  
JMC Projects (India) Limited

## Report on the Financial Statements

We have audited the accompanying financial statements of JMC PROJECTS (INDIA) LTD. ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

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

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

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

## Opinion

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;



- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For KISHAN M. MEHTA & CO.,  
Chartered Accountants  
Firm's Registration No. I05229W

Place: Mumbai  
Date : 16<sup>th</sup> May, 2013

(K.M.MEHTA)  
Partner  
Membership No.: I3707



## Annexure

Reg: JMC PROJECTS (INDIA) LIMITED

(Referred to in paragraph I 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.
- (b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification of its fixed assets adopted by the Company, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (c) During the year, the Company has not disposed off any substantial part of fixed assets.
- (ii) (a) The inventory has been physically verified by the management during the year at reasonable intervals. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. In our opinion, discrepancies noticed on physical verification of inventory have been properly dealt with in the books of accounts.
- (iii) (a) The Company has granted unsecured loan to two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 93.07 lacs and year end balance of loan granted to such parties was ₹ 41.69 lacs.
- (b) In our opinion the rate of interest and other terms and conditions of loans given by the Company are not prima facie, prejudicial to the interest of the Company.
- (c) The parties have been regular in the payment of principal and interest as per stipulation, if any.
- (d) There is no overdue amount of loan granted to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
- (e) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore the provisions of sub clause (e), (f) and (g) of clause (iii) of para 4 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls in respect of these areas.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangement that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at the prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 58A & 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under. We are informed that no order had been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.



- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government of India, regarding the maintenance of cost records under Section 209(1)(d) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (ix) (a) According to the information & explanations given to us and records examined by us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, VAT, Wealth Tax, Service Tax, Custom duty, Excise duty, Cess and other material undisputed statutory dues applicable to it and there were no undisputed material statutory dues in arrears as at March 31, 2013 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, details of dues of Income Tax, VAT, Wealth Tax, Service Tax, Custom duty, Excise duty and Cess which have not been deposited on account of dispute are given below.

Name of the Statute	Particulars	Period of which the amount relates	Forum where the dispute is pending	Amount ( ₹ In Lacs )
Tamil Nadu Minor Mineral Concession Rules Finance Act, 1994	Royalty	2003-04	High Court	426.90
	Service Tax	2007-08 to 2009-10	Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad	2,703.37
The West Bengal VAT Act, 2003	VAT	2008-09	West Bengal Commercial Taxes Appellate and Revisional Board	57.10
The West Bengal VAT Act, 2003	VAT	2009-10	Joint Commissioner, Sales Tax	33.54
Madhya Pradesh VAT Act, 2002	VAT	2007-08 & 2008-09	High Court	295.17
Madhya Pradesh VAT Act, 2002	VAT	2009-10	Addl. Commissioner Appeals	17.03
Madhya Pradesh VAT Act, 2002	Entry Tax	2008-09	High Court	52.05
Madhya Pradesh VAT Act, 2002	Entry Tax	2009-10	Addl. Commissioner Appeals	6.59
Gujarat VAT Act, 2003	VAT & CST	2006-07	Gujarat VAT Tribunal	249.98
Rajasthan Tax on entry of Goods into Local Areas Act	Entry Tax	2007-08	Deputy Commissioner (Appeals)	2.89
Rajasthan VAT Act, 2003	VAT	2012-13	Dy. Commissioner, Commercial Tax	1.86
Tamil Nadu Minor Mineral Concession Rules	Royalty	2006-07	Principal Secretary / Joint Secretary, Industries.	39.87

- (x) There are no accumulated losses of the Company as on 31<sup>st</sup> March 2013. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank, financial institution or debenture holders.
- (xii) The Company has not granted any loans or 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 nidhi mutual benefit fund / Society, therefore, the provisions of para 4 (xiii) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of Para 4(xiv) of the Companies (Auditor's Report) Order, 2003, are not applicable to the Company.



- (xv) In our opinion, the Company has not given any guarantee in respect of loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanations given to us, in our opinion the term loans raised during the year have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the Balance Sheet and Cash Flow Statement of the Company, we report that no funds raised on short-term basis have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year.
- (ix) The Company has not issued any Debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statement and as per the information and explanation given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For KISHAN M. MEHTA & CO.,  
Chartered Accountants  
Firm's Registration No. I05229W

Place : Mumbai  
Date : 16<sup>th</sup> May, 2013

(K.M. MEHTA)  
Partner  
Membership No. 13707



# Balance Sheet as at 31st March, 2013

( ₹ in Lacs )

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	1	2,611.83	2,611.83
(b) Reserves and Surplus	2	41,099.38	39,634.95
		43,711.21	42,246.78
<b>Non Current Liabilities</b>			
(a) Long-Term Borrowings	3	17,783.74	13,755.16
(b) Other Long Term Liabilities	5	11,443.40	7,330.98
(c) Long-Term Provisions	6	3,526.62	2,596.82
		32,753.76	23,682.96
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	7	16,438.79	11,442.66
(b) Trade Payables	8	46,538.71	39,610.62
(c) Other Current Liabilities	9	15,519.90	15,763.46
(d) Short-Term Provisions	10	1,377.01	1,427.34
		79,874.41	68,244.08
<b>TOTAL</b>		<b>156,339.38</b>	<b>134,173.82</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	11A	25,568.79	27,198.47
(ii) Intangible Assets	11B	31.19	5.79
(iii) Capital Work-in-Progress	11C	364.32	220.70
		25,964.30	27,424.96
(b) Non Current Investments	12	17,068.01	11,781.21
(c) Deferred Tax Assets (Net)	4	1,748.57	778.07
(d) Long-Term Loans and Advances	13	14,038.96	9,382.90
(e) Other Non-Current Assets	14	5,408.67	4,911.35
		64,228.51	54,278.49
<b>Current Assets</b>			
(a) Inventories	15	21,144.14	21,199.34
(b) Trade Receivables	16	32,152.52	30,282.43
(c) Cash and Bank Balances	17	2,447.16	1,864.12
(d) Short-Term Loans and Advances	18	15,565.76	11,456.24
(e) Other Current Assets	19	20,801.29	15,093.20
		92,110.87	79,895.33
<b>TOTAL</b>		<b>156,339.38</b>	<b>134,173.82</b>

Significant Accounting Policies & Notes 1 to 45 to these Financial Statements are accompanying.

As per our report attached

For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Tulsian**  
CFO

**Manoj Kumar Singh**  
Executive Director

**Amit Raval**  
Vice President & Company Secretary

**Kamal Jain**  
Director

Mumbai, May 16, 2013





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

(₹ in Lacs)

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>INCOME</b>			
Revenue from Operations	20	254,191.31	207,030.70
Other Income	21	722.10	1,115.27
<b>TOTAL REVENUE</b>		<b>254,913.41</b>	<b>208,145.97</b>
<b>EXPENSES</b>			
Construction Materials Consumed	22	85,060.24	80,706.49
(Increase) / Decrease in Inventories of Work-in-Progress	23	(1,472.21)	(3,725.37)
Employee Benefit Expense	24	14,797.39	14,207.48
Finance Cost	25	5,495.32	4,736.13
Depreciation and Amortization Expense	11	5,485.72	4,706.08
Other Expenses	26	143,954.54	101,078.55
<b>TOTAL EXPENSES</b>		<b>253,321.00</b>	<b>201,709.36</b>
Profit before exceptional and extraordinary items and tax		1,592.41	6,436.61
Exceptional Items		-	-
Profit before extraordinary items and tax		1,592.41	6,436.61
Extraordinary Items		-	-
Profit before tax		1,592.41	6,436.61
Tax Expense :			
Current Tax		729.80	2,396.79
Deferred Tax		(970.50)	(1,153.80)
<b>Profit / (Loss) for the year</b>		<b>1,833.11</b>	<b>5,193.62</b>
Earnings per equity share : [Nominal value ₹ 10/- per share]			
Basic ( in ₹ )	35	7.02	19.88
Computed on the basis of profit for the year			
Diluted ( in ₹ )	35	7.02	19.88
Computed on the basis of profit for the year			

Significant Accounting Policies & Notes 1 to 45 to these Financial Statements are accompanying.

As per our report attached  
**For Kishan M. Mehta & Co.**  
 Chartered Accountants  
 Firm Registration No. 105229W

**Kishan M Mehta**  
 Partner  
 Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
 CEO & Dy. Managing Director

**Manoj Tulsian**  
 CFO

**Manoj Kumar Singh**  
 Executive Director

**Amit Raval**  
 Vice President & Company Secretary

**Kamal Jain**  
 Director

Mumbai, May 16, 2013



# Significant Accounting Policies

## i Accounting Convention

Financial statements are prepared in accordance with applicable Accounting Standards under the historical cost convention on accrual basis.

## ii Use of Estimates

The presentation of financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized.

## iii Revenue Recognition

### a. Construction Contracts

Running Account Bills for work completed are recognized on percentage of completion method based on completion of physical proportion of the contract work. Income on account of claims and extra item work are recognized to the extent Company expects reasonable certainty about receipts or acceptance from the client. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

### b. Others

Dividends are recorded when the right to receive the payment is established. Interest income is recognized in time proportionate basis.

## iv Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation less impairment losses, if any. Cost is inclusive of all identifiable expenditure incurred to bring the assets to their working condition for intended use. When an asset is disposed off, demolished or destroyed, the cost and related depreciation are removed from the books of accounts and resultant profit or loss, is reflected in the Statement of Profit & Loss. Direct cost as well as related incidental and identifiable expenses incurred on acquisition of fixed assets that are not yet ready for their intended use or put to use as at the Balance Sheet date are stated as Capital Work in Progress.

## v Depreciation

Depreciation is provided on the straight line method on all depreciable assets at the rate prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis except that considering the useful life based on technical evaluation by the management, higher rate than the prescribed rates are applied on a few shuttering items of Machinery @ 30%, on office equipments @ 12.5%, on all vehicles @ 15% and on remaining Plant and Machineries which are acquired on or after 1st October, 2005 @ 12.5% .

## vi Impairment of Fixed Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. If any indication exists, the recoverable value of such assets is estimated. An impairment loss is recognized when the carrying cost of assets exceeds its recoverable value. An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount and recognized in compliance with AS - 28.

## vii Investments

Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary in the opinion of the Management.

## viii Retirement Benefits

- a. Gratuity liability is covered by payment there of to Gratuity fund, the defined benefit plan under Group Gratuity Cash Accumulation Scheme of Life Insurance Corporation of India and SBI Life Insurance under irrevocable trust. The Company's liability towards gratuity are determined on the basis of actuarial valuation done by independent actuary.
- b. Contribution to Provident Fund and Superannuation Fund, the defined contribution plans as per the schemes are charged to the Statement of Profit & Loss.
- c. Provision for Leave encashment liability is made based on actuarial valuation as at the Balance Sheet date.
- d. All other short-term benefits for employees are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.



# Significant Accounting Policies

## ix Inventories

- a. Construction materials, stores, spares and tools are valued at lower of cost or net realizable value. Cost include cost of purchase and other expenses incurred in bringing inventory to their respective present location and condition. Cost is determined using FIFO method of inventory valuation.
- b. Work in progress is valued at lower of cost or net realizable value. In case where work is completed but Running Account bill can not be raised on client due to contractual conditions, the work in progress is valued at contract rates.

## x Provision for Taxes

### a. Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with provisions of the Income Tax Act, 1961.

### b. Deferred Tax:

Deferred tax is recognized, on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets which arises mainly on account of unabsorbed losses or unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## xi Foreign Currency Transaction

- a. Transactions denominated in Foreign Currency are recorded at the exchange rate prevailing on the date of transaction.
- b. In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the life of the contract. Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in the Statement of Profit & Loss.
- c. Assets & Liabilities remaining unsettled at the end of the year, other than covered by forward exchange contracts are translated at exchange rate prevailing at the end of the year and the difference is adjusted in the Statement of Profit & Loss.
- d. Translation of overseas projects of non-integral foreign operations:
  - i Assets and liabilities at the rates prevailing at the end of the year.
  - ii Income and expenses at the average exchange rate prevailing for the month of transactions.
  - iii Resulting exchange differences are accumulated in foreign currency translation reserve account.

## xii Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

## xiii Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and that probability requires an outflow of resources.

A disclosure 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 in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

## xiv Accounting for Project Mobilisation expenses

Expenditure incurred on creation of site infrastructures is written off in proportion to work done at respective sites so as to absorb such expenditure during the tenure of the contract.

## xv Balance of Receivables

Trade receivables & Accrued value of work done (Uncertified work done bills), of the clients in these accounts are disclosed net of advances outstanding at the year end from the respective clients.

## xvi Other Accounting Policies

Accounting Policies not specifically referred to, are consistent with the generally accepted accounting practices.



# Notes on Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - I</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised:</b>		
35,000,000 (35,000,000) Equity Shares of ₹ 10/- each	3,500.00	3,500.00
1,500,000 (1,500,000) Preference Shares of ₹ 100/- each	1,500.00	1,500.00
	<u>5,000.00</u>	<u>5,000.00</u>
<b>Issued, Subscribed and Paid up:</b>		
26,118,348 (26,118,348) Equity Shares of ₹ 10/- each fully paid up	2,611.83	2,611.83
<b>TOTAL</b>	<u>2,611.83</u>	<u>2,611.83</u>

a. Reconciliation of the Shares outstanding at the beginning and at the end of the year :

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	( ₹ in Lacs )	Nos.	( ₹ in Lacs )
At the beginning of the year	26,118,348	2,611.83	26,118,348	2,611.83
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	26,118,348	2,611.83	26,118,348	2,611.83

b. Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

c. Shares held by Holding Company and its Subsidiaries / Associates.

Out of Equity Shares issued by the Company, the Shares held by Holding and its Subsidiaries / Associates are as below :

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
Kalpataru Power Transmission Ltd. 17,548,908 (17,548,908) Equity Shares of ₹ 10/- each fully paid	1,754.89	1,754.89

d. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	% holding	Nos.	% holding
Equity Shares of ₹ 10/- each fully paid Kalpataru Power Transmission Ltd., the Holding Company	17,548,908	67.19%	17,548,908	67.19%

e. Shares reserved for issue under options

The Company has reserved issuance of 1,000,000 (1,000,000) Equity Shares of ₹ 10/- each for offering to the eligible employees of the Company under Employee Stock Option Plan (ESOP). On 21st July, 2007, the Company granted 600,000 Options to the eligible employees at a price of ₹ 217/- each, and these Options have been vested over the period of 4 years from the date of grant based on specified criteria. As at March 31, 2013 the total number of options vested but not exercised by employees stood at 245,751 (P.Y. 360,032).



# Notes on Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	21,209.18	21,209.18
		21,209.18
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	568.75	243.75
Transfer from Surplus of Profit	325.00	325.00
		568.75
<b>Employee Share Options Outstanding</b>		
Employee share options granted - at the beginning of the year	198.02	202.04
Add : Deferred Employee Share Compensation	(62.85)	(4.02)
		198.02
<b>Foreign Currency Translation Reserve</b>		
As per last Balance Sheet	-	-
Add: Changes during the year	(0.26)	-
		(0.26)
<b>General Reserve</b>		
As per last Balance Sheet	2,922.91	2,397.91
Add: Transfer from Surplus of Profit	225.00	525.00
		3,147.91
<b>Surplus of Profit</b>		
Balance as per Last Balance Sheet	14,736.09	10,999.58
Add : Profit for the year as per Statement of Profit & Loss	1,833.11	5,193.62
Less : Appropriations		
Proposed Dividend	(261.18)	(522.37)
Corporate Tax on Proposed Dividend	(44.39)	(84.74)
Transfer to Debenture Redemption Reserve	(325.00)	(325.00)
Transfer to General Reserve	(225.00)	(525.00)
<b>Net Surplus of Profit</b>		
	15,713.63	14,736.09
<b>TOTAL</b>	<b>41,099.38</b>	<b>39,634.95</b>



# Notes on Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 3</b>		
<b>LONG TERM BORROWINGS</b>		
<b>A. Secured Loans</b>		
(a) Debentures		
500 (500) 9.5% Secured Redeemable Non - Convertible Debentures of ₹ 1,000,000/- each. [Refer Note - 9]	3,500.00	5,000.00
(b) Term Loans:		
(1) Foreign Currency Loans		
From Banks	4,222.31	4,990.00
(2) Rupee Loans		
(I) From Banks	8,764.02	3,401.73
(II) Loan against Vehicles / Equipments	84.90	73.80
	13,071.23	8,465.53
<b>B. Unsecured Loans</b>		
Fixed Deposits from Public	1,212.51	289.63
<b>TOTAL</b>	<b>17,783.74</b>	<b>13,755.16</b>

## Notes:

Nature of Security	Terms of Repayment
<p><b>A. (a) 9.5% Secured Redeemable Non-Convertible Debentures (NCDs) :-</b> First charge on movable fixed assets of the Company to the extent of 1.25 times of the amount of NCDs in pari passu with consortium term lender Banks, a Bank in (b) (2) (I) (ii) and another Bank in (b) (2) (I) (iii), and first charge by mortgage of a land at Maharajpura, Kadi, Gujarat.</p> <p><b>(b) (1) Foreign Currency Term Loans from Banks :-</b> External Commercial Borrowing of US \$ 10 Million (P.Y. US \$ 10 Million) is secured by first charge on specific movable fixed assets financed by them.</p> <p><b>(b) (2) Rupee Term Loans from Banks :-</b> <b>(b) (2) (I) (i)</b> Term Loans from three consortium Banks amounting to ₹ 2,894.39 lacs (P.Y. ₹ 1,940.58 lacs) are secured by first charge on movable fixed assets except financed by others in pari passu with Debenture holders upto 1.25 times of the amount of NCDs, a Bank in (b) (2) (I) (ii) and another Bank in (b) (2) (I) (iii) &amp; Second charge on current assets on which the first charge is to consortium bankers as mentioned in Note No. 7.</p> <p><b>(b) (2) (I) (ii)</b> Term Loan from a Bank amounting to ₹ 2,500 lacs (P.Y. ₹ 4,166.67) is secured by first charge on movable fixed assets except financed by others in pari passu with three consortium term loan lenders, debenture holders to the extent of 1.25 times of the amount of NCDs and a Bank in (b) (2) (I) (iii).</p> <p><b>(b) (2) (I) (iii)</b> Term Loan from a Bank amounting to ₹ 6,500.00 lacs (P.Y. ₹ Nil) is secured by first pari passu charge on movable fixed assets except financed by others in pari passu with three consortium term loan lenders, debenture-holders to the extent of 1.25 times of the amount of NCDs and a bank in (b) (2) (I) (ii).</p> <p><b>(b) (2) (II) Loan against Vehicles / Equipments :</b> Loans of ₹ 131.22 lacs (P.Y. ₹ 110.20 lacs) are secured by way of charge on specific equipments and vehicles financed by them on different loans.</p>	<p><b>Terms of Repayment :-</b> NCDs are repayable in trenches at the end of 3rd, 4th and 5th Year ₹ 1,500 lacs, ₹ 2,000 lacs and ₹ 1,500 lacs, respectively, from date of allotment i.e. July 15, 2010.</p> <p>13 quarterly instalments of US \$ 769,230.77 each from 25th October, 2013 and carry interest @ 6 months LIBOR plus spread.</p> <p>First Term Loan is repayable in 16 quarterly instalments of ₹ 168.75 lacs each from March, 2010 with varying rate of interest linked to base rate of Bank from time to time.</p> <p>Second Term Loan is repayable in 16 quarterly instalments of ₹ 47.17 lacs each from February, 2011 with varying interest rate linked to base rate of Bank from time to time.</p> <p>Third Term Loan is repayable in 16 quarterly instalments of ₹ 37.50 lacs each from March, 2010 with varying interest rate linked to base rate of Bank from time to time.</p> <p>Term Loan is repayable in 12 quarterly instalments of ₹ 416.67 lacs each from October, 2011 and carry interest @ 11 % p.a. on ₹ 30 crores and @ 11.35 % p.a. on ₹ 20 crores.</p> <p>Term Loan is repayable in 16 equal quarterly instalments after initial moratorium period of 1 year commencing after 3 months from December 29, 2012 with varying interest rate linked to base rate of Bank from time to time.</p> <p>60 monthly instalments beginning from the month subsequent to disbursement, along with interest ranging from 8.20% to 12.50% p.a. for different loans.</p> <p>Fixed deposits maturing at 12, 24 and 36 months from the date of deposit carry interest @ 9.50%, 10% and 10.50% p.a. respectively. Deposits by senior citizen carry additional interest @ 0.50% p.a.</p>
<p><b>B. Unsecured Loan - Fixed Deposits :</b> Fixed Deposits from public.</p>	





# Notes on Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 4</b>		
<b>DEFERRED TAX LIABILITY / (ASSET)</b>		
<b>Deferred Tax Liability</b>		
Depreciation	165.00	525.81
Others	30.09	230.88
<b>Less : Deferred Tax Asset</b>		
U/s. 43B, 40 (a)(ia) of Income Tax Act and Others (Net)	(1,943.66)	(1,534.76)
<b>TOTAL</b>	<b>(1,748.57)</b>	<b>(778.07)</b>
<b>NOTE - 5</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Trade Payables	6,998.56	2,187.21
<b>Others</b>		
Advance from Clients	4,289.55	4,978.82
Payable to Joint Venture Entities	155.29	164.95
<b>TOTAL</b>	<b>11,443.40</b>	<b>7,330.98</b>
<b>NOTE - 6</b>		
<b>LONG TERM PROVISIONS</b>		
<b>Provision for employee benefits</b>		
Leave Encashment	276.72	229.45
<b>Other Provisions</b>		
Defect Liability Period Expenses	3,249.90	2,367.37
<b>TOTAL</b>	<b>3,526.62</b>	<b>2,596.82</b>
<b>NOTE - 7</b>		
<b>SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
Working Capital Loans Repayable on Demand from Banks #	14,888.61	8,855.69
Overdraft from Bank against Fixed Deposits	-	11.68
Bills Payables #	1,388.24	2,440.22
<b>Unsecured</b>		
Fixed Deposits from Public	161.94	135.07
<b>TOTAL</b>	<b>16,438.79</b>	<b>11,442.66</b>

# Working Capital Loans and Bills Payables are secured in favour of consortium bankers, by way of :

- First charge against hypothecation of stocks, work in progress, stores and spares, bills receivables, book debts and other current assets subject to second charge on current assets in favour of a bank for Bank Guarantee of ₹ 4,901 Lacs provided on behalf of Joint Venture in which the Company is one of the members and three consortium bankers for term loan financed by them.
- Second charge on Fixed assets except in ( c ) hereunder.
- First charge on the office premises of the Company.



# Notes on Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 8</b>		
<b>TRADE PAYABLES</b>		
Acceptances	10,012.75	6,900.95
Others	36,525.96	32,709.67
<b>TOTAL</b>	<b>46,538.71</b>	<b>39,610.62</b>
<b>NOTE - 9</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Current Maturities of Long Term Debt</b>		
9.5% Secured Redeemable Non - Convertible Debentures of ₹ 1,000,000/- each. [Refer Note 3 A(a)]	1,500.00	-
Term Loans from Banks - [Refer Note 3 A(b)(1) & (2)]	3,898.06	2,680.36
Loan against Vehicles / Equipments [Refer Note 3 A(b)(2)(II)]	46.32	36.39
Fixed Deposits from Public [Refer Note 3 B]	127.15	919.56
Interest Accrued but not due on Borrowings	301.16	360.34
Unclaimed Dividend	8.24	6.83
Unclaimed Matured Fixed Deposits and Interest	28.55	16.13
<b>Others</b>		
Payables for Capital Goods	851.88	1,472.18
Advance from Clients	6,483.30	7,726.15
Other Statutory Liabilities *	2,234.26	2,485.25
Unclaimed Share Application Money	0.33	0.49
Security Deposits	40.65	59.78
<b>TOTAL</b>	<b>15,519.90</b>	<b>15,763.46</b>
* Includes VAT Payable ₹ 50.48 lacs (P.Y. ₹ 395.20 lacs) [Net of Advance]		
<b>NOTE - 10</b>		
<b>SHORT TERM PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Leave Encashments	34.09	29.23
Gratuity	303.43	112.93
<b>Other Provisions</b>		
Defect Liability Period and Project Expenses	733.92	678.07
Proposed Dividend	261.18	522.37
Corporate Tax on Proposed Dividend	44.39	84.74
<b>TOTAL</b>	<b>1,377.01</b>	<b>1,427.34</b>



# Notes on Financial Statements as at 31st March, 2013

**NOTE - 11  
FIXED ASSETS**

(₹ in Lacs)

Description	Gross Block			Depreciation				Net Block		
	As at 01/04/2012	Additions	Disposals	As at 31/03/2013	As at 01/04/2012	For the Year	Recouped	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
<b>A. TANGIBLE ASSETS</b>										
Freehold Land	23.78	-	-	23.78	-	-	-	-	23.78	23.78
Office Building	217.24	-	-	217.24	21.23	3.54	-	24.77	192.47	196.01
Store Building	197.05	46.97	-	244.02	18.31	3.72	-	22.03	221.99	178.74
Plant & Equipments	42,382.52	3,678.52	416.64	45,644.40	16,686.13	5,154.77	283.86	21,557.04	24,087.36	25,696.39
Furniture & Fixtures	279.45	23.44	15.90	286.99	122.13	17.89	9.64	130.38	156.61	157.32
Vehicles	1,260.43	118.41	125.58	1,253.26	823.35	151.01	89.44	884.92	368.34	437.08
Office Equipments	981.51	141.29	15.48	1,107.32	530.80	120.43	13.32	637.91	469.41	450.71
Electrical Installation	171.92	5.26	-	177.18	113.48	14.87	-	128.35	48.83	58.44
<b>TOTAL (A)</b>	<b>45,513.90</b>	<b>4,013.89</b>	<b>573.60</b>	<b>48,954.19</b>	<b>18,315.43</b>	<b>5,466.23</b>	<b>396.26</b>	<b>23,385.40</b>	<b>25,568.79</b>	<b>27,198.47</b>
<b>B. INTANGIBLE ASSETS</b>										
Computer Software	43.19	44.89	-	88.08	37.40	19.49	-	56.89	31.19	5.79
<b>TOTAL (B)</b>	<b>43.19</b>	<b>44.89</b>	<b>-</b>	<b>88.08</b>	<b>37.40</b>	<b>19.49</b>	<b>-</b>	<b>56.89</b>	<b>31.19</b>	<b>5.79</b>
<b>TOTAL (A+B)</b>	<b>45,557.09</b>	<b>4,058.78</b>	<b>573.60</b>	<b>49,042.27</b>	<b>18,352.83</b>	<b>5,485.72</b>	<b>396.26</b>	<b>23,442.29</b>	<b>25,599.98</b>	<b>27,204.26</b>
Previous Year	36,551.04	9,496.14	490.08	45,557.10	13,946.81	4,706.08	300.05	18,352.84	27,204.26	-
<b>C. CAPITAL WORK-IN-PROGRESS</b>	<b>220.70</b>	<b>863.00</b>	<b>719.38</b>	<b>364.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>364.32</b>	<b>220.70</b>

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 12 NON CURRENT INVESTMENTS</b>		
<b>Trade Investments</b>		
<b>Unquoted Equity Instruments</b>		
<b>Investments in Subsidiaries :</b>		
<b>Equity Shares of Subsidiary Company</b>		
(a) JMC Mining & Quarries Limited 500,000 (500,000) Equity Shares of ₹ 10/- each fully paid up.	50.00	50.00
(b) Brij Bhoomi Expressway Pvt. Ltd. 22,757,000 (21,250,000) Equity Shares of ₹ 10/- each fully paid up Out of above, 10,837,500 (10,837,500) shares are pledged in favour of bankers of this subsidiary.	2,275.70	2,125.00
(c) Wainganga Expressway Pvt. Ltd. 30,000,000 (30,000,000) Equity Shares of ₹ 10/-each fully paid up Out of above, 15,300,000 (15,300,000) shares are pledged in favour of bankers of this subsidiary.	3,000.00	3,000.00
(d) Vindhychal Expressway Pvt. Ltd. 27,050,000 (50,000) Equity Shares of ₹ 10/-each fully paid up Out of above, 13,795,500 ( - ) shares are pledged in favour of bankers of this subsidiary.	2,705.00	5.00
<b>Equity Shares of Joint Venture Company</b>		
Kurukshetra Expressway Pvt. Ltd. 44,230,781 (32,099,090) Equity Shares of ₹ 10/- each fully paid up Out of above, 19,430,510 (14,228,511) shares are pledged in favour of bankers of this JV Company	8,336.18	5,909.84
<b>Equity Shares of Others</b>		
Nutan Nagarik Sahakari Bank Limited 4,600 (4,600) Equity Shares of ₹ 25/- each fully paid up	1.15	1.15
<b>Share Application Money</b>		
Brij Bhoomi Expressway Pvt. Ltd.	-	1.00
<b>Investment in Joint Venture</b>		
Aggrawal JMC - JV	699.98	689.22
<b>TOTAL</b>	<b>17,068.01</b>	<b>11,781.21</b>



# Notes on Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 13</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
Unsecured considered good		
Advance for Capital Goods	261.42	183.91
Loans and Advance to Related Parties		
Loans to Subsidiaries *	7,120.07	2,125.10
Security Deposits	909.62	883.22
Others		
Advance to Creditors	2,294.33	3,712.49
Loans and Advances to Employees	0.47	0.56
Advance VAT (Net of Payable)	3,315.41	2,291.83
Excise Duty Drawback	137.64	185.79
<b>TOTAL</b>	<b>14,038.96</b>	<b>9,382.90</b>
* Loans to Subsidiaries include -		
JMC Mining & Quarries Ltd. ₹ Nil (P.Y. ₹ 62.19 lacs)		
Brij Bhoomi Expressway Pvt. Ltd. ₹ 2,108.30 lacs (P.Y. Nil)		
Wainganga Expressway Pvt. Ltd. ₹ 2,077.00 lacs (P.Y. ₹ 2,057 lacs)		
Vindhyachal Expressway Pvt. Ltd. ₹ 2,934.77 lacs (P.Y. ₹ 5.91 lacs)		
<b>NOTE - 14</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Unsecured considered good		
Long Term Trade Receivables	3,073.91	2,979.05
Others		
Deposit with Banks & Others with remaining maturity of more than 12 months	40.00	50.00
Unamortized Expenses		
Site Infrastructures	2,159.74	1731.95
Ancillary cost of borrowing	133.39	149.52
Accrued Income	1.63	0.83
<b>TOTAL</b>	<b>5,408.67</b>	<b>4,911.35</b>
<b>NOTE - 15</b>		
<b>INVENTORIES</b>		
Construction Material	11,552.57	14,013.93
Spares, Tools & Stores	2,836.87	1,902.92
Work-in- Progress	6,754.70	5,282.49
<b>TOTAL</b>	<b>21,144.14</b>	<b>21,199.34</b>

(a) As Valued, Verified and Certified by the Management.

(b) Basis of valuation is lower of cost or net realisable value, except for work in progress, where work is completed but Running Account bills could not be raised on clients due to contractual conditions, is valued at contracted rates.



# Notes on Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 16</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured and considered good		
Debts outstanding over Six Months from due date of payment	6,245.69	8,050.84
Other Debts includes Retention Money ₹ 12,598.27 lacs (P.Y. ₹ 12,519.93 lacs) net of advances ₹ 15,029.68 lacs (P.Y. ₹ 11,253.49 lacs)	25,906.83	22,231.59
<b>TOTAL</b>	<b>32,152.52</b>	<b>30,282.43</b>
<b>NOTE - 17</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Balance with Banks		
Current Accounts	1,867.60	28.25
Demand Deposits (with less than 3 months of remaining maturity)	217.50	1,500.00
Cheques on hand	173.94	-
Cash on hand	49.88	49.04
<b>Other Bank Balance</b>		
Deposits as Margin Money against Borrowings and Commitments	130.00	280.00
Dividend Accounts (Unclaimed)	8.24	6.83
<b>TOTAL</b>	<b>2,447.16</b>	<b>1,864.12</b>
<b>NOTE - 18</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
Unsecured and considered good		
Advance to Related Party *	1,004.70	1,870.19
Others		
Security Deposits	616.00	967.51
Advance Income Tax (Net of Provision)	2,485.67	1,831.17
Advance VAT / Entry Tax (Net of Payable)	869.06	712.82
Cenvat Credit Receivable	1,222.35	901.90
Inter Corporate Deposit	-	318.59
Advance to Creditors	8,904.91	4,201.74
Loans and Advances to Employees	55.08	14.38
Prepaid Expenses	407.99	637.94
<b>TOTAL</b>	<b>15,565.76</b>	<b>11,456.24</b>
* Advance to Related Party Include -		
Kalpataru Power Transmission Ltd. ₹ 963.01 lacs (P.Y. ₹ 1,839.69 lacs)		
JMC Mining & Quarries Ltd. ₹ 23.34 lacs (P.Y. ₹ Nil)		
JMC Infrastructure Ltd. ₹ 18.35 lacs (P.Y. ₹ 30.50 lacs)		
<b>NOTE - 19</b>		
<b>OTHER CURRENT ASSETS</b>		
Accrued Income	95.05	129.47
Unamortised Expenses		
Site Infrastructures	2,149.55	2,783.04
Ancillary cost of borrowing	449.79	59.97
Accrued value of work done	18,101.42	12,112.71
Receivables for Sale of Fixed Assets	5.32	7.94
Insurance Claims Receivable	0.16	0.07
<b>TOTAL</b>	<b>20,801.29</b>	<b>15,093.20</b>

**NOTE - 19.1**

Accrued value of work done of ₹ 18,101.42 lacs (P.Y. ₹ 12,112.71 lacs) represents work billed pending for clients' certification are net of [provision for inclusive taxes ₹ 701.09 lacs (P.Y. ₹ 339.49 lacs) and advances outstanding of the respective clients totalling to ₹ 10,826.74 lacs (P.Y. ₹ 8,676.47 lacs)]



# Notes on Financial Statements for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>NOTE - 20</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Sale of Services</b>		
Contract Revenue	244,090.53	184,864.07
Accrued Value of Work Done (uncertified work done bills)	8,531.42	21,128.68
<b>Sales of Construction Material</b>	1,262.13	638.72
<b>Other Operating Revenue</b>		
Share of Profit in Joint Ventures	20.42	7.14
Liabilities Written Back	286.81	392.09
<b>TOTAL</b>	<b>254,191.31</b>	<b>207,030.70</b>
<b>NOTE - 21</b>		
<b>OTHER INCOME</b>		
<b>Interest Income</b>		
From Deposits	102.36	421.92
From Others	225.64	247.53
<b>Dividend Income</b>		
From Current Investments	-	49.82
From Long Term Investments	0.17	-
Net Gain on Sale of Fixed Assets	87.34	41.24
Rent Income	285.15	354.76
Prior Period Income	21.44	-
<b>TOTAL</b>	<b>722.10</b>	<b>1,115.27</b>
<b>NOTE - 22</b>		
<b>CONSTRUCTION MATERIALS CONSUMED</b>		
Opening Stock of Construction Materials	14,009.24	10,502.45
Add: Purchases during the year	83,702.26	84,820.34
Less: Scrap Sales	1,099.90	607.06
Less: Closing Stock of Construction Materials	11,551.36	14,009.24
<b>TOTAL</b>	<b>85,060.24</b>	<b>80,706.49</b>
<b>NOTE - 23</b>		
<b>(INCREASE) / DECREASE IN INVENTORIES OF WORK-IN-PROGRESS</b>		
Work in Progress (at close)	(6,754.70)	(5,282.49)
Less :Work in Progress (at commencement)	5,282.49	1,557.12
<b>TOTAL</b>	<b>(1,472.21)</b>	<b>(3,725.37)</b>
<b>NOTE - 24</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages and Bonus	12,917.16	12,393.26
Contribution to Provident & Other Funds	953.52	840.03
Employee Share Option Scheme Expenses	(62.85)	(4.02)
Staff Welfare Expenses	989.56	978.21
<b>TOTAL</b>	<b>14,797.39</b>	<b>14,207.48</b>





# Notes on Financial Statements for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>NOTE - 25</b>		
<b>FINANCE COST</b>		
Interest	4,515.18	4,044.06
Other Borrowing Costs	909.81	569.10
Exchange Rate Variation	70.33	122.97
<b>TOTAL</b>	<b>5,495.32</b>	<b>4,736.13</b>
<b>NOTE - 26</b>		
<b>OTHER EXPENSES</b>		
<b>Construction Expenses</b>		
Work Charges	34,975.19	32,983.36
Composite Work Charges	78,082.31	37,599.92
Consumption of Spares, Tools & Stores	734.67	866.77
Machinery - Running & Maintenance Expenses	3,900.47	3,262.83
Electricity Charges	1,401.65	1,154.68
Rent & Hire Charges	4,913.58	5,357.60
Security Expenses	960.12	811.84
Site Expenses	5,240.96	6,405.33
Defect Liability Period Expenses	1,051.26	43.95
	<b>131,260.21</b>	<b>88,486.28</b>
Building & General Repairs	49.13	46.02
Vehicle Maintenance Charges	294.76	276.37
Travelling Expenses	603.85	490.63
Conveyance Expenses	70.91	68.84
Directors' Travelling Expenses	36.55	11.51
Insurance Charges	399.39	356.20
Printing & Stationery Expenses	147.92	165.40
Office Rent	582.07	600.80
Office Expenses	110.28	99.39
Postage & Telephone Charges	190.67	193.57
Balances Written Off	40.94	58.15
Professional & Legal Charges	549.41	744.20
Auditor's Remuneration	29.93	21.50
Rates & Taxes	8,385.79	8,120.99
Business Promotion Expenses	103.34	216.39
Advertisement Expenses	15.06	33.10
Computer & IT Expenses	160.56	162.31
Sundry Expenses	157.02	208.22
Bank Charges	17.45	18.68
Other Financial Charges	650.76	606.97
Training Expenses	30.60	26.89
Loss on Assets Lost	49.46	63.53
Loss on Investment in Joint Ventures	-	0.16
Directors' Sitting Fees	5.90	2.45
Prior Period Expenses	12.58	-
<b>TOTAL</b>	<b>143,954.54</b>	<b>101,078.55</b>



# Notes on Financial Statements for the year ended 31st March, 2013

## 26.1 Auditors' Remuneration

( ₹ in Lacs )

Particulars	2012-13	2011-12
Audit Fees	24.72	20.22
Company Law Matters	2.25	1.12
Other Services & Reports	2.97	0.15
<b>TOTAL</b>	<b>29.93</b>	<b>21.50</b>

## 27 Contingent Liabilities in respect of :

( ₹ in Lacs )

Particulars	2012-13	2011-12
A. Bank Guarantees	59.50	98.79
B. Guarantee given to a bank in respect of financial assistance in favour of Subsidiary Company.	-	40.00
C. Guarantees given in respect of performance of contracts of Joint Venture Entities & Associates in which Company is one of the member/holder of substantial equity.	28,121.28	20,107.30
D. Claims against the Company not acknowledged as debts. (Refer note below)	674.59	1047.97
E. Show Cause Notice Issued by Service Tax / Excise Dept.	2,705.55	2,805.19
F. Disputed Royalty Demand under Tamilnadu Minor Mineral Concession Rules in appeal before High Court	426.90	426.90
G. Trichy Madurai Road Project Royalty Matter	39.87	-
H. Disputed Income Tax Demand in appeal before Appellate Authorities (Excludes Amount considered in [K] hereinafter).	634.61	580.51
I. Disputed Income Tax Demand of Joint Ventures in appeal before Appellate Authorities	479.97	-
J. Disputed VAT Demand in appeal before Appellate Authorities	1,580.93	1,438.79
K. Income Tax (Net of Deferred Tax) on the claim made of the deductions u/s. 80-IA (4) of the Income Tax Act, 1961. (Refer note 28)	2,499.12	2,068.64

Note : In case where Company has raised the claims on clients against which counter claims have been raised by clients, the excess of counter claims raised by client over the amount of its claims only are considered in the above figures.

- 28 The Finance Act (2), 2009 has amended Section 80-IA (4) of the Income Tax Act, 1961 by substituting an explanation to Section 80-IA with retrospective effect from 01-04-2000. On the basis of the legal opinion of the experts and decided cases, the Company has continued to claim deduction under Section 80-IA (4) of the Act on eligible projects and consequently the Company considers it appropriate not to create a liability for provision of Income Tax. However, an amount of Income tax (Net of Deferred Tax) of ₹ 430.48 lacs for the current Year and of ₹ 2,068.64 lacs for the earlier years since FY 2006-07 (both - include the amount of tax applicable on the share of profit of Joint Venture Business claiming such deduction) has been disclosed as a contingent liability in note no. 27[K] to these Accounts.

## 29 Capital & Other Commitments

( ₹ in Lacs )

Particulars	2012-13	2011-12
<b>Capital Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	245.36	384.55



# Notes on Financial Statements for the year ended 31st March, 2013

- 30 In the opinion of the Management, the assets other than Fixed Assets and Non Current Investments have a realisable value, in the ordinary course of business, approximately of the amount at which they are stated in these financial statements.

- 31 C.I.F.Value of Imports (₹ in Lacs)

Particulars	2012-13	2011-12
Value of imports Calculation on CIF Basis :		
Capital Goods	23.55	314.97
Construction Material	529.84	355.78

- 32 Expenditure in Foreign Currency (₹ in Lacs)

Particulars	2012-13	2011-12
Foreign Travelling	16.53	1.96
Interest	375.29	91.56
Professional, Technical and Consultancy Fees	20.21	83.36
Advertisement Expenses	-	0.56

- 33 Lease Transactions

The Company's significant leasing / licensing arrangements are mainly in respect of residential / office premises and equipments (operating lease). Lease agreements in respect of residential / office premises and certain equipments are cancelable and renewable by mutual consent on mutually agreed terms. Certain equipments are on non-cancellable operating lease. The aggregate lease rental / hire charges payable on these premises / equipments are charged as rent & hire charges amounting to ₹ 2,591.26 lacs. (P.Y. ₹2,442.05 lacs.). Future estimated minimum lease rentals and their present values in respect of non-cancelable operating leases are as under.

Particulars	< 1 Year	1 to 5 Years	Total
Future minimum lease payments	955.01	1,437.03	2,392.04
Present value of minimum lease payments	911.65	1,190.61	2,102.26

- 34 The disclosure in respect of Provision for Defect Liability Period Expenses is as under. (₹ in Lacs)

Particulars	2012-13	2011-12
Carrying amount at the beginning of the year	3,045.44	3,143.33
Add : Provision during the Year	1,336.82	1,196.57
Less : Reversal of provision during the Year	285.56	1,152.62
Less : Utilisation during the Year	112.88	141.84
Carrying amount at the end of the Year	3,983.81	3,045.44

- 35 Earning Per Share (EPS)

Particulars	2012-13	2011-12
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ In lacs)	1,833.11	5,193.61
ii) Weighted average number of equity shares used as denominator for calculating EPS (Nos.)	26,118,348	26,118,348
iii) Basic and Diluted Earnings per Share (in ₹)	7.02	19.88
iv) Face Value per Equity Share (in ₹)	10.00	10.00



# Notes on Financial Statements for the year ended 31st March, 2013

## 36 Retirement Benefits

### a. Defined Contribution Plan

The Company makes contribution towards provident fund and superannuation fund to defined contribution retirement plans for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner and the superannuation fund is administered by the LIC. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The Company recognised ₹ 586.11 lacs (P.Y. ₹ 572.25 lacs) for Provident Fund contributions and ₹ 149.18 lacs (P.Y. ₹ 131.26 lacs) for Superannuation contributions in the Statement of Profit & Loss. The contribution payable to these plans by the Company are at rates specified in the rules.

### b. Defined Benefit Plan

The Company makes annual contributions to the employee's Group Gratuity Cash Accumulation Scheme of the Life Insurance Corporation of India and SBI Life Insurance, a funded benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, upon death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The present value of the defined benefit obligation and the related current service cost are measured using the projected unit credit method as per actuarial valuation carried out at balance sheet date.

The following table sets out the funded status of the gratuity plan and the amount recognised in the company's financial statements as at 31st March, 2013.

#### Disclosures as per AS - 15

( ₹ in Lacs )

Particulars	2012-13	2011-12
i Change in benefit obligations:		
Projected benefit obligation at the beginning of the year	632.91	535.50
Service Cost	154.54	156.80
Interest Cost	55.38	44.18
Actuarial (Gain) / Loss	25.49	(47.32)
Liability Transferred in	-	15.58
Benefits Paid	(77.39)	(71.82)
Projected benefit obligation at the end of the year	790.93	632.91
ii Change in plan assets:		
Fair value of plan assets at the beginning of the year	519.99	529.19
Expected return on plan assets	45.50	43.66
Employer's contribution	-	15.58
Benefit paid	(77.39)	(71.82)
Actuarial gain / (loss)	(0.59)	3.38
Fair value of plan assets at the end of the year	487.50	519.99
iii Net gratuity cost for the year ended		
Service cost	154.54	156.80
Interest of defined benefit obligation	55.38	44.18
Expected return on plan assets	(45.50)	(43.66)
Net actuarial gain recognised in the year	26.08	(50.70)
Net gratuity cost	190.50	106.61
Actual return on plan assets	44.91	47.04
iv Amount recognised in the Balance Sheet:		
Liability at the end of the year	790.93	632.91
Fair Value of Plan Assets at the end of the year	487.50	519.99
Amount recognised in Balance Sheet	303.43	112.92
v Assumptions used in accounting for the gratuity plan:		
Discount rate	8.25%	8.75%
Salary Escalation rate	7.00%	7.00%
Expected rate of return on plan assets	8.70%	8.75%



# Notes on Financial Statements for the year ended 31st March, 2013

## 37 Related Party Disclosure

### Holding Company

Kalpataru Power Transmission Ltd.

Holding Company

### Subsidiary, Fellow Subsidiary Companies & Fellow Associates

JMC Mining and Quarries Ltd.

Subsidiary Company

Brij Bhoomi Expressway Pvt. Ltd.

Subsidiary Company

Wainganga Expressway Pvt. Ltd.

Subsidiary Company

Vindhyachal Expressway Pvt. Ltd.

Subsidiary Company

Energylink (India) Ltd.

Subsidiary of Holding Company

Shree Shubham Logistics Ltd.

Subsidiary of Holding Company

Amber Real Estate Ltd.

Subsidiary of Holding Company

Adeshwar Infrabuild Ltd.

Subsidiary of Holding Company

Kalpataru Power Transmission Nigeria Ltd.

Subsidiary of Holding Company

Kalpataru Power Transmission (Mauritius) Ltd.

Subsidiary of Holding Company

Kalpataru SA (Proprietary) Ltd.

Subsidiary of Holding Company

Kalpataru Power Transmission – USA, INC.

Subsidiary of Holding Company

Jhajjar Power Transmission Private Limited

Subsidiary of Holding Company

Kalpataru Power Transmission International B.V.

Subsidiary of Holding Company

LLC Kalpataru Power Transmission Ukraine

Subsidiary of Holding Company

Brafer Kalpataru Industria E Comercio S.A., Brazil - JV

Subsidiary of Holding Company

Kalpataru Power JLT, UAE

Subsidiary of Holding Company

Saicharan Properties Ltd.

Subsidiary of Holding Company

Gestamp Kalpataru Solar Steel Structures Pvt. Ltd.

Associate of Holding Company

Jhajjar KT Transco Private Limited - JV

Associate of Holding Company

### Joint Ventures

JMC - Associated JV

Joint Venture

Aggrawal - JMC JV

Joint Venture

JMC - Sadbhav JV

Joint Venture

JMC - Taher Ali JV (Package I, II & III)

Joint Venture

JMC - PPPL JV

Joint Venture

Kurukshetra Expressway Pvt. Ltd.

Joint Venture

KPTL-JMC-Yadav JV

Joint Venture

JMC - GPT JV

Joint Venture

JMC - CHEC JV

Joint Venture

### Key Managerial Personnel (KMP)

Mr. Hemant Modi

### Nature of Relationship

Vice Chairman & Managing Director

Mr. Suhas Joshi

Whole - Time Director

Mr. Shailendra Tripathi

CEO & Dy. Managing Director

Mr. Manoj Kumar Singh

Executive Director

### Relatives of Key Managerial Personnel (RKMP)

Ms. Suverna I. Modi

### Nature of Relationship

Relative of Key Managerial Personnel

Ms. Sonal H. Modi

Relative of Key Managerial Personnel

Ms. Ami H. Modi

Relative of Key Managerial Personnel

### Enterprises over which significant influence exercised (EKMP)

JMC Infrastructure Ltd.

### Nature of Relationship

Significant Influence of Mr. Hemant Modi & Mr. Suhas Joshi

Kalpataru Properties Pvt. Ltd.

Enterprise under significant influence of Holding Company

SAI Consulting Engineers Private Ltd.

Significant Influence of Mr. Hemant Modi



# Notes on Financial Statements for the year ended 31st March, 2013

( ₹ in Lacs )

Sr. No.	Particulars of Transactions with Related Parties	Holding Company	Subsidiary / Fellow Subsidiary Companies	Joint Ventures	KMP / RKMP	EKMP
<b>I.</b>	<b>Transactions During the Year</b>					
1	Purchase of Material	- (-)	- (0.22)	- (-)	- (-)	- (0.89)
2	Other Expenses	- (-)	- (-)	- (-)	- (-)	1.27 (51.05)
3	Rent Paid	4.95 (5.29)	12.72 (26.58)	- (-)	- (-)	375.83 (374.41)
4	Reimbursement of Expenses	2.13 (-)	308.20 (38.41)	5.53 (1.50)	- (-)	1.38 (1.77)
5	Sub-Contract Charges paid	5,627.80 (336.15)	- (-)	- (-)	- (-)	- (-)
6	Contract Revenue	3,254.80 (1,478.43)	31,690.98 (3,744.22)	32,240.21 (25,627.11)	- (-)	- (-)
7	Managerial Remuneration	- (-)	- (-)	- (-)	197.38 (284.16)	- (-)
8	Fixed Deposits accepted/renewed during the year	- (-)	- (-)	- (-)	13.00 (3.50)	- (-)
9	Interest Income	- (14.03)	4.57 (7.47)	- (-)	- (-)	2.40 (3.84)
10	Interest Paid	- (-)	- (-)	- (158.09)	3.65 (3.04)	- (-)
11	Share of Profit in Joint Venture	- (-)	- (-)	20.43 (7.14)	- (-)	- (-)
12	Share of Loss in Joint Venture	- (-)	- (-)	- (0.16)	- (-)	- (-)
13	Sale of Car	- (-)	- (-)	- (-)	- (2.00)	- (-)
14	Purchase of Machinery / Heavy Vehicles	- (-)	- (-)	- (2.65)	- (-)	- (-)
15	Guarantees given During the Year	- (-)	11,416.00 (1,250.00)	- (3,250.00)	- (-)	- (-)
<b>II.</b>	<b>Balance as on 31st March, 2013</b>					
1	Trade Receivables #	843.04 (190.79)	9,148.50 (807.37)	4,086.90 (4,281.79)	- (-)	- (-)
2	Receivables against Reimbursement of Expenses	- (-)	- (29.11)	- (0.06)	- (-)	- (-)
3	Guarantees given	- (-)	12,666.00 (1,290.00)	- (3,250.00)	- (-)	- (-)
4	Liabilities at the end of the year *	992.48 (75.29)	316.60 (-)	155.29 (177.69)	- (-)	23.79 (5.02)
5	Fixed Deposits	- (-)	- (-)	- (-)	43.50 (30.50)	- (-)
6	Loans & Advances given	963.01 (1,839.69)	7,143.41 (2,125.10)	- (-)	- (-)	18.35 (30.50)
7	Advance taken from Clients ^	- (-)	6,990.28 (6,104.98)	7,355.53 (1,027.57)	- (-)	- (-)
8	Investment in Joint Venture entity	- (-)	- (-)	699.98 (689.22)	- (-)	- (-)
9	Investment in Shares	- (-)	8,030.70 (5,181.00)	8,336.18 (5,909.84)	- (-)	- (-)

# Trade Receivables herein are Gross amount before Adjustment of Advances received from clients

^ Advances taken from clients herein are Gross amount before adjustment of Trade Receivables.

\* Liabilities are Gross Amount before adjustment of Advances given.

Note: Figures shown in bracket represents corresponding amounts of previous year.



# Notes on Financial Statements for the year ended 31st March, 2013

## 38 Disclosure as per Accounting Standard - 7

(₹ in Lacs)

Particulars	2012-13	2011-12
(1) Contract revenue recognized as revenue during the year	252,621.95	205,992.74
(2) Contract costs incurred and recognized profit less recognized losses	479,158.19	300,577.38
(3) Advances Received	21,948.83	28,131.53
(4) Retention Amount	10,367.63	9,562.68
(5) Gross amount Due from Customers	33,364.18	24,220.41

Note :The information in point no. (2) to (5) are in respect of contracts in progress as on 31st March, 2013.

## 39 Segmental Reporting

The Company recognizes construction as the only business segment, hence there are no reportable segments under AS - 17.

## 40 Joint Ventures

I The Company is having consortium Joint Ventures named JMC-Associated JV, JMC-Taher Ali JV (Package I, II & III), JMC- PPPL JV, JMC ATEPL JV, JMC - GPT-Vijaywargi - Bright Power JV, JMC-Vijaywargi - Bright Power JV, KPTL - JMC - Yadav JV and JMC - GPT JV under work sharing arrangement. The revenue for work done is accounted, in accordance with the accounting policy followed by the Company, as that of independent contract to the extent work is executed.

II In respect of contracts executed in Joint Venture entities, the services rendered to the Joint Venture entities are accounted as revenue for the work done. The share of profit / loss in Joint Venture entities other than Joint Venture Company has been accounted for and the same is reflected as investments or current liabilities in books of the Company.

### The details of Joint Venture entities :

Name of the Joint Venture	Name of Venture Partner	Method of Accounting	Share of Interest
a. Aggrawal - JMC JV	Dinesh Chandra Aggrawal Infracon Pvt..Ltd.	Percentage of Completion	50.00%
b. JMC - Sadbhav JV	Sadbhav Engineering Ltd.	Percentage of Completion	50.50%
c. Kurukshetra Expressway Pvt. Ltd.	SREI Infrastructure Finance Ltd.	Percentage of Completion	49.58%
d. JMC - CHEC JV	China Harbour Engineering Company Ltd.	Percentage of Completion	49.00%

Details of proportionate share in the Assets, Liabilities, Income and Expenditure of the Company in its Joint Venture entities are given below.

(₹ in Lacs)

Particulars	Aggrawal - JMC JV		JMC - Sadbhav JV		Kurukshetra Expressway Pvt. Ltd.		JMC - CHEC JV	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
% of Holding	50.00%	50.00%	50.50%	50.50%	49.58%	49.61%	49.00%	NA
Assets	436.75	531.51	1,015.91	1,390.93	42,625.41	20,603.99	1,574.02	NA
Liabilities	87.42	186.90	1,093.37	1,473.27	34,278.09	14,683.28	1,573.37	NA
Income	16.10	9.23	11.32	-	-	-	4,881.21	NA
Expenditure	6.67	9.21	1.66	0.08	-	-	4,878.96	NA





# Notes on Financial Statements for the year ended 31st March, 2013

## 41 Employees Stock Option

The Company has provided share-based payment plan to its employees for the year ended 31st March, 2013. The Company has followed Intrinsic Value Method and has given accounting treatment as per Guidelines issued by Securities & Exchange Board of India. The details are as follows:

<b>Name of the Scheme</b>	<b>ESOP -2007</b>
Date of Grant	21st July, 2007
Number of options granted	600,000
Method of Settlement (Cash / Equity)	Equity
Vesting Period	4 Years
Vesting Conditions	
Exercise Period	Within 4 Years from the date of vesting
Grant Price	₹ 217/- per Option
Method of Accounting	Intrinsic Value Method

The details of activity under ESOP - 2007 have been summarised below:

Particulars	2012-13		2011-12	
	Number of Options	Weighted Average Exercise Price ( ₹ )	Number of Options	Weighted Average Exercise Price ( ₹ )
Outstanding at the beginning of the year	360,032	-	400,735	-
Add: Granted during the year	-	-	-	-
Less: Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	114,281	-	40,703	-
Outstanding at the end of the year	245,751	-	360,032	-
Unvested at the end of the year	-	-	-	-
Exercisable at the end of the year	245,751	-	360,032	-
Fair value of options granted on the date of grant	-	126.57	-	126.57

### Fair Value Methodology

The fair value of options to compute proforma net income and earning per share is taken based on the report of an independent valuer using "Black & Scholes Model". The key assumptions and the fair value are as under:

Particulars	
Risk Free Interest Rate (%)	7.56%
Option Life (Years)	4 Years
Expected Volatility	57%
Expected Dividend Yield (%)	0.55%
Weighted Average Fair Value per Option (₹)	126.57



# Notes on Financial Statements for the year ended 31st March, 2013

## Proforma Accounting

Had the compensation cost for the stock options granted under ESOP - 2007 been recognized based on fair value at the date of grant in accordance with Black & Scholes Model, the proforma amount of net profit and earning per share of the Company would have been as under.

(₹ in Lacs)

Particulars	2012-13	2011 - 12
Profit as reported for calculation of Basic EPS	1,833.11	5,193.61
Add: Employee Stock Compensation under intrinsic value method	(62.85)	(4.02)
Adjusted Proforma Profit for calculation of Basic EPS	1,770.26	5,189.59
Earning Per Share - Basic		
- As reported ( in ₹ )	7.02	19.88
- Proforma ( in ₹ )	6.78	19.87
Profit as reported for calculation of Diluted EPS	1,833.11	5,193.61
Add: Employee Stock Compensation under intrinsic value method	(62.85)	(4.02)
Adjusted Proforma Profit for calculation of Diluted EPS	1,770.26	5,189.59
Earning Per Share - Diluted		
- As reported ( in ₹ )	7.02	19.88
- Proforma ( in ₹ )	6.78	19.87

## 42 Micro & Small Enterprises

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the Financial statement as at 31st March, 2013 based on the information received and available with the Company. On the basis of such information, credit balance of such enterprises is NIL as at 31st March, 2013. Auditors have relied upon the information provided by the Company.

## 43 Compliance of Clause 32 of Listing Agreement

The Company has given loan to JMC Infrastructure Ltd., an Enterprise under significant influence of Key Managerial Personnel (EKMP), having no repayment schedule and outstanding balance is ₹ 18.35 Lacs (P.Y. ₹ 30.50 lacs). The maximum outstanding balance during the year was ₹ 30.50 lacs.

44 The Management is of the opinion that as on the Balance Sheet date, there are no indications of a material impairment loss on Fixed Assets, hence the need to provide for impairment loss does not arise.

45 Previous Year figures have been regrouped and / or rearranged wherever considered necessary.

Signatures to Significant Accounting Policies and Notes on Financial Statements | to 45

As per our report attached

For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Kumar Singh**  
Executive Director

**Kamal Jain**  
Director

Mumbai, May 16, 2013

**Manoj Tulsian**  
CFO

**Amit Raval**  
Vice President & Company Secretary



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

(₹ in Lacs)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	1,592.41	6,436.61
ADD / (DEDUCT) ADJUSTMENTS FOR :		
Depreciation	5,485.72	4,706.08
Interest Paid	5,495.32	4,736.13
Unrealised (Profit) / Loss from Exchange Rate Variation	8.00	10.94
Amortization of ancillary cost	41.85	-
Loss on Assets Lost	49.46	63.53
Deferred Employee Compensation written back	(62.85)	(4.02)
Interest Income	(328.00)	(669.45)
Dividend Income	(0.17)	(49.82)
(Profit) / Loss on Sale of Assets (Net)	(87.34)	(41.24)
Share of Profit in Joint Venture	(20.42)	(7.14)
Prior Period Items (Income) / Expenses (Net)	(8.86)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>12,165.12</b>	<b>15,181.62</b>
ADJUSTMENTS FOR :		
Trade & other Receivables	(16,228.43)	7,472.20
Inventories	55.20	(8,189.22)
Trade & Other Payables	11,969.70	(6,300.31)
<b>CASH GENERATED FROM OPERATIONS</b>	<b>7,961.59</b>	<b>8,164.29</b>
Direct Taxes Paid	(1,384.30)	(2,216.46)
Prior Period Items (Income) / Expenses (Net)	8.86	-
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>6,586.15</b>	<b>5,947.83</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,202.39)	(9,205.17)
Sale of Fixed Assets	215.22	167.74
Long term & Current Investments	(5,286.80)	(3,091.07)
Share of Profit In Joint Venture	20.42	7.14
Deposit With Banks	148.59	(203.05)
Interest Received	328.00	669.45
Dividend Received	0.17	49.82
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(8,776.79)</b>	<b>(11,605.14)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Term Borrowings	6,729.06	9,719.65
Repayment of Term Loans	(2,700.48)	(3,986.60)
Working Capital Finance	4,996.13	4211.21
Interest Paid	(5,495.32)	(4,736.13)
Dividend Paid	(522.37)	(522.37)
Corporate Dividend Tax Paid	(84.74)	(84.74)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>2,922.28</b>	<b>4,601.02</b>
<b>NET INCREASE / (DECREASE) IN CASH PAID &amp; CASH EQUIVALENTS</b>	<b>731.64</b>	<b>(1,056.29)</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>1,577.29</b>	<b>2,633.58</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>2,308.92</b>	<b>1,577.29</b>

As per our report attached

For Kishan M. Mehta & Co.  
Chartered Accountants  
Firm Registration No. 105229W

Kishan M Mehta  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

Shailendra Kumar Tripathi  
CEO & Dy. Managing Director

Manoj Tulsian  
CFO

Manoj Kumar Singh  
Executive Director

Kamal Jain  
Director

Mumbai, May 16, 2013

Amit Raval  
Vice President & Company Secretary



# Independent Auditor's Report on Consolidated Financial Statements

To  
The Board of Directors  
JMC Projects (India) Limited

We have audited the accompanying consolidated financial statements of JMC Projects (India) Ltd, ('the Company') and its subsidiaries and a Jointly Controlled entity (collectively referred as 'Group'), which comprise the Consolidated Balance Sheet as at March 31, 2013, and the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant policies and other explanatory information.

## Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

These consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard - 21, Consolidated Financial Statements and Accounting Standard - 27, Financial Reporting of Interest of Joint Ventures as notified under the Companies (Accounting Standards) Rules, 2006.

## Auditor's Responsibility

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

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

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

## Opinion

We did not audit the financial statements of the Subsidiaries and Jointly Controlled Entity, whose financial statement reflects Total Assets of ₹ 97,720.43 Lacs as at 31st March, 2013, Total Revenue of ₹ 1,645.31 Lacs and Net Cash outflow of ₹ 123.46 Lacs for the year ended on that date. These financial statements and other financial information have been audited by other auditors, whose reports have been furnished to us, and our opinion, is based solely on the report of the other auditors.

Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, in our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

In the case of the consolidated Balance sheet, of the state of affairs of the Company as at March 31, 2013,

In the case of the consolidated Profit and Loss Account, of the profit for the year ended on that date and,

In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For KISHAN M. MEHTA & CO.,  
Chartered Accountants  
Firm's Registration No. 105229W

Place: Mumbai  
Date : 16<sup>th</sup> May, 2013

(K.M.MEHTA)  
Partner  
Membership No.: 13707



# Consolidated Balance Sheet as at 31st March, 2013

( ₹ in Lacs )

Particulars	Note No.	As at 31st March, 2013	As at 31st March, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	1	2,611.83	2,611.83
(b) Reserves and Surplus	2	39,033.32	38,543.18
		41,645.15	41,155.01
<b>Non Current Liabilities</b>			
(a) Long-Term Borrowings	3	69,734.05	30,976.29
(b) Other Long Term Liabilities	5	10,560.13	2,396.14
(c) Long-Term Provisions	6	3,528.98	2,597.11
		83,823.16	35,969.54
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	7	16,438.79	11,522.75
(b) Trade Payables	8	46,773.41	40,368.42
(c) Other Current Liabilities	9	10,690.75	16,090.82
(d) Short-Term Provisions	10	1,380.59	1,430.97
		75,283.54	69,412.96
<b>TOTAL</b>		<b>200,751.85</b>	<b>146,537.51</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	11A	25,645.99	27,350.45
(ii) Intangible Assets	11B	31.19	5.79
(iii) Capital Work-in-Progress	11C	364.32	220.70
(iv) Intangible Assets under Development	11D	87,108.19	24,260.00
		113,149.69	51,836.94
(b) Non Current Investments	12	701.13	692.84
(c) Deferred Tax Assets (Net)	4	1,760.19	791.20
(d) Long-Term Loans and Advances	13	6,922.80	7,259.81
(e) Other Non-Current Assets	14	5,408.67	4,911.35
		127,942.48	65,492.14
<b>Current Assets</b>			
(a) Inventories	15	21,170.16	21,233.73
(b) Trade Receivables	16	11,645.25	30,119.36
(c) Cash and Bank Balances	17	3,557.69	3,109.53
(d) Short-Term Loans and Advances	18	15,632.78	11,484.53
(e) Other Current Assets	19	20,803.49	15,098.22
		72,809.37	81,045.37
<b>TOTAL</b>		<b>200,751.85</b>	<b>146,537.51</b>

Significant Accounting Policies & Notes 1 to 40 to these Financial Statements are accompanying.

As per our report attached  
For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Tulsian**  
CFO

**Manoj Kumar Singh**  
Executive Director

**Kamal Jain**  
Director

Mumbai, May 16, 2013

**Amit Raval**  
Vice President & Company Secretary



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

(₹ in Lacs)

Particulars	Note No.	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>INCOME</b>			
Revenue from Operations	20	254,842.59	206,536.04
Other Income	21	724.96	1114.62
<b>TOTAL REVENUE</b>		<b>255,567.55</b>	<b>207,650.66</b>
<b>EXPENSES</b>			
Construction Materials Consumed	22	85,057.99	80679.55
(Increase) / Decrease in Inventories of Work-in-Progress	23	(1,463.21)	(3,717.15)
Employee Benefit Expense	24	14,809.43	14,220.83
Finance Cost	25	5,495.95	4,745.26
Depreciation and Amortization Expense	11	5,490.05	4,720.27
Other Expenses	26	145,558.11	101,243.27
<b>TOTAL EXPENSES</b>		<b>254,948.32</b>	<b>201,892.03</b>
Profit before exceptional and extraordinary items and tax		619.23	5,758.63
Exceptional Items		-	-
Profit before extraordinary items and tax		619.23	5,758.63
Extraordinary Items		-	-
Profit before tax		619.23	5,758.63
Tax Expense :		-	-
Current Tax		729.80	2,396.79
Deferred Tax		(968.98)	(1,155.71)
<b>Profit / (Loss) for the year</b>		<b>858.41</b>	<b>4,517.55</b>
Earnings per equity share : [Nominal value ₹10/- per share]			
Basic ( in ₹ )		3.29	17.30
Computed on the basis of profit for the year			
Diluted ( in ₹ )		3.29	17.30
Computed on the basis of profit for the year			

Significant Accounting Policies & Notes 1 to 40 to these Financial Statements are accompanying.

As per our report attached  
For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Tulsian**  
CFO

**Manoj Kumar Singh**  
Executive Director

**Amit Raval**  
Vice President & Company Secretary

**Kamal Jain**  
Director

Mumbai, May 16, 2013



# Significant Accounting Policies

## i Consolidation of Accounts

The consolidated financial statements are prepared in accordance with Accounting Standard AS 21 on “Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India. The Consolidated Financial Statements comprise the financial statements of JMC Projects (India) Ltd. (hereinafter referred to as ‘Holding Company’), its subsidiaries, JMC Mining and Quarries Ltd., Brij Bhoomi Expressway Pvt. Ltd., Wainganga Expressway Pvt. Ltd., Vindhychal Expressway Pvt. Ltd. and Jointly Controlled Entity, Kurukshetra Expressway Pvt. Ltd.

## ii Accounting Convention

Financial statements are prepared in accordance with applicable Accounting Standards under the historical cost convention on accrual basis.

## iii Principles of consolidation

- a. The financial statement of the subsidiary companies and Jointly Controlled Entity (JCE) used in the consolidation are drawn up to the same reporting date as of the Company.
- b. The consolidated financial statements of the Company and its subsidiaries have been combined on line to line basis by adding together like items of assets, liabilities, income and expenses. Inter company balances, transactions and unrealised profits or losses have been fully eliminated.
- c. The Company’s interest in Jointly Controlled Entity (JCE) is proportionately consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses. Unrealised profit / loss on inter company transactions and inter company balances to the extent applicable, have been eliminated except in three such entities, the interest have been reported by not using proportionate consolidation but only share in profit / loss from Joint Venture Entities have been accounted for, for the reasons explained in note no. 38(II) herein.

## iv Use of Estimates

The presentation of consolidated financial statements requires certain estimates and assumptions. These estimates and assumptions affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

## v Revenue Recognition

### a. Construction Contracts

Running Account Bills for work completed are recognized on percentage of completion method based on completion of physical proportion of the contract work. Income on account of claims and extra item work are recognized to the extent company expects reasonable certainty about receipts or acceptance from the client. When it is probable that total contract cost will exceed the total contract revenue, the expected loss is recognized immediately.

### b. Others

Dividends are recorded when the right to receive the payment is established. Interest income is recognized on time proportionate basis.

## vi Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation less impairment losses, if any. Cost is inclusive of all identifiable expenditure incurred to bring the assets to their working condition for intended use. When an asset is disposed off, demolished or destroyed, the cost and related depreciation are removed from the books of accounts and resultant profit or loss, is reflected in the Statement of Profit & Loss. Direct cost as well as related incidental and identifiable expenses incurred on acquisition of fixed assets that are not yet ready for their intended use or put to use as at the Balance Sheet date are stated as Capital Work in Progress.

### Intangible Assets under Development:

All projects related expenditure for acquisition of toll collection rights viz. civil works, machinery under erection, construction and erection materials, pre-operative expenditure, expenditure indirectly related to the project and incidental to setting up project facilities, borrowing cost incurred prior to the date of commercial operation and trial run expenditure are shown under Intangible Assets under development. These expenses are net of recoveries, claims and income (net of tax), if any, from surplus funds arising out of project specific borrowings.





# Significant Accounting Policies

## vii Depreciation

Depreciation is provided on the straight line method on all depreciable assets, except on assets for Mining activities at WDV method, at the rate prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis except that considering the useful life based on technical evaluation by the management, higher rate than the prescribed rates are applied on a few shuttering items of Machinery @ 30%, on office equipments @ 12.5%, on all vehicles @ 15% and on remaining Plant and Machineries which are acquired on or after 1st October, 2005 @ 12.5% .

## viii Impairment of Assets

The carrying cost of assets is reviewed at each Balance Sheet date to determine whether there is any indication of impairment of assets. If any indication exists, the recoverable value of such assets is estimated. An impairment loss is recognized when the carrying cost of assets exceeds its recoverable value. An impairment loss is reversed, if there has been a change in the estimates used to determine the recoverable amount and recognised in compliance with AS - 28.

## ix Investments

Investments are stated at cost. Provision for diminution in the value of long term investments is made, only if, such a decline is other than temporary in the opinion of the Management.

## x Retirement Benefits

- a. Gratuity liability is covered by payment thereof to Gratuity fund, the defined benefit plan under Group Gratuity Cash Accumulation Scheme of LIC of India and SBI Life Insurance under irrevocable trust. The Company's liability towards gratuity are determined on the basis of actuarial valuation done by independent actuary.
- b. Contribution to Provident Fund and Superannuation Fund, the defined contribution plans as per the schemes, are charged to the Statement of Profit & Loss.
- c. Provision for Leave encashment liability is made based on actuarial valuation as at the Balance Sheet date.
- d. All other short-term benefits for employees are recognised as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the related service is rendered.

## xi Inventories

Construction materials, stores and spares are valued at lower of cost or net realizable value. Cost include cost of purchase and other expenses incurred in bringing inventory to their respective present location and condition. Cost is determined using FIFO method of inventory valuation.

Work in progress is valued at lower of cost or net realizable value. In case where work is completed but Running Account bill can not be raised on client due to contractual conditions, the work in progress is valued at contracted rates.

## xii Provision for Taxes

### a. Current Tax:

Tax on income for the current period is determined on the basis of estimated taxable income and tax credit computed in accordance with provisions of the Income Tax Act, 1961.

### b. Deferred Tax:

Deferred tax is recognized, on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax assets which arises mainly on account of unabsorbed losses or unabsorbed depreciation are recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## xiii Foreign Currency Transaction

- a. Transactions denominated in Foreign Currency are recorded at the exchange rate prevailing on the date of transaction.
- b. In respect of transactions covered by forward exchange contracts, the difference between the forward rate and the exchange rate at the date of the transaction is recognized as income or expense over the life of the contract. Any income or expense on account of exchange rate difference either on settlement or on translation is recognized in the Statement of Profit & Loss.



## Significant Accounting Policies

- c. Assets & Liabilities remaining unsettled at the end of the year, other than covered by forward exchange contracts are translated at exchange rate prevailing at the end of the year and the difference is adjusted in the Statement of Profit & Loss.
- d. Translation of overseas projects of non-integral foreign operations:
  - i. Assets and liabilities at the rates prevailing at the end of the year.
  - ii. Income and expenses at the average exchange rate prevailing for the month of transactions.
  - iii. Resulting exchange differences are accumulated in foreign currency translation reserve account.

### xiv Borrowing Costs

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

### xv Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized, when there is a present obligation as a result of past events and that probability requires an outflow of resources.

A disclosure 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 in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

### xvi Accounting for Project Mobilisation expenses

Expenditure incurred on creation of site infrastructures is written off in proportion to work done at respective sites so as to absorb such expenditure during the tenure of the contract.

### xvii Balance of Receivables

Trade receivables & Accrued value of work done (Uncertified work done bills), of the clients in these accounts are disclosed net of advances outstanding at the year end from the respective clients.

### xviii Other Accounting Policies

Accounting Policies not specifically referred to, are consistent with the generally accepted accounting practices.

### xix Particulars of subsidiaries included in consolidation.

Name of the Subsidiary	Country of Incorporation	% of Voting Power of JMC as at 31st March, 2013	Subsidiary w.e.f.
JMC Mining and Quarries Ltd	India	100.00%	02/01/1996
Brij Bhoomi Expressway Pvt. Ltd.	India	100.00%	06/12/2010
Wainganga Expressway Pvt. Ltd.	India	100.00%	02/06/2011
Vindhyachal Expressway Pvt. Ltd.	India	100.00%	16/01/2012

### xx Particulars of Jointly Controlled Entity (JCE) included in consolidation.

Name of Jointly Controlled Entity	Name of the Venturer's Partner	% of Voting Power of JMC as at 31st March, 2013	Date of Incorporation
Kurukshetra Expressway Pvt. Ltd.	SREI Infrastructure Finance Ltd.	49.58%	29/03/2010



## Notes on Consolidated Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - I</b>		
<b>SHARE CAPITAL</b>		
Authorised:		
35,000,000 (35,000,000) Equity Shares of ₹ 10/- each	3,500.00	3,500.00
1,500,000 (1,500,000) Preference Shares of ₹ 100/- each	1,500.00	1,500.00
<b>TOTAL</b>	<b>5,000.00</b>	<b>5,000.00</b>
Issued, Subscribed and Paid up:		
26,118,348 (26,118,348) Equity Shares of ₹ 10/- each fully paid up	2,611.83	2,611.83
<b>TOTAL</b>	<b>2,611.83</b>	<b>2,611.83</b>

## a. Reconciliation of the Shares outstanding at the beginning and at the end of the year :

Equity Shares	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	(₹ in Lacs)	Nos.	(₹ in Lacs)
At the beginning of the year	26,118,348	2,611.83	26,118,348	2,611.83
Issued during the year	-	-	-	-
Bought back during the year	-	-	-	-
Outstanding at the end of the year	26,118,348	2,611.83	26,118,348	2,611.83

## b. Terms / Rights attached to Equity Shares

The Company has only one class of Equity Shares having par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend is declared and paid on being proposed by the Board of Directors after the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all liabilities. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

## c. Shares held by Holding Company and its Subsidiaries / Associates.

Out of Equity Shares issued by the Company, the Shares held by Holding and its Subsidiaries / Associates are as below :

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
Kalpataru Power Transmission Ltd.		
17,548,908 (17,548,908) Equity Shares of ₹ 10/- each fully paid	1,754.89	1,754.89

## d. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2013		As at 31st March, 2012	
	Nos.	% holding	Nos.	% holding
Equity Shares of ₹ 10/- each fully paid				
Kalpataru Power Transmission Ltd., the Holding Company	17,548,908	67.19%	17,548,908	67.19%

## e. Shares reserved for issue under options

The Company has reserved issuance of 1,000,000 (1,000,000) Equity Shares of ₹ 10/- each for offering to the eligible employees of the Company under Employee Stock Option Plan (ESOP). On 21st July, 2007, the Company granted 600,000 Options to the eligible employees at a price of ₹ 217/- each, and these Options have been vested over the period of 4 years from the date of grant based on specified criteria. As at March 31, 2013 the total number of options vested but not exercised by employees stood at 245,751 (P.Y. 360,032).



# Notes on Consolidated Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 2</b>		
<b>RESERVES &amp; SURPLUS</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	21,222.54	21,233.46
Add: Surplus pursuant to change of shareholding in SPV	0.22	-
Add: Share Premium during the year	(0.01)	(10.92)
	21,222.75	21,222.54
<b>Debenture Redemption Reserve</b>		
As per last Balance Sheet	568.75	243.75
Transfer from Surplus of Profit	325.00	325.00
	893.75	568.75
<b>Employee Share Options Outstanding</b>		
Employee share options granted - at the beginning of the year	198.02	202.04
Add : Deferred Employee Share Compensation	(62.85)	(4.02)
	135.17	198.02
<b>Foreign Currency Translation Reserve</b>		
As per last Balance Sheet	-	-
Add: Changes during the year	(0.26)	-
	(0.26)	-
<b>General Reserve</b>		
As per last Balance Sheet	2,970.19	2,445.19
Add: Transfer from Surplus of Profit	225.00	525.00
	3,195.19	2,970.19
<b>Miscellaneous Expenditure to the extent not written off</b>	-	(0.20)
<b>Surplus of Profit</b>		
Balance as per Last Balance Sheet	13,583.88	10,522.95
Add: Surplus pursuant to change of shareholding in SPV	-	0.49
Add : Profit for the year as per Statement of Profit & Loss	858.41	4517.55
Less : Appropriations		
Proposed Dividend	(261.18)	(522.37)
Corporate Tax on Proposed Dividend	(44.39)	(84.74)
Transfer to Debenture Redemption Reserve	(325.00)	(325.00)
Transfer to General Reserve	(225.00)	(525.00)
	13,586.72	13,583.88
<b>Net Surplus of Profit</b>		
<b>TOTAL</b>	39,033.32	38,543.18



## Notes on Consolidated Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 3</b>		
<b>LONG TERM BORROWINGS</b>		
<b>A. Secured Loans</b>		
(a) Debentures		
500 (500) 9.5% Secured Redeemable Non - Convertible Debentures of ₹ 1,000,000/- each. [Refer Note - 9]	3,500.00	5,000.00
(b) Term Loans:		
(1) Foreign Currency Loans		
From Banks	4,222.31	4,990.00
(2) Rupee Loans		
(I) From Banks	60,714.33	20,622.86
(II) Loan against Vehicles / Equipments	84.90	73.80
	<u>65,021.54</u>	<u>25,686.66</u>
<b>B. Unsecured Loans</b>		
(i) Fixed Deposits from Public	1,212.51	289.63
<b>TOTAL</b>	<u>69,734.05</u>	<u>30,976.29</u>

## Notes:

Nature of Security	Terms of Repayment
<b>A. (a) 9.5% Secured Redeemable Non-Convertible Debentures (NCDs) :-</b> First charge on movable fixed assets of the Company to the extent of 1.25 times of the amount of NCDs in pari passu with consortium term lender Banks, a Bank in (b) (2) (I) (ii) and another Bank in (b) (2) (I) (iii), and first charge by mortgage of a land at Maharajpura, Kadi, Gujarat.	NCDs are repayable in trenches at the end of 3rd, 4th and 5th Year ₹ 1,500 lacs, ₹ 2,000 lacs and ₹ 1,500 lacs, respectively, from date of allotment i.e. July 15, 2010.
<b>(b) (1) Foreign Currency Term Loans from Banks :-</b> External Commercial Borrowing of US \$ 10 Million (P.Y. US \$ 10 Million) is secured by first charge on specific movable fixed assets of the Company financed by them.	13 quarterly instalments of US \$ 769,230.77 each from 25th October, 2013 and carry interest @ 6 months LIBOR plus spread.
<b>(b) (2) Rupee Term Loans from Banks :-</b>	
<b>(b) (2) (I) (i)</b> Term Loans from three consortium Banks amounting to ₹ 2,894.39 lacs (P.Y. ₹ 1,940.58 lacs) are secured by first charge on movable fixed assets of the Company except financed by others in pari passu with Debenture holders upto 1.25 times of the amount of NCDs, a Bank in (b) (2) (I) (ii) and another Bank in (b) (2) (I) (iii) & Second charge on current assets on which the first charge is to consortium bankers as mentioned in Note No. 7.	First Term Loan is repayable in 16 quarterly instalments of ₹ 168.75 lacs each from March, 2010 with varying rate of interest linked to base rate of Bank from time to time. Second Term Loan is repayable in 16 quarterly instalments of ₹ 47.17 lacs each from February, 2011 with varying interest rate linked to base rate of Bank from time to time. Third Term Loan is repayable in 16 quarterly instalments of ₹ 37.50 lacs each from March, 2010 with varying interest rate linked to base rate of Bank from time to time.
<b>(b) (2) (I) (ii)</b> Term Loan from a Bank amounting to ₹ 2,500 lacs (P.Y. ₹ 4,166.67 lacs) is secured by first charge on movable fixed assets of the Company except financed by others in pari passu with three consortium term loan lenders, debenture holders to the extent of 1.25 times of the amount of NCDs and a Bank in (b) (2) (I) (iii).	Term Loan is repayable in 12 quarterly instalments of ₹ 416.67 lacs each from October, 2011 and carry interest @ 11 % p.a. on ₹ 3,000 lacs and @ 11.35 % p.a. on ₹ 2,000 lacs.
<b>(b) (2) (I) (iii)</b> Term Loan from a Bank amounting to ₹ 6,500.00 lacs (P.Y. ₹ Nil) is secured by first pari passu charge on movable fixed assets except of the Company financed by others in pari passu with three consortium term loan lenders, debenture-holders to the extent of 1.25 times of the amount of NCDs and a bank in (b) (2) (I) (ii).	Term Loan is repayable in 16 equal quarterly instalments after initial moratorium period of 1 year commencing after 3 months from 29th December 2012 with varying interest rate linked to base rate of Bank from time to time.
<b>(b) (2) (I) (iv)</b> Term Loan from a bank amounting to ₹ 12,266.00 lacs (P.Y. Nil) is secured by (a) a first charge in favour of lenders / security trustee of all immovable assets of the subsidiary company, viz. Wainganga, if any, both present and future save and except project assets and (b) a first charge in favour of lenders / security trustee for the benefit of the lenders of all the borrowers' movable properties both present and future, save and except project assets.	Terms of repayment: Door-to-door tenure of 14.5 years - (including construction period of 910 days (30 months) from Appointed Date & moratorium period of 12 months from COD). Repayment in 45 unequal quarterly installments commencing from June 2015.



# Notes on Consolidated Financial Statements as at 31st March, 2013

## (b) (2) (I) (v)

Term Loans from Banks amounting to ₹ 4,994.86 lacs (P.Y. 3,100 lacs) secured by following assets of the subsidiary company, viz. Brij Bhoomi :

- a) first mortgage and charge on all the Borrower's immovable properties, if any, both present and future; save and except the Project Assets.
- b) a first charge by way of hypothecation of all the Borrower's movable assets; save and except the Project Assets.
- c) a first charge on Borrower's Receivables save and except the Project Assets.
- d) a first charge over all the Accounts of the Borrower.
- e) a first charge on all intangibles of the Borrower.
- f) a first charge by way of assignment or otherwise creation of Security Interest in all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in accordance with the provisions of the Substitution Agreement and the Concession Agreement.
- g) a first charge by way of assignment or creation of security interest of all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents.
- h) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower.

Payable in 44 (Forty Four) unequal quarterly instalments. Repayment shall commence after a moratorium period of not exceeding 24 (Twenty Four) months from Appointed Date or 31st March 2013, whichever is earlier.

## (b) (2) (I) (vi)

Term Loans from Banks amounting to ₹ 61,913.00 lacs (P.Y. ₹ 28,464.78 lacs) [As per JMC Holding : ₹ 30,698.88 Lacs (P.Y. ₹ 14,121.13 lacs)] secured by following :

Secured by following assets of the jointly controlled entity, viz. Kurukshetra :

- a) first mortgage and charge on all the Borrower's immovable properties, if any, both present and future; save and except the Project Assets.
- b) a first charge by way of hypothecation of all the Borrower's movable assets; save and except the Project Assets.
- c) a first charge on Borrower's Receivables save and except the Project Assets
- d) a first charge over all the Accounts of the Borrower
- e) a first charge on all intangibles of the Borrower save and except the Project Assets
- f) a first charge by way of assignment or otherwise creation of Security Interest in all the right, title, interest, benefits, claims and demands whatsoever of the Borrower in accordance with the provisions of the Substitution Agreement and the Concession Agreement
- g) a first charge by way of assignment or creation of security interest of (a) all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in the Project Documents
- h) pledge of equity shares held by the Promoter aggregating to 51% (fifty one percent) of paid up and voting equity share capital of the Borrower

Payable in 47 (Forty Seven) unequal quarterly instalments, repayment shall commence from June 30, 2014 after a construction and moratorium period of 42 (Forty Two) months.

## (b) (2) (II) Loan against Vehicles / Equipments :

Loans of ₹ 131.22 lacs (P.Y. ₹ 110.20 lacs) are secured by way of charge on specific equipments and vehicles of the Company financed by them on different loans.

60 (Sixty) monthly instalments beginning from the month subsequent to disbursement, along with interest ranging from 8.20% to 12.50% p.a. for different loans.

## B. Unsecured Loan - Fixed Deposits :

Fixed Deposits from Public.

Fixed deposits maturing at 12, 24 and 36 months from the date of deposit carry interest @ 9.50%, 10% and 10.50% p.a. respectively. Deposits by senior citizen carry additional interest @ 0.50% p.a.



## Notes on Consolidated Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 4</b>		
<b>DEFERRED TAX LIABILITY / (ASSET)</b>		
Deferred Tax Liability		
Depreciation	167.31	525.82
Others	30.09	230.88
Less : Deferred Tax Asset		
U/s. 43B, 40 (a)(ia) of Income Tax Act and Others (Net)	(1,957.59)	(1,547.90)
<b>TOTAL</b>	<b>(1,760.19)</b>	<b>(791.20)</b>
<b>NOTE - 5</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Trade Payables	7,009.43	2,198.08
Others		
Advance from Clients	3,395.41	33.11
Payable to Joint Venture Entities	155.29	164.95
<b>TOTAL</b>	<b>10,560.13</b>	<b>2,396.14</b>
<b>NOTE - 6</b>		
<b>LONG TERM PROVISIONS</b>		
Provision for employee benefits		
Leave Encashment	276.94	229.74
Gratuity	2.14	-
Other Provisions		
Defect Liability Period Expenses	3,249.90	2,367.37
<b>TOTAL</b>	<b>3,528.98</b>	<b>2,597.11</b>
<b>NOTE - 7</b>		
<b>SHORT TERM BORROWINGS</b>		
Secured		
Working Capital Loans Repayable on Demand from Banks #	14,888.61	8,935.78
Overdraft from a Bank against Fixed Deposits	-	11.68
Bills Payables #	1,388.24	2,440.22
Unsecured		
Fixed Deposits from Public	161.94	135.07
<b>TOTAL</b>	<b>16,438.79</b>	<b>11,522.75</b>

# Working Capital Loans and Bills Payables are secured by the assets of the Company in favour of consortium bankers, by way of :

- First charge against hypothecation of stocks, work in progress, stores and spares, bills receivables, book debts and other current assets subject to second charge on current assets in favour of a bank for Bank Guarantee of ₹ 4,901 Lacs provided on behalf of Joint Venture in which the Company is one of the members and three consortium bankers for term loan financed by them.
- Second charge on Fixed assets except in ( c ) hereunder.
- First charge on the office premises of the Company.





# Notes on Consolidated Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 8</b>		
<b>TRADE PAYABLES</b>		
Acceptances	10,012.75	6900.96
Others	36,760.66	33,467.46
<b>TOTAL</b>	<b>46,773.41</b>	<b>40,368.42</b>
<b>NOTE - 9</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Current Maturities of Long Term Debt</b>		
9.5% Secured Redeemable Non - Convertible Debentures of ₹ 1,000,000/- each. [Refer Note 3 A(a)]	1,500.00	-
Term Loans from Banks - [Refer Note 3 A(b)(1) & (2)]	4,141.47	2,680.36
Loan against Vehicles / Equipments [Refer Note 3 A(b)(2)(II)]	46.32	36.39
Fixed Deposits from Public [Refer Note 3 B]	127.15	919.56
Interest Accrued but not due on Borrowings	546.69	378.03
Unclaimed Dividend	8.24	6.83
Unclaimed Matured Fixed Deposits and Interest	28.55	16.13
<b>Others</b>		
Payables for Capital Goods	851.88	1,485.67
Advance from Clients	388.27	7,748.06
Other Statutory Liabilities *	3,003.20	2,610.69
Unclaimed Share Application Money	8.33	0.49
Share application money pending allotment	-	148.83
Security Deposits	40.65	59.78
<b>TOTAL</b>	<b>10,690.75</b>	<b>16,090.82</b>
* Includes VAT Payable ₹ 344.30 lacs (P.Y. ₹ 400.06 lacs) [Net of Advance ]		
<b>NOTE - 10</b>		
<b>SHORT TERM PROVISIONS</b>		
<b>Provision for Employee Benefits</b>		
Leave Encashment	37.30	29.75
Gratuity	303.80	116.04
<b>Other Provisions</b>		
Defect Liability Period and Project Expenses	733.92	678.07
Proposed Dividend	261.18	522.37
Corporate Tax on Proposed Dividend	44.39	84.74
<b>TOTAL</b>	<b>1,380.59</b>	<b>1,430.97</b>



# Notes on Consolidated Financial Statements as at 31st March, 2013

## NOTE - 11 FIXED ASSETS

(₹ in Lacs)

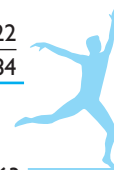
Description	Gross Block				Depreciation				Net Block	
	As at 01/04/2012	Additions	Disposals	As at 31/03/2013	As at 01/04/2012	For the Year	Recouped	As at 31/03/2013	As at 31/03/2013	As at 31/03/2012
<b>A. TANGIBLE ASSETS</b>										
Freehold Land	84.36	-	-	84.36	-	-	-	-	84.36	84.36
Office Building	227.36	-	-	227.36	26.09	3.80	-	29.89	197.47	201.27
Store Building	197.05	46.97	-	244.02	18.31	3.72	-	22.03	221.99	178.74
Plant & Machinery	42,606.11	3,678.52	606.58	45,678.05	16,831.34	5,157.91	401.62	21,587.63	24,090.42	25,774.77
Electrical Installation	178.29	5.26	-	183.55	118.59	14.87	-	133.46	50.09	59.70
Office Equipments	984.82	142.84	15.47	1,112.21	532.66	120.51	12.90	640.29	471.92	452.16
Furniture & Fixtures	283.71	24.47	15.90	292.28	123.85	18.04	9.19	132.70	159.58	159.86
Vehicles	1,311.22	118.41	125.58	1,304.05	871.62	151.71	89.44	933.89	370.16	439.60
<b>TOTAL (A)</b>	<b>45,872.92</b>	<b>4,016.47</b>	<b>763.53</b>	<b>49,125.86</b>	<b>18,522.46</b>	<b>5,470.56</b>	<b>513.15</b>	<b>23,479.87</b>	<b>25,645.99</b>	<b>27,350.45</b>
<b>B. INTANGIBLE ASSETS</b>										
Computer Software	43.19	44.89	-	88.08	37.40	19.49	-	56.89	31.19	5.79
<b>TOTAL (B)</b>	<b>43.19</b>	<b>44.89</b>	<b>-</b>	<b>88.08</b>	<b>37.40</b>	<b>19.49</b>	<b>-</b>	<b>56.89</b>	<b>31.19</b>	<b>5.79</b>
<b>TOTAL (A+B)</b>	<b>45,916.11</b>	<b>4,061.36</b>	<b>763.53</b>	<b>49,213.94</b>	<b>18,559.86</b>	<b>5,490.05</b>	<b>513.15</b>	<b>23,536.76</b>	<b>25,677.18</b>	<b>27,356.25</b>
Previous Year	36,902.25	9,506.09	492.22	45,916.12	14,138.78	4,720.27	299.18	18,559.87	27,356.25	-
<b>C. CAPITAL WORK-IN-PROGRESS</b>	<b>220.70</b>	<b>863.00</b>	<b>719.38</b>	<b>364.32</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>364.32</b>	<b>220.70</b>
<b>D. INTANGIBLE ASSETS UNDER DEVELOPMENT</b>	<b>24,260.00</b>	<b>62,858.19</b>	<b>10.00</b>	<b>87,108.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87,108.19</b>	<b>24,260.00</b>

Note: Intangible assets under development comprises of Toll Collection Rights as follows:

Particulars	(₹ in Lacs)
a) Construction Cost	78,711.98
b) Pre-operative Expenses	
Balance brought forward from previous year	2,653.21
Add: Expenditure incurred during the year	
1) Employee Cost	215.94
2) Professional Fees	1,240.01
3) Audit Fees	4.07
4) Other Expenses	92.64
5) Bank Charges (Incl. bank guarantee and processing charges)	187.29
6) Interest during construction	4,003.05
<b>TOTAL</b>	<b>87,108.19</b>

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 12</b>		
<b>NON CURRENT INVESTMENTS</b>		
Trade Investments		
Unquoted Equity Instruments		
Equity Shares of Others		
Nutan Nagarik Sahakari Bank Limited		
4,600 (14,476) Equity Shares of ₹ 25/- each fully paid up	1.15	3.62
Investment in Joint Venture		
Aggrawal JMC - JV	699.98	689.22
<b>TOTAL</b>	<b>701.13</b>	<b>692.84</b>



# Notes on Consolidated Financial Statements as at 31st March, 2013

( ₹ in Lacs )

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 13</b>		
<b>LONG TERM LOANS &amp; ADVANCES</b>		
Unsecured considered good		
Advance for Capital Goods	261.42	183.91
Security Deposits	912.40	885.13
Others		
Advance to Creditors	2,294.33	3,712.59
Loans and Advances to Employees	0.47	0.56
Advance Income Tax (Net of Provision)	1.13	-
Advance VAT (Net of Payable)	3,315.41	2,291.83
Excise Duty Drawback	137.64	185.79
<b>TOTAL</b>	<b>6,922.80</b>	<b>7,259.81</b>
<b>NOTE - 14</b>		
<b>OTHER NON CURRENT ASSETS</b>		
Unsecured considered good		
Long Term Trade Receivables	3,073.91	2,979.05
Others		
Deposit with Banks & Others with remaining maturity of more than 12 months	40.00	50.00
Unamortized Expenses		
Site Infrastructures	2,159.74	1,731.95
Ancillary cost of borrowing	133.39	149.52
Accrued Income	1.63	0.83
<b>TOTAL</b>	<b>5,408.67</b>	<b>4,911.35</b>
<b>NOTE - 15</b>		
<b>INVENTORIES</b>		
Construction Material	11,552.57	14,048.14
Spares, Tools & Stores	2,837.69	1,903.10
Work-in- Progress	6,779.90	5,282.49
<b>TOTAL</b>	<b>21,170.16</b>	<b>21,233.73</b>
(a) As Valued, Verified and Certified by the Management.		
(b) Basis of valuation is lower of cost or net realisable value, except for work in progress, where work is completed but Running Account bills could not be raised on clients due to contractual conditions, is valued at contracted rates.		
<b>NOTE - 16</b>		
<b>TRADE RECEIVABLES</b>		
Unsecured and considered good		
Debts outstanding over Six Months from due date of payment	6,245.69	8,051.14
Other Debts includes Retention Money net of advances	5,399.56	22,068.22
<b>TOTAL</b>	<b>11,645.25</b>	<b>30,119.36</b>



## Notes on Consolidated Financial Statements as at 31st March, 2013

(₹ in Lacs)

	As at 31st March, 2013	As at 31st March, 2012
<b>NOTE - 17</b>		
<b>CASH AND BANK BALANCES</b>		
<b>Cash and Cash Equivalents</b>		
Balance with Banks		
Current Accounts	2,201.54	235.22
Demand Deposits (with less than 3 months of remaining maturity)	992.79	1,500.00
Cheques on hand	173.94	-
Cash on hand	50.19	49.31
<b>Other Bank Balance</b>		
Deposits as Margin Money against Borrowings and Commitments	130.99	1,318.17
Dividend Accounts (Unclaimed)	8.24	6.83
<b>TOTAL</b>	<b>3,557.69</b>	<b>3,109.53</b>
<b>NOTE - 18</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
Unsecured and considered good		
Loans and Advance to Related Parties *	981.36	1870.19
Others		
Security Deposits	616.00	967.83
Advance Income Tax (Net of Provision)	2,536.82	1,847.94
Advance VAT / Entry Tax (Net of Payable)	903.80	717.01
Cenvat Credit Receivable	1,222.35	901.90
Inter Corporate Deposit	-	318.59
Advance to Creditors	8,905.21	4,201.92
Loans and Advances to Employees	55.78	15.28
Prepaid Expenses	411.46	643.87
<b>TOTAL</b>	<b>15,632.78</b>	<b>11,484.53</b>
* Loans and Advance to Related Parties Include -		
Kalpataru Power Transmission Ltd. ₹ 963.01 lacs (P.Y. ₹ 1,839.69 lacs)		
JMC Infrastructure Ltd. ₹ 18.35 lacs (P.Y. ₹ 30.50 lacs)		
<b>NOTE - 19</b>		
<b>OTHER CURRENT ASSETS</b>		
Accrued Income	97.25	134.49
Unamortised Expenses		
Site Infrastructures	2,149.55	2,783.04
Ancillary cost of borrowing	449.79	59.97
Accrued value of work done	18,101.42	12,112.71
Receivables for Sale of Fixed Assets	5.32	7.94
Insurance Claims Receivable	0.16	0.07
<b>TOTAL</b>	<b>20,803.49</b>	<b>15,098.22</b>

**NOTE - 19.1**

Accrued value of work done of ₹ 18,101.42 lacs (P.Y. ₹ 12,112.71 lacs) represents work billed pending for clients' certification are net of [provision for inclusive taxes ₹ 701.09 lacs (P.Y. ₹ 339.49 lacs) and advances outstanding of the respective clients totalling to ₹ 10,826.74 lacs (P.Y. ₹ 8,676.47 lacs)]



# Notes on Consolidated Financial Statements for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>NOTE - 20</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Sale of Services</b>		
Contract Revenue	244,741.81	184,291.58
Accrued Value of Work Done (uncertified work done bills)	8,531.42	21,128.68
<b>Sales of Construction Material</b>	1,262.13	716.55
<b>Other Operating Revenue</b>		
Share of Profit in Joint Ventures	20.42	7.14
Liabilities Written Back	286.81	392.09
<b>TOTAL</b>	<b>254,842.59</b>	<b>206,536.04</b>
<b>NOTE - 21</b>		
<b>OTHER INCOME</b>		
<b>Interest Income</b>		
From Deposits	102.36	419.98
From Others	221.07	248.30
<b>Dividend Income</b>		
From Current Investments	0.37	50.12
From Long Term Investments	0.17	-
Net Gain on Sale of Fixed Assets	94.40	41.46
Rent Income	285.15	354.76
Prior Period Income	21.44	-
<b>TOTAL</b>	<b>724.96</b>	<b>1,114.62</b>
<b>NOTE - 22</b>		
<b>CONSTRUCTION MATERIALS CONSUMED</b>		
Opening Stock of Construction Materials	14,009.24	10,502.45
Add: Purchases during the year	83,702.26	84,793.53
Less: Scrap Sales	1,102.15	607.19
Less: Closing Stock of Construction Materials	11,551.36	14,009.24
<b>TOTAL</b>	<b>85,057.99</b>	<b>80,679.55</b>
<b>NOTE - 23</b>		
<b>(INCREASE) / DECREASE IN INVENTORIES OF WORK-IN-PROGRESS</b>		
Work in Progress (at close)	(6,779.90)	(5,316.69)
Less :Work in Progress (at commencement)	5,316.69	1,599.54
<b>TOTAL</b>	<b>(1,463.21)</b>	<b>(3,717.15)</b>
<b>NOTE - 24</b>		
<b>EMPLOYEE BENEFIT EXPENSE</b>		
Salaries, Wages and Bonus	12,928.12	12,404.06
Contribution to Provident & Other Funds	954.16	841.92
Employee Share Option Scheme Expenses	(62.85)	(4.02)
Staff Welfare Expenses	990.00	978.87
<b>TOTAL</b>	<b>14,809.43</b>	<b>14,220.83</b>



## Notes on Consolidated Financial Statements for the year ended 31st March, 2013

(₹ in Lacs)

	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>NOTE - 25</b>		
<b>FINANCE COST</b>		
Interest for Fixed Period Loans	4,515.18	4,053.19
Interest - Others	910.44	569.10
Exchange Rate Variation	70.33	122.97
<b>TOTAL</b>	<b>5,495.95</b>	<b>4,745.26</b>
<b>NOTE - 26</b>		
<b>OTHER EXPENSES</b>		
<b>Construction Expenses</b>		
Work Charges	36,505.31	32,987.37
Composite Work Charges	78,082.31	37,599.92
Consumption of Spares, Tools & Stores	734.67	866.78
Machinery - Running & Maintenance Expenses	3,902.87	3,270.52
Electricity Charges	1,401.65	1,156.77
Rent & Hire Charges	4,902.95	5,335.38
Security Expenses	960.12	812.58
Site Expenses	5,241.60	6,408.26
Defect Liability Period Expenses	1,051.26	43.99
	<b>132,782.74</b>	<b>88,481.57</b>
<b>Mining Activity Expenses</b>		
Royalty	53.98	30.28
Blasting explosive expenses	13.72	4.95
Drilling expenses	-	3.50
Power and Fuel	0.96	6.62
Building & General Repairs	49.13	46.02
Vehicle Maintenance Charges	295.31	277.05
Travelling Expenses	604.06	490.96
Conveyance Expenses	70.91	68.84
Directors' Travelling Expenses	36.55	11.51
Insurance Charges	399.98	356.75
Printing & Stationery Expenses	148.15	165.50
Office Rent	582.07	600.80
Office Expenses	111.25	100.28
Postage & Telephone Charges	190.78	193.71
Balances Written Off	40.94	58.15
Professional & Legal Charges	553.45	745.44
Auditor's Remuneration	30.55	24.75
Rates & Taxes	8,386.15	8,121.12
Business Promotion Expenses	107.14	216.39
Advertisement Expenses	15.07	33.37
Computer & IT Expenses	160.82	162.71
Sundry Expenses	157.65	324.32
Bank Charges	17.45	18.68
Other Financial Charges	650.76	606.97
Training Expenses	30.60	26.89
Loss on Assets Lost	49.46	63.53
Loss on Investment in Joint Ventures	-	0.16
Directors' Sitting Fees	5.90	2.45
Prior Period Expenses	12.58	-
<b>TOTAL</b>	<b>145,558.11</b>	<b>101,243.27</b>



# Notes on Consolidated Financial Statements for the year ended 31st March, 2013

## 27 Contingent Liabilities in respect of :

( ₹ in Lacs )

Particulars	2012-13	2011-12
A Bank Guarantees	59.50	98.79
B Guarantee given to a bank in respect of financial assistance to a Subsidiary Company.	-	40.00
C Guarantees given in respect of performance of contracts of Joint Ventures Entities & Associates in which company is one of the member / holder of substantial equity.	28,121.28	20,107.30
D Claims against the Company not acknowledged as debts. (Refer note below)	674.59	1,056.61
E Show cause Notice Issued by Service Tax / Excise Dept.	2,705.55	2,805.19
F Disputed Royalty Demand under Tamilnadu Minor Mineral Concession Rules in appeal before High Court	426.90	426.90
G Trichy Madurai Road Project Royalty Matter	39.87	-
H Disputed Income Tax Demand in appeal before Appellate Authorities (Excludes Amount considered in [K] hereinafter).	634.61	580.51
I Disputed Income Tax Demand of Joint Ventures in appeal before Appellate Authorities	479.97	-
J Disputed VAT Demand in appeal before Tribunal and High Court	1,580.93	1,438.79
K Income Tax (Net of Deferred Tax) on the claim made of the deductions u/s. 80-IA (4) of the Income Tax Act, 1961.	2,499.12	2,068.64
L Claim not acknowledged as debt for JMC Mining & Quarries Ltd.	14.84	-

Note : In case where Company has raised the claims on clients against which counter claims have been raised by clients, the excess of counter claims raised by client over the amount of its claims only are considered in the above figures.

- 28 The Finance Act (2), 2009 has amended Section 80-IA (4) of the Income Tax Act, 1961 by substituting an explanation to Section 80-IA with retrospective effect from 01-04-2000. On the basis of the legal opinion of the experts and decided cases, the Company has continued to claim deduction under Section 80-IA (4) of the Act on eligible projects and consequently the Company considers it appropriate not to create a liability for provision of Income Tax. However, an amount of Income tax (Net of Deferred Tax) of ₹ 430.48 lacs for the current year and of ₹ 2,068.64 lacs for the earlier years since FY 2006-07 (both - include the amount of tax applicable on the share of profit of Joint Venture Business claiming such deduction) has been disclosed as a contingent liability in note no. 27[K] to these Accounts.

## 29 Capital and other Commitments

( ₹ in Lacs )

Particulars	2012-13	2011-12
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	72,184.52	74,237.36

- 30 In the opinion of the Management, the assets other than Fixed Assets and Non Current Investments have a realisable value, in the ordinary course of business, approximately of the amount at which they are stated in these financial statements.

## 31 C. I. F. Value of Imports

( ₹ in Lacs )

Particulars	2012-13	2011-12
Value of imports Calculation on CIF Basis :		
Capital Goods	23.55	314.97
Construction Material	529.84	355.78



# Notes on Consolidated Financial Statements for the year ended 31st March, 2013

## 32 Expenditure in Foreign Currency (₹ in Lacs)

Particulars	2012-13	2011-12
Foreign Travelling	16.53	1.96
Interest	375.29	91.56
Professional, Technical and Consultancy Fees	20.21	83.36
Advertisement Expenses	-	0.56

## 33 Lease Transactions

The Company's significant leasing / licensing arrangements are mainly in respect of residential / office premises and equipments (operating lease). Lease agreements in respect of residential / office premises and certain equipments are cancelable and renewable by mutual consent on mutually agreed terms. Certain equipments are on non-cancellable operating lease. The aggregate lease rental / hire charges payable on these premises / equipments are charged as rent & hire charges amounting to ₹ 2,591.26 lacs. (P.Y. ₹ 2,442.05 lacs). Future estimated minimum lease rentals and their present values in respect of non-cancelable operating leases are as under.

(₹ in Lacs)

Particulars	< 1 Year	1 to 5 Years	Total
Future minimum lease payments	955.01	1,437.03	2,392.04
Present value of minimum lease payments	911.65	1,190.61	2,102.26

## 34 The disclosure in respect of Provision for Defect Liability Period Expenses is as under. (₹ in Lacs)

Particulars	2012-13	2011-12
Carrying amount at the beginning of the year	3,045.44	3,143.33
Add : Provision during the year	1,336.82	1,196.57
Less : Reversal of provision during the year	285.56	1,152.62
Less : Utilisation during the year	112.88	141.84
Carrying amount at the end of the year	3,983.82	3,045.44

## 35 Disclosure as per Accounting Standard - 7 (₹ in Lacs)

Particulars	2012-13	2011-12
(1) Contract revenue recognized as revenue during the year	252,621.95	205,992.74
(2) Contract costs incurred and recognized profit less recognized losses	479,158.19	300,577.38
(3) Advances Received	21,948.83	28,131.53
(4) Retention Amount	10,367.63	9,562.68
(5) Amount Due from Customers	33,364.18	24,220.41

Note : The information in point no. (2) to (5) are in respect of contracts in progress as on 31st March, 2013.

## 36 Segmental Reporting

The Company recognizes construction as only business segment. Hence there are no reportable segments under AS - 17.





# Notes on Consolidated Financial Statements for the year ended 31st March, 2013

## 37 Related Party Disclosure

### Holding Company

Kalpataru Power Transmission Ltd.

Holding Company

### Fellow Subsidiary Companies & Fellow Associates

Energylink (India) Ltd.

Shree Shubham Logistics Ltd.

Amber Real Estate Ltd.

Adeshwar Infrabuild Ltd.

Kalpataru Power Transmission Nigeria Ltd.

Kalpataru Power Transmission (Mauritius) Ltd.

Kalpataru SA (Proprietary) Ltd.

Kalpataru Power Transmission – USA, INC

Jhajjar Power Transmission Pvt. Ltd.

Kalpataru Power Transmission International B.V.

LLC Kalpataru Power Transmission Ukraine

Brafer Kalpataru Industria E Comercio S.A., Brazil-JV

Kalpataru Power JLT, UAE

Saicharan Properties Ltd.

Gestamp Solar Steel Structures Pvt. Ltd.

Jhajjar KT Transco Private Limited - JV

### Nature of Relationship

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Subsidiary of Holding Company

Associate of Holding Company

Associate of Holding Company

### Joint Ventures

JMC - Associated JV

Aggrawal - JMC JV

JMC - Sabbhav JV

JMC - Taher Ali JV (Package I, II & III)

JMC - PPPL JV

KPTL-JMC-Yadav JV

JMC - GPT JV

JMC - CHEC JV

### Nature of Relationship

Joint Venture

Joint Venture

Joint Venture

Joint Venture

Joint Venture

Joint Venture

Joint Venture

Joint Venture

### Key Managerial Personnel (KMP)

Mr. Hemant Modi

Mr. Suhas Joshi

Mr. Shailendra Tripathi

Mr. Manoj Kumar Singh

### Nature of Relationship

Vice Chairman & Managing Director

Whole - Time Director

CEO & Dy. Managing Director

Executive Director

### Relatives of Key Managerial Personnel (RKMP)

Ms. Suverna I. Modi

Ms. Sonal H. Modi

Ms. Ami H. Modi

### Nature of Relationship

Relative of Key Managerial Personnel

Relative of Key Managerial Personnel

Relative of Key Managerial Personnel

### Enterprises over which significant influence exercised (EKMP)

JMC Infrastructure Ltd.

Kalpataru Properties Pvt. Ltd.

SAI Consulting Engineers Pvt. Ltd.

### Nature of Relationship

Significant Influence of Mr. Hemant Modi & Mr. Suhas Joshi

Enterprise under significant influence of Holding Company

Significant Influence of Mr. Hemant Modi



## Notes on Consolidated Financial Statements for the year ended 31st March, 2013

(₹ in Lacs)

Sr. No.	Particulars of Transactions with Related Parties	Holding Company	Joint Ventures	KMP / RKMP	EKMP
<b>I.</b>	<b>Transactions During the Year</b>				
1	Purchase of Material	- (-)	- (-)	- (-)	- (0.89)
2	Other Expenses	- (-)	- (-)	- (-)	1.27 (51.05)
3	Rent Paid	4.95 (5.29)	- (-)	- (-)	375.83 (374.41)
4	Reimbursement of Expenses	2.13 (-)	1.18 (-)	- (-)	1.38 (1.77)
5	Sub-Contract Charges paid	5,627.80 (336.15)	- (-)	- (-)	- (-)
6	Contract Revenue	3,254.80 (1,478.43)	4,419.11 (-)	- (-)	- (-)
7	Managerial Remuneration	- (-)	- (-)	197.38 (284.16)	- (-)
8	Fixed Deposits accepted/renewed during the year	- (-)	- (-)	13.00 (3.50)	- (-)
9	Interest Income	- (14.03)	- (-)	- (-)	2.40 (3.84)
10	Interest Paid	- (-)	- (-)	3.65 (3.04)	- (-)
11	Share of Profit in Joint Venture	- (-)	20.43 (7.14)	- (-)	- (-)
12	Share of Loss in Joint Venture	- (-)	- (0.16)	- (-)	- (-)
13	Sale of Car	- (-)	- (-)	- (2.00)	- (-)
14	Purchase of Machinery/Heavy Vehicles	- (-)	- (2.65)	- (-)	- (-)
<b>II.</b>	<b>Balance as on 31st March, 2013</b>				
1	Trade Receivables #	843.04 (190.79)	2,530.02 (2,271.82)	- (-)	- (-)
2	Liabilities at the end of the year *	992.48 (75.29)	155.29 (177.69)	-	23.79 (5.02)
3	Fixed Deposits	- (-)	- (-)	43.50 (30.50)	- (-)
4	Loans & Advances given	963.01 (1,839.69)	- (-)	- (-)	18.35 (30.50)
5	Advance taken from Clients ^	- (-)	2,947.38 (1,027.57)	- (-)	- (-)
6	Investment in Joint Venture entity	- (-)	699.98 (689.22)	- (-)	- (-)

# Trade Receivables herein are Gross amount before Adjustment of Advances received from clients

^ Advances taken from clients herein are Gross amount before adjustment of Trade Receivables.

\* Liabilities are Gross Amount before adjustment of Advances given.

Note: Figures shown in bracket represents corresponding amounts of previous year.



# Notes on Consolidated Financial Statements for the year ended 31st March, 2013

## 38 Joint Ventures

- I The Company is having consortium Joint Ventures named JMC-Associated JV, JMC-Taher Ali JV (Package I, II & III), JMC- PPPL JV, JMC ATEPL JV, JMC - GPT-Vijaywargi - Bright Power JV, JMC-Vijaywargi - Bright Power JV, KPTL - JMC - Yadav JV and JMC - GPT JV under work sharing arrangement. The revenue for work done is accounted, in accordance with the accounting policy followed by the Company, as that of independent contract to the extent work is executed.
- II In respect of contracts executed in Joint Ventures entities, the services rendered to the Joint Venture entities are accounted as revenue for the work done. The share of profit / loss in following Joint Venture entities has been accounted for and the same is reflected as investments or current liabilities in books of the Company.

The Details of Joint Venture entities :

Name of the Joint Venture	Name of Venture Partner	Method of Accounting	Share of Interest
a. Aggrawal - JMC JV	Dinesh Chandra Aggrawal Infracon Pvt. Ltd.	Percentage of Completion	50.00%
b. JMC - Sadbhav JV	Sadbhav Engineering Ltd.	Percentage of Completion	50.50%
c. JMC - CHEC JV	China Harbour Engineering Company Ltd.	Percentage of Completion	49.00%

Details of proportionate share in the Assets, Liabilities, Income and Expenditure of the Company in its Joint Venture entities.

( ₹ in Lacs )

Particulars	Aggrawal - JMC JV		JMC - Sadbhav JV		JMC - CHEC JV	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
% of Holding	50.00%	50.00%	50.50%	50.50%	49.00%	NA
Assets	436.75	531.51	1,015.91	1,390.93	1,574.02	NA
Liabilities	87.42	186.90	1,093.37	1,473.27	1,573.37	NA
Income	16.10	9.23	11.32	-	4,881.21	NA
Expenditure	6.67	9.21	1.66	0.08	4,878.96	NA

The aforesaid Joint Venture Entities have not been consolidated using proportionate consolidation and only the share of profit / loss therein has been accounted for, as in view of the management, the above three Joint Venture entities are formed for specific projects and with a view to subsequent disposal on completion of specific projects in near future and accordingly they fell in the exception for proportionate consolidation as per para 29 of AS - 27.

- 39 The Management is of the opinion that as on the Balance Sheet date, there are no indications of a material impairment loss on Fixed Assets, hence the need to provide for impairment loss does not arise.
- 40 Figures pertaining to the group companies have been reclassified wherever necessary to bring them in line with the Company's financial statements.

Signatures to Significant Accounting policies and Notes to Consolidated Financial Statements 1 to 40.

As per our report attached  
For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Tulsian**  
CFO

**Manoj Kumar Singh**  
Executive Director

**Amit Raval**  
Vice President & Company Secretary

**Kamal Jain**  
Director

Mumbai, May 16, 2013



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

(₹ in Lacs)

Particulars	For the year ended 31st March, 2013	For the year ended 31st March, 2012
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS	619.23	5,758.63
ADD / (DEDUCT) ADJUSTMENTS FOR :		
Depreciation	5,490.05	4,720.27
Interest Paid	5,495.95	4,745.26
Unrealised (Profit) / Loss from Exchange Rate Variation	8.00	10.94
Amortization of ancillary cost	41.85	-
Loss on Assets Lost	49.46	63.53
Deferred Employee Compensation written back	(62.85)	(4.02)
Preliminary Expenses written off	0.20	0.08
Interest Income	(323.43)	(668.28)
Dividend Income	(0.54)	(50.12)
(Profit) / Loss on Sale of Assets (Net)	(94.40)	(41.46)
Share of Profit in Joint Venture	(20.42)	(6.98)
Prior Period Items (Income) / Expenses (Net)	(8.86)	-
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>11,194.24</b>	<b>14,527.85</b>
ADJUSTMENTS FOR :		
Trade & other Receivables	9,107.31	(8,525.71)
Inventories	63.57	(8,179.11)
Trade & Other Payables	10,343.68	7,862.75
<b>CASH GENERATED FROM OPERATIONS</b>	<b>30,708.80</b>	<b>5,685.78</b>
Direct Taxes Paid	(1,418.68)	(2,221.95)
Prior Period Items (Income) / Expenses (Net)	8.86	(10.46)
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>29,298.98</b>	<b>3,453.37</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(4,203.81)	(9,212.59)
Investment in Intangible Assets under Development	(62,848.19)	(20,222.26)
Sale of Fixed Assets	294.13	169.97
Share of Profit In Joint Venture	20.42	6.98
Deposit With Banks	1,185.77	(1,240.25)
Long Term & Current Investments	(8.29)	3,117.25
Interest Received	323.43	668.28
Dividend Received	0.54	50.12
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(65,236.00)</b>	<b>(26,662.50)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity Share Capital / Securities Premium	0.21	-
Proceeds From Term Borrowings	41,539.38	26,965.94
Repayment of Term Loans	(2,781.62)	(3,986.60)
Working Capital Finance	4916.04	4,238.41
Interest Paid	(5,495.95)	(4,745.26)
Dividend Paid	(522.37)	(522.37)
Corporate Dividend Tax Paid	(84.74)	(84.74)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>37,570.95</b>	<b>21,865.38</b>
<b>NET INCREASE / (DECREASE) IN CASH PAID &amp; CASH EQUIVALENTS</b>	<b>1,633.93</b>	<b>(1,343.75)</b>
<b>OPENING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>1,784.53</b>	<b>3,128.28</b>
<b>CLOSING BALANCE OF CASH &amp; CASH EQUIVALENTS</b>	<b>3,418.46</b>	<b>1,784.53</b>

As per our report attached

For **Kishan M. Mehta & Co.**  
Chartered Accountants  
Firm Registration No. 105229W

**Kishan M Mehta**  
Partner  
Membership No. 13707

Mumbai, May 16, 2013

For and on behalf of the Board of Directors

**Shailendra Kumar Tripathi**  
CEO & Dy. Managing Director

**Manoj Tulsian**  
CFO

**Manoj Kumar Singh**  
Executive Director

**Amit Raval**  
Vice President & Company Secretary

**Kamal Jain**  
Director

Mumbai, May 16, 2013



## Statement Pursuant to Section 212 of the Companies Act, 1956 Relating to Subsidiary Companies

Particulars	Subsidiary Companies			
	JMC Mining & Quarries Ltd.	Brij Bhoomi Expressway Pvt. Ltd.	Wainganga Expressway Pvt. Ltd.	Vindhyachal Expressway Pvt. Ltd.
<b>Financial year of the subsidiary companies ended on</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>
Number of Equity Shares in the subsidiary companies held by JMC Projects (India) Ltd. at above date and % holding.	500,000 100%	22,757,000 100%	30,000,000 100%	27,050,000 100%
The net aggregate profit less losses of the subsidiary company so far as it concerns with the members of JMC Projects (India) Ltd.				
1 Dealt with or provided for in the accounts of JMC Projects (India) Ltd. amounted to :				
(a) for the subsidiary's financial year ended on March 31, 2013 (₹ in Lacs)	-	-	-	-
(b) for previous financial years of the subsidiary since it became subsidiary (₹ in Lacs)	-	-	-	-
2 Not dealt with or provided for in the accounts of JMC Projects (India) Ltd. amounted to :				
(a) for the subsidiary's financial year ended on March 31, 2013 (₹ in Lacs)	4.43	-	-	(6.18)
(b) for previous financial years of the subsidiary since it became subsidiary (₹ in Lacs)	(35.18)	(9.60)	(11.31)	-

### SUBSIDIARY COMPANIES' PARTICULARS

Particulars regarding subsidiary companies, pursuant to general exemption granted by Ministry of Corporate Affairs vide its General Circular No: 2/2011 dated February 8, 2011

(₹ In Lacs)

Sr.	Name of Subsidiary Companies	JMC Mining and Quarries Ltd.	Brij Bhoomi Expressway Pvt. Ltd.	Wainganga Expressway Pvt. Ltd.	Vindhyachal Expressway Pvt. Ltd.
	<b>Financial year of the subsidiary companies ends on</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>
1	Share Capital	50.00	2,275.70	3,000.00	2,705.00
2	Reserves	26.59	(9.60)	(11.31)	(6.18)
3	Total Assets	128.73	13,789.87	23,193.19	18,072.96
4	Total Liabilities	128.73	13,789.87	23,193.19	18,072.96
5	Investments (except in case of investment in subsidiaries)	-	-	-	-
6	Turnover	96.88	-	1,527.35	-
7	Profit / (Loss) before Taxation	5.95	-	-	(6.18)
8	Provision for Taxation	1.52	-	-	-
9	Profit / (Loss) after Taxation	4.43	-	-	(6.18)
10	Proposed Dividend	-	-	-	-

### Exemption under Section 212(8) of the Companies Act, 1956:

In view of the general exemption granted under section 212(8) of the Companies Act, 1956 by Ministry of Corporate Affairs vide its General Circular No. 2/2011 dated February 8, 2011, the audited statement of accounts, reports of the Board of Directors and Auditors of the subsidiary companies are not annexed. Shareholders who wish to have a copy of the Annual Accounts and the related detailed information of the subsidiary companies can write to the Company at its Registered Office and the same will be available for inspection by any shareholder at the Registered Office of the Company and that of the subsidiary companies concerned on any working day during business hours, alternatively, the same has also been available on the website of the Company [www.jmcprojects.com](http://www.jmcprojects.com).







JMC Projects (India) Ltd.  
a Kalpataru Group Enterprise

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