

FIFTH ANNUAL REPORT 2013-2014

**JHARKHAND ROAD PROJECTS
IMPLEMENTATION COMPANY LIMITED**

MILESTONES ACHIEVED:

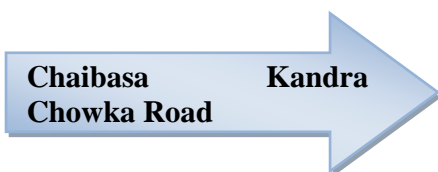
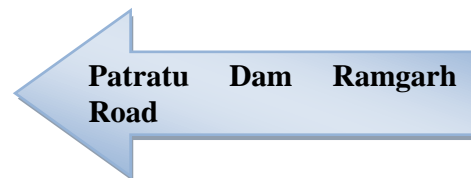
Ranchi Ring Road



Ranchi Patratu Dam Road

Adityapur Kandra Road





CORPORATE INFORMATION

BOARD OF DIRECTORS:

(As on March 31, 2014)

Mr Amit Garg	Director
Mr Deep Sen	Director
Mr Harish Mathur	Director
Mr Mukund Sapre	Director
Mr Sanjay Kumar Minglani	Managing Director

STATUTORY AUDITORS:

M/s U Narain & Company
Chartered Accountants
301, Commerce Tower
Opposite G.E.L. Church Complex
Main Road, Ranchi – 834 001

LEAD BANKERS:

Bank of India : For Ranchi Ring Road, Ranchi Patrattu Dam Road and Patrattu Dam Ramgarh Road Projects

Allahabad Bank : For Adityapur Kandra and Chaibasa Kandra Chowka Road Projects

REGISTERED OFFICE

443/A, Road No. 5, Ashok Nagar
Ranchi – 834 002
Tel: +91 651 2247410 Fax: +91 651 2240952

NOTICE OF THE FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifth Annual General Meeting of the Members of Jharkhand Road Projects Implementation Company Limited will be held at the registered office of the Company at 443/A, Road No. 5, Ashok Nagar, Ranchi - 834002 on **Wednesday, September 24, 2014** at 11.00 am to transact the following business:

Ordinary Business:

- [1] To receive, consider and adopt the Balance Sheet of the Company as at March 31, 2014, the audited Profit and Loss Account and schedules thereon with Cash Flow Statement for the year ended on that date, the Auditors' Report thereon and the Report of the Board of Directors
- [2] To appoint a Director in place of Mr Mukund Sapre (holding DIN 00051841), who retires at this Annual General Meeting and being eligible offers himself for re-appointment
- [3] To appoint the Statutory Auditors and to authorize the Board of Directors to fix their remuneration and in this regard to consider and, if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT the auditors of the Company, **M/s U Narain & Co, Chartered Accountants, Ranchi, with Firm registration no. 00935C**, who retire at this meeting, being eligible and willing to act as Auditors, be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors in consultation with the Auditors"

Special Business:

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

"RESOLVED THAT Mr Amit Garg (holding DIN 06660444) who was appointed as an Additional Director on September 24, 2013 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement by rotation."

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

“RESOLVED THAT Mr Vijay Kini (holding DIN 06612768) who was appointed as an Additional Director on July 22, 2014 and whose term of office expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company whose period of office shall be liable to determination by retirement by rotation.”

- [6] To consider and, if thought fit, to pass the following resolution, with or without modifications, as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed at the general meeting held on October 13, 2009 and pursuant to Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 or any other law for the time being in force (including any statutory modifications thereof and circulars, notifications, clarifications, rules passed thereunder from time to time), the consent of the Company be and is hereby accorded, to the Board of Directors of the Company for borrowing from time to time any sum or sums of money for the purposes of the Company upon such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company’s bankers in the ordinary course of business) together with the money or monies already borrowed, may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, provided the sums so borrowed and remaining outstanding on account of principle, at any time shall not exceed ₹4000 crores (Rupees Four Thousand Crores only)”

“RESOLVED FURTHER THAT the Board or any of its duly constituted committee be and is hereby authorized to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient including power to sub-delegate, to carry on the purpose of this resolution”

- [7] To consider and, if thought fit, to pass the following resolution, with or without modifications, as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed at the general meeting held on October 13, 2009 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 or any other law for the time being in force (including any statutory modifications thereof and circulars, notifications, clarifications, rules passed thereunder from time to time), consent of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgages and/or charges in any manner, on all or any of the immovable and/or moveable assets including outstanding monies, receivables, claims, bills, documents, contracts, securities, investments and rights of the Company both present and future including the whole or substantially the whole of the undertakings of the Company for securing any loan/debt obtained or as may be obtained from any Bank or any Consortium of Banks or Financial Institutions or body corporates or any person or body(ies) together with interest, cost, charges, expenses and any other money(ies) payable by the Company, on such terms and conditions as the Board may deem fit in the interest of the Company provided that the total amount at any point of time so secured/mortgaged, shall not exceed the limit as approved under Section 180(1)(c) of the Companies Act, 2013.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board or any of its duly constituted committee be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders/Trustees the requisite agreements, documents, deeds and writings for creating the aforesaid mortgage(s) and/or charge(s) on such terms and conditions as they may consider necessary and expedient in its absolute discretion and to do all such other acts, deeds and things as may be necessary, proper, desirable or expedient to give effect to the above resolution”

By Order of the Board of Directors
For Jharkhand Road Projects Implementation Company Limited

Sd/-
KHUSHBOO MAHESHWARI
AUTHORISED SIGNATORY

Registered Office:

443/A, Road No. 5,
Ashok Nagar,
Ranchi - 834 002

Date: July 22, 2014

Place: Mumbai

NOTES :

- (a) **A Member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a Member of the Company.** Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the Meeting
- (b) The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 is annexed hereto

Explanatory Statement to the Notice of Fifth Annual General Meeting scheduled for September 24, 2014 as required under section 102 of the Companies Act, 2013

Item No. 4 & 5

In terms of the provisions of the Companies Act, 2013, Mr Amit Garg (holding DIN 06660444) and Mr Vijay Kini (holding DIN 06612768), Additional Directors of the Company would vacate offices at the ensuing Annual General Meeting of the Company. A notice under section 160 of the Act has been received from a member proposing the name of Mr Amit Garg and Mr Vijay Kini, for appointment as Directors of the Company.

The Directors are interested only to the extent of their appointments. None of the other Directors or their relatives or key managerial personnel or their relatives is interested in these resolutions. The Board recommends these resolutions for approval of the Shareholders.

Item No. 6

Under section 180(1)(c) of the Companies Act, 2013 (erstwhile Section 293(1)(c) of the Companies Act, 1956), the Board of Directors cannot, except with the consent of the Company in general meeting, borrow money (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say reserves not set apart for any specific purpose.

The Shareholders had earlier authorized the Board of Directors of the Company to borrow money to the extent of ₹2,500 Crores. Now as the Company requires additional funds for implementation of its projects and therefore it is proposed to authorize the Board of Directors of the Company to borrow money to the extent of ₹4,000 crores. Accordingly, the sanction of the shareholders, under 180(1)(c) of the Companies Act, 2013 is being sought to enable the Directors to borrow moneys to the extent of ₹4,000 crores. Hence the Board recommends that the resolution be passed as special resolution.

None of the directors or their relatives or key managerial personnel or their relatives is interested in this resolution.

Item No. 7

Under section 180(1)(a) of the Companies Act, 2013, the Board of Directors cannot, except with the consent of the Company in general meeting, sell, lease or otherwise dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole, or substantially the whole, of any such undertaking.

The Company requires additional funds for implementation of its projects and therefore it needs to borrow moneys from the lenders. For securing the borrowing amount, the Board of Directors of the Company need to create mortgages and/or charges on all or any of the assets and properties of the Company. Accordingly, the sanction of the shareholders, under section 180(1)(a) of the Companies Act, 2013 is being sought to enable the Directors to create mortgages and/or charges on all or any of the assets and properties of the Company. Hence the Board recommends that the resolution be passed as special resolution.

None of the directors or their relatives or key managerial personnel or their relatives is interested in this resolution.

By Order of the Board of Directors
For Jharkhand Road Projects Implementation Company Limited

Sd/-
KHUSHBOO MAHESHWARI
AUTHORISED SIGNATORY

Jharkhand Road Projects Implementation Company Limited*Registered Office: 443/A, Road No. 5, Ashok Nagar, Ranchi – 834 002*

Reg Folio No _____

No. of Shares held _____

I/We _____ of _____ being a Member(s) of Jharkhand Road Projects Implementation Company Limited hereby appoint _____ of _____ or failing him _____ of _____ as my/ our proxy to vote for me/us on my/our behalf at the Fifth Annual General Meeting of the Company to be held on September 24, 2014 and at any adjournment thereof

Signed thisday of, 2014

Signed

Affix
Re 1
Revenue
Stamp

Note : This form duly completed and signed must be deposited at the Registered Office of the Company not less than 48 hours before the Meeting

Jharkhand Road Projects Implementation Company Limited*Registered Office: 443/A, Road No. 5, Ashok Nagar, Ranchi – 834 002***ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting hall)

Fifth Annual General Meeting held on September 3, 2014

I hereby record my presence at the Annual General Meeting of the Company held on **Wednesday, September 24, 2014 at 11.00 am** at the registered office of the Company at 443/A, Road No. 5, Ashok Nagar, Ranchi – 834002

Folio no. _____

Full name of the Member (in BLOCK LETTERS) _____

Full name of the Proxy (in BLOCK LETTERS) _____

Member's/ Proxy's Signature: _____

DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2013 - 14**Dear Members**

Your Directors have pleasure in presenting the Fifth Annual Report along with the Audited Accounts for the financial year ended March 31, 2014

1. FINANCIAL PERFORMANCE:

	<i>(Amount in ₹ '000)</i> FY ended March 31, 2014	<i>(Amount in ₹ '000)</i> FY ended March 31, 2013
Total Income	2,131,199	895,068
Total Expense	(2,728,858)	(1,193,021)
Profit / (Loss) Before Tax	(597,658)	(297,953)
Provisions for Tax	-	2,261
Fringe Benefit Tax	-	-
Wealth Tax	-	-
Profit / (Loss) After Tax	(597,658)	(295,691)
Balance of Profit/ (Loss) Brought Forward	(306,342)	(10,651)
Balance Carried to Balance Sheet	(904,001)	(306,342)

The net loss after tax for the year is ₹ 597.65 million. Aggregating the carry forward balance of loss of ₹ 306.34 million a net loss of ₹ 904 million is carried to the Balance Sheet.

2. SHARE CAPITAL:

Your Company's paid-up equity share capital as on March 31, 2014 stood at ₹259.49 Crores.

3. DIVIDEND:

The Directors do not recommend dividend for the period under review

4. OPERATIONS:

Your Company is engaged in the development of road projects under the Jharkhand Accelerated Road Development Programme (JARDP). Under the JARDP, GoJ has proposed to upgrade about 1500 Lane Km of roads in the state and currently your Company has undertaken development of the following road stretches as identified and conveyed by Government of Jharkhand (GoJ);

S. N.	Road Stretch	Project Id	Length of Project (Km)	Proposed lanes	Total Lane Kms
1a	Ranchi-Patratu Dam Road	RPR – I	35.27	4½ Lanes	103.74
1b	Patratu Dam - Ramgarh Road	RPR – II	27.12	4 Lanes	108.47
2	Ranchi Ring Road (Sec. III, IV, V & VI)	RRR	36.19	6 Lanes	217.15
3	Chaibasa – Kandra – Chowka Road	CKC	68.70	2 Lanes	137.40
4	Adityapur – Kandra Road	AK	15.10	4 Lanes	60.40
	Total Length		182.38		627.16

You may be glad to know that your Company has received the Completion Certificate for the completed length of 34.187 Kms of Ranchi Ring Road with effect from September 21, 2012 and for the Ranchi Patratu Dam Road project with effect from October 13, 2012 from the Government of Jharkhand. The projects are in Operations & Maintenance (O&M) phase now

Your Company has also received the Provisional Completion Certificate for the completed entire main carriageway of Adityapur Kandra Road with effect from January 31, 2013 from the Government of Jharkhand. Further Provisional Completion Certificate for the entire main carriageway has been received w.e.f. April 30, 2014 for Patratu – Ramgarh Road (RPR-II)

The other improvement works are in full swing on Patratu – Ramgarh Road (RPR-II), Adityapur Kandra Road and Chaibasa – Kandra – Chowka Road Packages and expected to be completed shortly

ROAD INFRASTRUCTURE SECTOR:

For a country of India's size, an efficient road network is necessary both for national integration as well as for socio-economic development. Road development remains the Government's top priority to catapult a developing economy into the league of advanced nations. The Road infrastructure in Jharkhand requires augmentation. Growth of population and vehicles has burdened the existing road network. This needs to be taken care of by means of maintenance, upgradation and construction

The Road infrastructure of the state is divided basically into three categories -

- National Highway
- State Highway & Major District Roads
- Rural Roads & Minor District Roads

National Highways are the primary system of roads. Similarly State Highways, Major Districts Roads (MDR) and other roads provide secondary system and the Rural Roads and Minor District Roads provide tertiary systems. The present availability of these roads is as follows:

Category of roads in the State of Jharkhand	Length (Km)
National Highways including NH-2 (transferred to NHDP)	1844.00 Km
State Highways	1886.40 Km
Major District roads	4828.10Km
Other Roads of PWD/ODR	166.00 Km
Total	8724.50 Km

Government of Jharkhand has launched a massive programme for improvement of the secondary system of roads in the State and has introduced the Jharkhand Accelerated Road Development Programme (JARDP) through a public-private partnership. Under the JARDP, road length of around 1500 lane km would be taken up for development

5. FUTURE OUTLOOK:

Your Company has been mandated to develop road projects in the State of Jharkhand. Government of Jharkhand intends to improve over 1500 lane kilometres of road in the State of Jharkhand and has initially shortlisted road stretches aggregating to around 630 lane kilometres

FY 2014-15 is going to be an important year for your Company. The construction works for Patratu Dam Ramgarh Road and Chaibasa Kandra Chowka Road Projects are under progress and are expected to be commissioned in this FY 2014 – 15

6. DIRECTORS AND OTHER MANAGERIAL PERSONNEL:

Mr Deep Sen has resigned as Director with effect from April 23, 2014. Your Directors wish to place on records their appreciation of the contributions made by Mr Sen for the Company.

Further Mr Amit Garg & Mr Vijay Kini had been appointed as Additional Directors on September 24, 2013 and July 22, 2014 respectively. Since Mr Garg & Mr Kini were appointed as Additional Directors, their office would get vacated at the ensuing Annual General Meeting of the Company. Notice has been received from a member of the Company under section 160 of the Companies Act, 2013 for their appointment as Directors of the Company. Appropriate resolutions seeking your approval to their appointments are appearing in the Notice convening the Fifth Annual General Meeting of the Company

In accordance with Section 152 of the Companies Act, 2013 Mr Mukund Sapre, Director retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment

7. AUDITORS:

Messrs U Narain & Company, Chartered Accountants, Statutory Auditors, retire at the ensuing Annual General Meeting and have expressed their willingness to continue as Statutory Auditors, if re-appointed.

8. DEPOSITS:

Your Company has not accepted any deposits from the public during the year

9. CORPORATE GOVERNANCE:

The Board of Directors of the Company was composed of the following Directors on 31st March 2014:

Director	Executive/ Non-executive	Category
Mr Mukund Sapre	Non-executive	Director
Mr Harish Mathur	Non-executive	Director
Mr Deep Sen	Non-executive	Director
Mr Sanjay Kumar Minglani	Executive	Managing Director
Mr Amit Garg	Non-Executive	Additional Director

Attendance of Directors at Board Meetings held during the financial year 2013-14 and last AGM held on September 23, 2013:

Directors	No of Board Meetings Held during tenure	Attendance for Board Meetings	Attendance in Annual General Meeting
Mr Deep Sen	5	4	-
Mr Harish Mathur	5	5	-
Mr Mukund Sapre	5	5	-
Mr Sanjay Kumar Minglani	5	5	Yes
Mr Amit Garg*	2	1	-

*Appointed as additional director on September 24, 2013

The Credit Approval Committee has been constituted by the Board of Directors on February 22, 2010 with Mr Harish Mathur and Mr Mukund Sapre as its members. During the year under review, there was no meeting of Credit Approval Committee

As on 31st March 2014, the Audit Committee comprised of Mr Sanjay Kumar Minglani, Mr Harish Mathur and Mr Deep Sen. During the year under review, the Audit Committee met on April 17, 2013 for review of the financial statements for the year ended March 31, 2013. To review the Financial Statements for the quarters ended June 30, 2013, September 30, 2013 and December 31, 2013, the Audit Committee Meetings were held on July 18, 2013, October 18, 2013 and January 21, 2014 respectively

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

Section 217 (2AA) of the Companies Act, 1956 as amended in December 2000 requires the Board of Directors to provide a statement to the members of the Company in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing and on the basis of representations received from the Operating Management, and after due enquiry, it is confirmed that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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 or loss of the Company for that period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis.

11. PARTICULARS OF EMPLOYEES:

With regard to the statement of employees required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Company does not have any employee drawing remuneration in excess of the limits prescribed under the provisions of the Act/rules

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

There has not been any income/earning and outgo of foreign exchange during the period under review. Since your Company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to it

13. ACKNOWLEDGEMENTS:

Your Company had excellent relationships with Government of Jharkhand, Central Government, Shareholders and Regulatory Authorities during the period under review. Your Directors are grateful for the support extended by them and look forward to receiving their continued support and encouragement

The proactive support and guidance extended by functionaries of Government of Jharkhand, Infrastructure Leasing & Financial Services Limited, Bank of India, Allahabad Bank, Aditya Birla Finance Limited and other members of the consortium of lenders and IL&FS Transportation Networks Limited and Jharkhand Accelerated Road Development Company Limited in implementation of the Project needs special acknowledgement by your Directors. Your Directors also wish to place on record their appreciation for the contributions made by employees at all level through their sincerity, hard work, competence and dedication

For and on behalf of the Board

Sd/-
Sanjay Kumar Minglani
Managing Director

Sd/-
Amit Garg
Director

Date: July 22, 2014

Place: Mumbai