

KIRATPUR NER CHOWK EXPRESSWAY LIMITED

ANNUAL REPORT

2012-13

DIRECTORS' REPORT

The Shareholders

KIRATPUR NER CHOWK EXPRESSWAY LIMITED

Your Directors have pleasure in presenting the First Annual Report along with the Audited Statements of Accounts for the first financial period ended March 31, 2013

FINANCIAL RESULTS

The financial results of the Company are as under:

(Amount in ₹.)

	For the period ended March 31, 2013
Total Income	-
Total Expenses	4,705,374
Profit/(Loss) Before Tax	(4,705,374)
<u>Less: Provision for Tax</u>	-
Profit / (Loss) After Tax	(4,705,374)
Balance carried forward	(4,705,374)

OPERATIONS:

Your Company has undertaken the work for construction of the Four laning of Kiratpur-Ner Chowk section of National Highway No. 21 from km 73.200 to km.186.500 (approximately 84.38 km) in the state of Himachal Pradesh awarded by the National Highways Authority of India to be executed as BOT (Toll) on design, build, finance, operate and transfer (“**DBFOT**”) basis (“**the Project**”). The Company has achieved the Environmental for complete project stretch and Forest Clearance is pending with Ministry of Environment and Forest as of March 31, 2013

FURTHER ISSUE OF CAPITAL:

In order to meet the funds requirement of the Company for development of the Project, the Company had increased its Authorised Share Capital from ₹5,00,000/- to ₹50,00,00,000/-. The Company had thereafter issued 4,99,50,000 equity shares of ₹10/- each of par value to the existing shareholders of the Company. As a consequence, the paid up equity capital of the Company increased from ₹5,00,000/- to ₹28,50,00,000/- during the year under review

DIVIDEND:

Due to inadequacy of profits, your Directors have not recommended any dividend for the period under review

DIRECTORS:

Mr. Ravi Sreehari, Mr. Krishna Ghag and Mr. Ajay Menon were appointed as the First Directors of the Company, as per the Articles of Association of the Company. During the year under review, Mr. Ashutosh Chandwar and Dr. Nishant Srivastava were appointed as an Additional

Directors on the Board of the Company with effect from October 17, 2012. Dr Nishnat Srivastava was designated as Managing Director of the Company w.e.f. April 17, 2013

During the year under review, Mr. Ravi Sreehari, Director of the Company had resigned effective April 17, 2013. The Directors placed on record their sincere appreciation for the valuable guidance and support rendered by him

AUDITORS:

During the year, M/s. Ray & Ray, Chartered Accountants, were appointed as first Auditors of the Company. M/s. Ray & Ray, Chartered Accountants, had therefore resigned as a Statutory Auditors of the Company. In the view of the foregoing, M/s. Gianender & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the Extra-ordinary General Meeting (EGM) held on December 24, 2012 for the financial year 2012-2013

M/s. Gianender & Associates, Chartered Accountants, Statutory Auditors, retire at the ensuing Annual General Meeting and have expressed their willingness to continue as Statutory Auditors, if re-appointed

DEPOSITS:

Your Company has not accepted any Fixed Deposits during the period under review

CORPORATE GOVERNANCE:

Two Board Meetings were held during the period under review on April 18, 2012, July 18, 2012, October 17, 2012 and January 17, 2013. The numbers of meetings attended by the Directors are as under:

Sr. No.	Name of Directors	No. of Board Meetings held during tenure	Meetings attended
1	Mr. Krishna Ghag	4	4
2	Mr. Ravi Sreehari (resigned w.e.f April 17, 2013)	4	3
3	Mr. Ajay Menon	4	4
4	Mr. Ashutosh Chandwar (from October 17, 2012)	1	1
5	Dr. Nishant Srivastava (from October 17, 2012)	1	0

The Audit Committee was constituted pursuant to the provisions of the Section 292A of the Companies Act, 1956. The Audit Committee is comprised of Mr. Ravi Sreehari, Mr. Ajay Menon and Mr Ashutosh Chandwar. Subsequently upon resignation of Mr Ravi Sreehari, the Audit Committee has been re-constituted by inducting Mr Krishna Ghag as Member of Audit Committee in his place. The Audit Committee met one time during the year under review on January 17, 2013

PARTICULARS OF EMPLOYEES:

There was no employee in respect of whom the statement is required to be prepared pursuant to Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 (“the Act”) the Directors based on the representations received from the Operating Management, confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) they 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 Loss of the Company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There was no earning or outgo of foreign exchange during the period under review. Since your Company does not have any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable

ACKNOWLEDGMENTS:

The Directors place on record their appreciation for the continued support and co-operation received from various Government Authorities and other Regulatory Authorities, Banks, Financial Institutions and Shareholders of the Company

For and on behalf of the Board

SD/-
(Director)

SD/-
(Director)

Date : April 17, 2013
Place : Mumbai