MBL

Creating Highways to Success

Annual Report 2012-2013

MBL Infrastructures Limited

FORWARD LOOKING STATEMENTS

Statements in the Management Discussion and Analysis Report with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information gathered from various published and unpublished reports, their accuracy, reliability and completeness cannot be assured.

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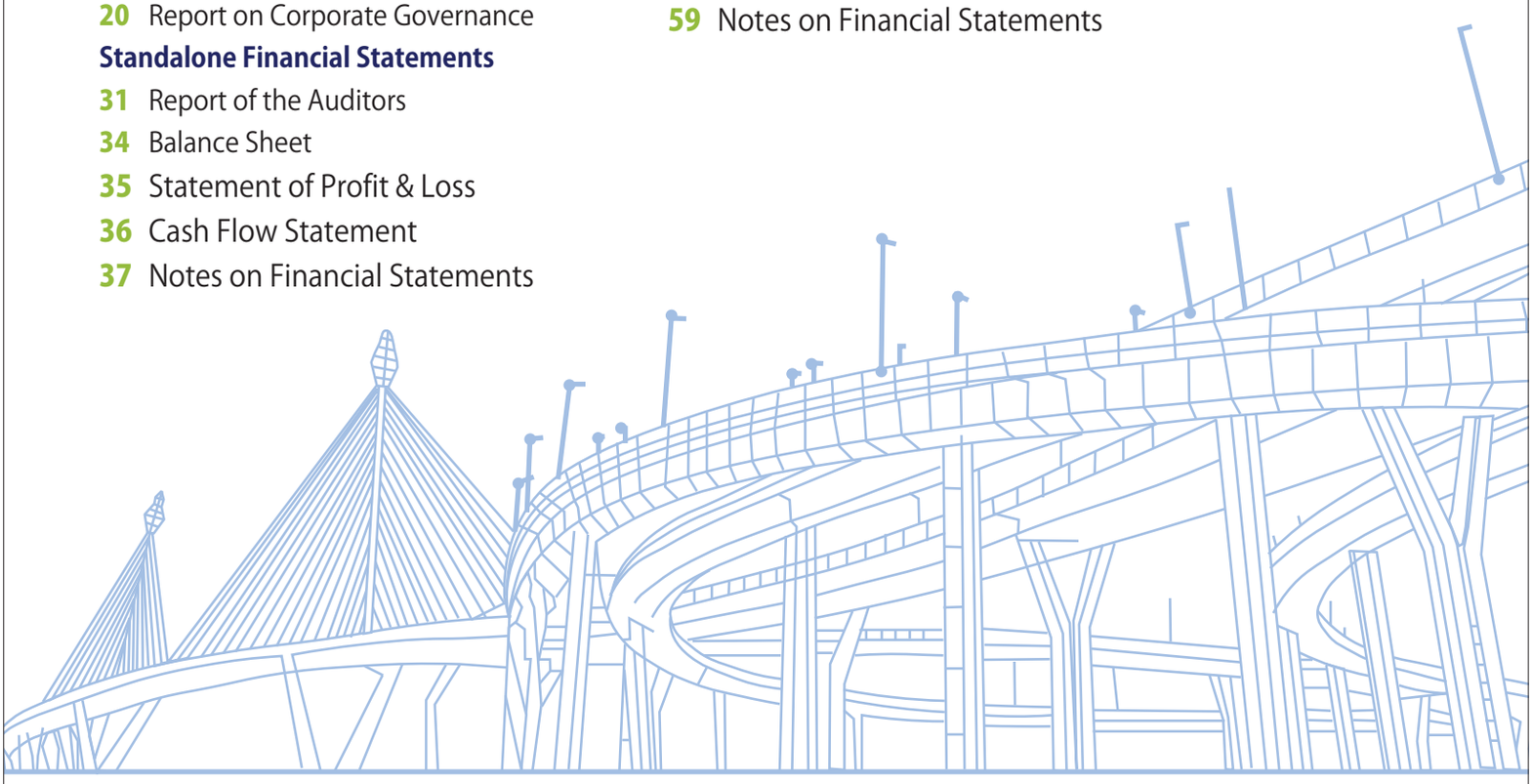


Creating Highways to Success

CORPORATE INFORMATION

Directors

Mr. Anjanee Kumar Lakhotia
Chairman

Mr. Maruti Maheshwari
Executive Director

Mr. Ashwini Kumar Singh
Independent Director

Mr. Kumar Singh Baghel
Independent Director

Mr. Ram Dayal Modi
Independent Director

Mr. Bhagwan Singh Duggal
Independent Director
(Appointed as Additional Director w.e.f. 13.07.2013)

GM (Finance & Accounts)

Mr. Manoj Adukia

Company Secretary

Mr. Vivek Jain

Bankers & Financial Institutions

State Bank of Mysore
State Bank of Bikaner & Jaipur
Bank of Baroda
Oriental Bank of Commerce
State Bank of Patiala
Allahabad Bank
Indusind Bank Limited
Yes Bank Limited
Punjab National Bank
Corporation Bank
Bank of India
DBS Bank Limited
Standard Chartered Bank
Punjab National Bank
(International) Limited

Auditors

M/s. Agrawal S. Kumar & Associates
21, Hemanta Basu Sarani,
3rd Floor, Room No. 306,
'CENTRE POINT', Kolkata - 700 001
Phone: 033-30288500-512
Fax: 033-30288499

Registrar & Share Transfer Agent

Kolkata Office:
Link Intime India Pvt. Ltd.
59C, Chowringhee Road,
3rd Floor, Kolkata - 700 020
Phone : 033-22890540
Fax: 033-22890539
Email: kolkata@linkintime.co.in

Registered Office

Divine Bliss, 1st Floor,
2/3, Judges Court Road,
Kolkata -700027.
Phone: 033-3341 1800
Fax: 033-3341 1801
Email : kolkata@mblinfra.com
Website: www.mblinfra.com

Corporate Office

Baani Corporate One
Suite No. 303, 3rd Floor,
Plot No. 5, Commercial Centre
Jasola, New Delhi - 110076.
Phone: 011- 4959 3300 - 10
Fax: 011- 4959 3320
E-mail: delhi@mblinfra.com

VISION

To be a leading infrastructure enterprise committed to quality, customer satisfaction, excellence and enhancement of stakeholder value.

MBL
Creating Highways to Success

MISSION

- ✓ To serve in building the nation
- ✓ To become the customers' most preferred choice
- ✓ To create maximum value for stakeholders
- ✓ To enhance support to our associates
- ✓ To deliver timely output with the highest quality standards
- ✓ To encourage innovation, excellence, integrity, professionalism and team work with an optimum mix of latest technologies, human intelligence and enterprise
- ✓ To ensure a safe work environment
- ✓ To implement environmental and eco-friendly measures towards our commitment to a cleaner and greener world
- ✓ To contribute to the society as a part of our corporate social responsibility

Directors' Report

Dear Members,

The Board of Directors is pleased to present the Eighteenth Annual Report together with the Audited Statement of Accounts for the financial year ended 31st March 2013.

The financial highlights are as under:

₹ in Lakhs

	Standalone		Consolidated	
	2012-13	2011-12	2012-13	2011-12
Gross Revenue	134404.00	125320.59	135701.68	126743.07
Earnings Before Interest, Taxes and Depreciation	13256.78	15747.73	14500.49	17002.67
Less : Interest & Finance Charges	5128.81	4603.14	5768.31	5310.52
Less : Depreciation	712.34	787.50	1109.36	1130.42
Profit Before Tax	7415.63	10357.09	7622.82	10561.73
Provision for Tax	1500.00	2760.00	1575.10	2799.00
Deferred Tax (Net)	383.00	513.23	383.00	513.23
Profit After Tax	5532.63	7083.86	5664.72	7249.50
Balance Brought Forward From Last Year	5794.04	4320.84	6287.62	4648.78
Amount Available for Appropriation	11326.67	11404.70	11952.34	11898.28
Appropriations :				
Interim Dividend	-	262.71	-	262.71
Proposed Dividend	525.41	262.71	525.41	262.71
Corporate Dividend Tax	85.23	85.24	85.23	85.24
Transfer to General Reserve	5000.00	5000.00	5000.00	5000.00
Balance Carried To Balance Sheet	5716.03	5794.04	6341.70	6287.62

Review of Operations

Your Company achieved total income of ₹ 1,34,404.00 Lakhs with Earnings Before Interest, Taxes and Depreciation (EBIDTA) of ₹ 13,256.78 Lakhs for the year ended 31st March, 2013 as against the total income of ₹ 1,25,320.59 Lakhs and EBIDTA of ₹ 15,747.73 Lakhs for the previous financial year. After providing for interest of ₹ 5,128.81 Lakhs and ₹ 712.34 Lakhs for depreciation, the Profit Before Tax is ₹ 7,415.63 Lakhs against the Profit Before Tax of ₹ 10,357.09 Lakhs for the previous financial year. The Net Profit After Tax for the year ended 31st March, 2013 is ₹ 5,532.63 Lakhs as against ₹ 7,083.86 Lakhs for the previous financial year.

Your Company has bagged prestigious orders across various segments of construction business, viz., Roads, Highways, Railways, Buildings and Housing. In terms of Order Book, the Company is in the right direction. The Order Book of the Company stood at ₹ 2,99,186.10 Lakhs as at 31st March, 2013.

Dividend

The Board of Directors is pleased to recommend a dividend of ₹ 3.00 (i.e. 30%) per equity share of the face value of ₹ 10/- each, to the shareholders, subject to approval of the members at the forthcoming Annual General Meeting.

Capital Expenditure

During the year under review, the Company has made additions of ₹ 3,403.19 Lakhs to its fixed assets.

BOT Projects and Subsidiary Companies

At the beginning of the year, your Company had 3 Subsidiary Companies, during the year under review, the following Subsidiaries have been added:

Name of the Company	Subsidiary since
Suratgarh Bikaner Toll Road Company Private Limited	25.03.2013
MBL (MP) Road Nirman Company Limited	07.03.2013
MBL Projects Limited	12.12.2012

BOT/OMT Projects

A summary of the BOT/OMT projects under execution is as under:

Project	SPV	Type	Current Status
114.00 kms long Seoni-Balaghat-Gondia Road in the State of Madhya Pradesh.	AAP Infrastructure Limited	Toll	Operational. (Toll Collection ₹ 1,571 Lakhs in 2012-13)
75.60 kms BOT project of Seoni-Katangi - Maharashtra Border Section of State Highway-54.	MBL Highway Development Company Limited	Toll + Grant / Subsidy of ₹ 5,950 Lakhs	Construction work is in Progress.
Strengthening, Widening, Maintaining and Operating of 18.303 kms Waraseoni-Lalbarra Road in the State of Madhya Pradesh.	MBL (MP) Toll Road Company Limited	Toll + Annuity of ₹ 8,476 Lakhs (₹ 326 Lakhs Semi-annual)	Construction work is in Progress.
Developing and Operation of Bikaner – Suratgarh Section of NH – 15 in the State of Rajasthan.	Suratgarh Bikaner Toll Road Company Private Limited	Toll	Financial Closure achieved. Work is in Progress.
Developing a 46.98 kms road from Garra-Waraseoni upto Maharashtra Border in the State of Madhya Pradesh.	MBL (MP) Road Nirman Company Limited	Toll + Annuity of ₹ 21,190 Lakhs (₹ 815 Lakhs Semi-annual)	Concession Agreement has been signed.
Operation and Maintenance of Kolaghat – Haldia Section from km 0.00 to kms 52.70 of NH – 41 (Total Length 52.70 kms) on OMT Basis in the State of West Bengal.	MBL (Haldia) Toll Road Company Limited	Toll	Concession Agreement has been signed.

Note on Particulars required as per Section 212 of the Companies Act, 1956

In terms of the provisions of Section 212 of the Companies Act, 1956, the Company was required to attach the Annual Reports of the Subsidiary Companies and the related detailed information to the Balance Sheet of the Holding Company. However, the Ministry of Corporate Affairs vide their General Circular No. 2/2011 dated 8th February, 2011 read together with General Circular No. 3/2011 dated 21st February, 2011, granted general exemption to the companies under Section 212(8) of the Companies Act, 1956 from the requirement to attach detailed financial statements of each Subsidiary Company. Accordingly, the Annual Report does not contain the financial statements of the subsidiaries. The detailed financial statements and audit reports of each Subsidiary Company are available for inspection at the Registered Office of the Company and the concerned Subsidiary Company. Upon written request from a Shareholder, your Company will arrange to send the financial statements of Subsidiary Companies to the said Shareholder.

A statement pursuant to Section 212(1)(e) and 212(8) of the Companies Act, 1956, is annexed herewith as Annexure A.

Consolidated Financial Statements and Results

Your Company has prepared Consolidated Financial Statements in accordance with the applicable Accounting Standards. The Consolidated Financial Statements reflect the results of the Company and that of its subsidiaries. As required by Clause 32 of the Listing Agreement with Stock Exchanges, the Audited Consolidated Financial Statements together with the Auditors' Report thereon are annexed and form part of this Annual Report.

Upon consolidation, the turnover of the Company and its subsidiaries has moved from ₹ 1,26,743.07 Lakhs for the previous financial year to ₹ 1,35,701.68 Lakhs in the financial year 2012-2013. The Earnings Before Interest, Tax and Depreciation (EBIDTA) is ₹ 14,500.49 Lakhs against ₹ 17,002.67 Lakhs in the previous financial year, the Net Profit After Tax (PAT) stands at ₹ 5,664.72 Lakhs as against ₹ 7,249.50 Lakhs in the previous year.

Management Discussion and Analysis Report

The Management Discussion and Analysis as required under Clause 49(IV)(f) of the Listing Agreement is annexed hereto and forms a part of this report.

Corporate Governance

Your Company is committed to high standards of the corporate ethics, professionalism and transparency. More than half of the Board is composed of independent directors and less than one-third of the Directors are Executive/ Wholetime. A separate section titled "Report on Corporate Governance" along with the Auditors' Certificate on Corporate Governance as stipulated under Clause 49 of the Listing Agreement, is annexed hereto and forms a part of this Report.

Finance

The Company has a well balanced business plan. Availability of adequate capital is essential to encash the opportunities available to the Company for growth. Adequate arrangements have been made for the finance required as per the business plan.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Ashwini Kumar Singh, Director of the Company, liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Surinder Singh Kohli ceased to be a Director of the Company w.e.f. 1st June, 2013. Your Directors place on record their appreciation for the valuable services rendered by Mr. Surinder Singh Kohli during his tenure on the board.

The Board of Directors appointed Mr. Bhagwan Singh Duggal as an Additional Director w.e.f. 13th July, 2013. In terms of Section 260 of the Companies Act, 1956 he shall hold office upto the date of the ensuing Annual General Meeting of the Company. The Company has received requisite Notice in writing from a Member proposing his candidature for the office of Director liable to retire by rotation.

Appointment of Company Secretary & Compliance Officer

Mr. Vivek Jain, Fellow Member of the Institute of Company Secretaries of India, was appointed as Company Secretary & Compliance Officer of the Company, w.e.f. 29th June, 2013 in place of Mr. Nitin Bagaria.

Board of Directors' Meeting in progress on 13th July, 2013
(from left) **: Mr. Ashwini Kumar Singh, Mr. Kumar Singh Baghel, Mr. Anjanee Kumar Lakhotia, Mr. Maruti Maheshwari and Mr. Ram Dayal Modi.**

Directors' Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, based on the representations received from the operating management confirm that:

(i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same;

(ii) we have selected such accounting policies and applied them consistently and made judgements 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 the year under review;

(iii) we have taken proper and sufficient care to the best of our knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) we have prepared the annual accounts on a going concern basis.

Auditors and Auditors' Report

M/s. Agrawal S. Kumar & Associates, Chartered Accountants, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

The Company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of Section 226 of the said Act. The Directors recommend their re-appointment.

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

Cost Auditors

Pursuant to Order from the Ministry of Corporate Affairs, Dipak Lal & Associates, Cost Accountants, have been appointed as Cost Auditors for the financial year 2012-13. They are required to submit the report to the Central Government within 180 days from the end of the accounting year.

Disclosure of Particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(i) Conservation of energy is an ongoing process in the Company's activities. As the core activities of the Company are not energy intensive activity, no information is to be furnished regarding Conservation of Energy.

(ii) Your Company has not undertaken any research and development activity for any manufacturing activity nor any specific technology was obtained from any external sources which needs to be absorbed or adapted.

(iii) The particulars of expenditure and earnings in foreign currency is furnished in Note – 36 of Notes on Financial Statements.

Public Deposits

The Company has not accepted Deposits falling within the provisions of Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 during the year under review.

Corporate Social Responsibility (CSR)

MBL is currently operating its CSR activities at all project locations PAN India. Its programmes range across various sections of the society. Some of these are: Education, Health, Drinking Water, Medical Facilities, Community Development and Environment.

Corporate Social Responsibility at MBL means much more than merely responding to social responsibility. The Company understands the mutual interdependence between its business and the economic, social and human environment that surrounds it. MBL has an inclusive approach taking care of the interests of shareholders, employees & workers, government, local community, suppliers, clients and the society at large.

An essential component of the Company's Corporate Social Responsibility is to care for the community. The Company endeavors to make a positive contribution towards various social causes by supporting a wide range of socio-economic initiatives, engaging in socially responsible employee relations and making a commitment to the community around it. At MBL, CSR practices are dynamic to match the Country's social requirements aimed at achieving higher levels of community development and then shifting the focus to higher realms of life.

CSR activity at Seoni - Katangi site

Awards and Recognition

MBL has been judged the 3rd fastest growing Construction Company in the Medium Category at the 10th Annual Construction World Global Awards 2012 held in New Delhi.

MBL INFRASTRUCTURE
AK Lakhotia, CEO, MBL Infrastructure poses with the Construction World Trophy for the Third Fastest Growing Construction Company (Medium Category) Also seen on stage (L-R) Pratap Vijay Padode, Editor-in-Chief, Construction World; Dr. Pronab Sen, Principal Advisor, Planning Commission, Government of India

Particulars of Employees

There was no employee of the Company who received remuneration in excess of the limits prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 [as Amended by Companies (Particulars of Employees) Amendment Rules, 2011 read with General Circular No. 23/2011 issued by the Ministry of Corporate Affairs, Government of India].

Acknowledgement and Appreciation

The Bankers of the Company have since long shown full confidence in your Company and have been partners in its growth.

The Directors would like to express their grateful appreciation for the assistance and co-operation received from the Company's Bankers and all Government Departments during the year under review.

The Directors wish to place on record their deep sense of appreciation for the devoted services of the Executives, Staff and Workers of the Company for its success.

By Order of the Board
Anjanee Kumar Lakhotia
Chairman
(DIN-00357695)

Place: New Delhi
Dated: 13th July, 2013

Annexure – A

Statement pursuant to Section 212(1)(e) of the Companies Act, 1956 relating to Subsidiary Companies

Name of the Subsidiary Company	AAP Infrastructure Limited	MBL Highway Development Company Limited	MBL (MP) Toll Road Company Limited	MBL Projects Limited	MBL (MP) Road Nirman Company Limited	Suratgarh Bikaner Toll Road Company Private Limited
The Financial Year of the Subsidiary Company ended on	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013	31.03.2013
Number of shares held and extent of holding thereof by the Holding Company, at the above date						
a) The number of equity shares of ₹ 10/- each fully paid	1,20,00,000	5,11,00,000	1,50,00,000	72,500	72,500	32,250
b) Extent of holding in percentage terms	100%	100%	100%	100%	100%	64.50%
The net aggregate profits or (losses) of the Subsidiary Company for the Current Financial Year so far as it concerns the member of the Holding Company						
a) Dealt with or provided in the accounts of the Holding Company (₹ in Lakhs)	NIL	NIL	NIL	NIL	NIL	NIL
b) Not dealt with or provided in the accounts of the Holding Company (₹ in Lakhs)	131.94	NIL	NIL	0.14	NIL	NIL
The net aggregate profits or (losses) of the Subsidiary Company for the Previous Financial Year so far as it concerns the member of the Holding Company						
a) Dealt with or provided in the accounts of the Holding Company (₹ in Lakhs)	NIL	NIL	NIL	NA	NA	NA
b) Not dealt with or provided in the accounts of the Holding Company (₹ in Lakhs)	165.65	NIL	NIL	NA	NA	NA

Summary of Financial Statements of Subsidiary Companies pursuant to Section 212(8) of the Companies Act, 1956

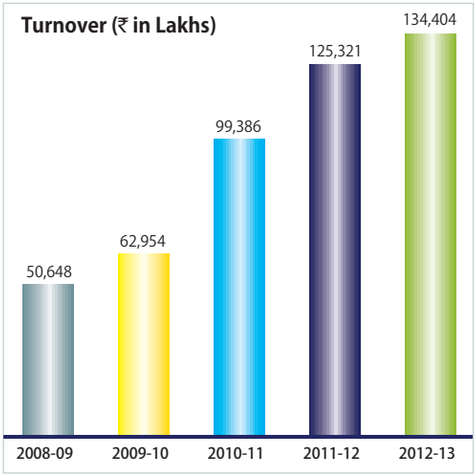
₹ in Lakhs

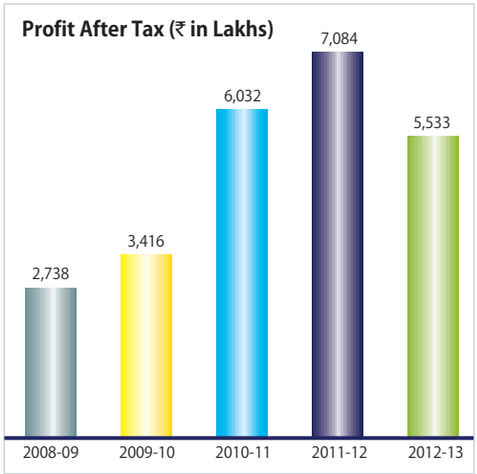
S. No.	Particulars	Reporting Currency	AAP Infrastructure Limited		MBL Highway Development Company Limited		MBL (MP) Toll Road Company Limited		MBL Projects Limited		MBL (MP) Road Nirman Company Limited		Suratgarh Bikaner Toll Road Company Private Limited	
			2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012	2012-2013	2011-2012
1	Capital	INR	1,200.00	1,200.00	5,110.00	4,517.60	1,500.00	1,500.00	7.25	NA	7.25	NA	5.00	NA
2	Reserves	INR	625.53	493.59	-	-	-	-	0.14	NA	-	NA	-	NA
3	Total Assets	INR	6,130.97	6,303.58	17,218.12	11,877.12	7,082.23	1,676.42	7.62	NA	7.63	NA	18,067.41	NA
4	Total Liabilities	INR	6,130.97	6,303.58	17,218.12	11,877.12	7,082.23	1,676.42	7.62	NA	7.63	NA	18,067.41	NA
5	Investments	INR	-	-	-	-	-	-	-	NA	-	NA	-	NA
6	Turnover/ Total Income	INR	1,614.74	1,422.48	-	-	-	-	2.04	NA	-	NA	-	NA
7	Profit Before Taxation	INR	206.98	204.65	-	-	-	-	0.20	NA	-	NA	-	NA
8	Provision For Taxation	INR	75.04	39.00	-	-	-	-	0.06	NA	-	NA	-	NA
9	Profit After Taxation	INR	131.94	165.65	-	-	-	-	0.14	NA	-	NA	-	NA
10	Proposed Dividend	INR	-	-	-	-	-	-	-	NA	-	NA	-	NA
11	Country		India		India		India		India		India		India	

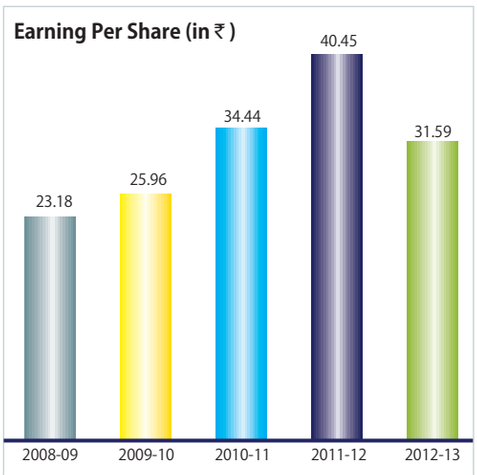
Notes:

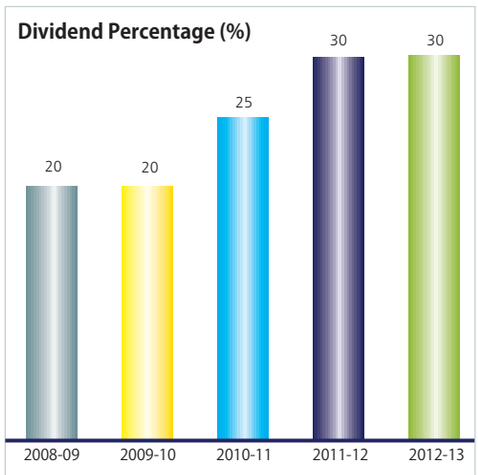
1. The above figures are before elimination of inter-company balances and transactions.
2. The annual accounts of the above Subsidary Companies are kept for inspection at the Registered Office of the Company and of the respective Subsidiary Company. The same will be made available to the shareholders on written request.

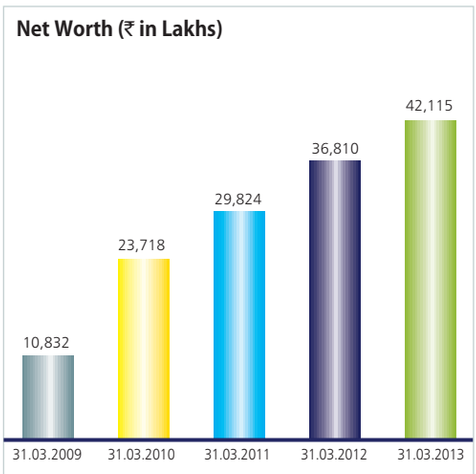
Financial Snapshot

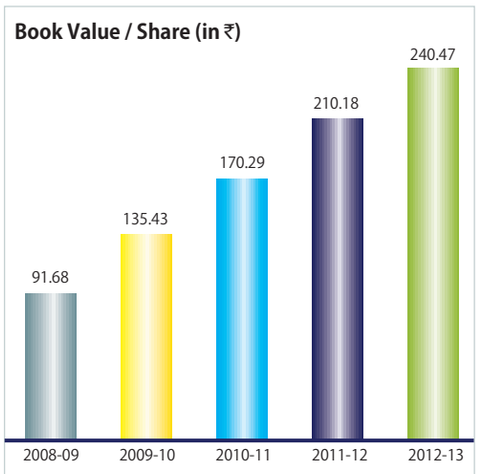












Management Discussion and Analysis

Economic Overview

The Global Economy in FY 2012-13 remained subdued. Indian GDP growth came down to 5%, the lowest in the decade. GDP growth is expected to improve in FY 2013-14 to around 6 to 6.5%. Inflation is also expected to moderate to around 6.5%. Good monsoon during the year is encouraging for the economy revival. However, Rupee-Dollar situation, commodity & oil prices and infrastructure spending will have a bearing on the economy revival.

Construction Industry Overview

Construction Industry is the second largest employer after agriculture in the Country. However, this industry including road sector has gone through one of the most challenging times in the FY 2012-13. Environment and forest clearances, land acquisition, delay in decision making, aggressive bidding etc. created a negative environment. However, the requirement of increased infrastructure spending has been universally recognised.

Highways and Roads

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 connectivity forms the backbone for economic and social development of any country through connectivity and opening up the backward regions to trade and investment. However, despite the importance to the national economy, the road network in India is grossly inadequate. The existing network is unable to cope up with high traffic density.

Currently, at 3.3 million kms India's road network is the second largest in the world. The road network comprises 71,772 kms of national highways, 1,31,899 kms of state highways and 31,20,000 kms of major district, rural and other roads. Road density in terms of population is only 2.75 kms per 1,000 people compared to the world average (6.70 kms). Indian roads carry about 80% of passenger traffic and 65% of freight traffic. Further, only 17% of the national highways and 1% of the state highways are four-lane. About 53% of the national highways and 22% of the state highways are double-lane. Moreover, the number of vehicles has been growing at an average pace of 10.16% per annum over the last five years.

Our national highways constitute only 2% of the total road network but they carry nearly 40% of the total traffic. State highways constitute about 13% of the road length and carry 40% of the traffic.

The Indian Government has set ambitious plans for upgrading the National Highways in years to come.

MBL was among the first batch of contractors to be awarded the contracts of prestigious North-South-East-West Corridor by NHAI and was the first to complete the project. The Company has completed several prestigious projects of construction of roads and highways. The project of Sonapur-Guwahati road on NH-37 is nearing completion. The first ever Asian car rally was successfully held on this highway and this has now been declared as part of Asian Highway No. 1.

Public-Private Partnership (PPP)

Historically, investments in the infrastructure space, particularly in the highways, were being made by the Government mainly because of the large volume of resources required, long gestation, uncertain returns and associated externalities. The galloping resource requirements, concern for managerial efficiency and consumer responsiveness have led in recent times to an active involvement of the private sector.

It has been decided that all the sub-projects in NHDP Phase-III to Phase-VII would be taken up on Public-Private Partnership (PPP) basis in Build, Operate and Transfer (BOT) mode. To this end, and to encourage participation of private sector, the Department of Road Transport and Highways has laid down comprehensive policy guidelines.

In PPP mechanism, Government offers two models viz. Build – Operate – Transfer (Toll) Model and Build – Operate – Transfer (Annuity) Model. Most of the projects are awarded on these two models.

Out of the two models, BOT (Toll) has been preferred, accounting for 75% of the total private investment. The Government has further modified this model to Design –

Build – Finance - Operate - Transfer (DBFOT), wherein concessionaire also designs the project. With an aim to increase the capacity in the various transport sectors, the 12th Five Year Plan necessitates the involvement of private sector more aggressively.

MBL has successfully implemented the project of Seoni – Balaghat - Gondia Road in the State of Madhya Pradesh on BOT basis through AAP Infrastructure Ltd., a wholly owned subsidiary of the Company. In the year under review, the Company bagged good opportunities in PPP Projects. Currently Four PPP projects of MBL are under development stage.

Corridor Management

The completion of construction of many sections of National Highways has necessitated the corridor management through operation and maintenance contracts. The scope of work, among other things, includes road maintenance, road property management, incident management, traffic management, toll fee collection and engineering improvements. MBL has been prequalified by NHAI for projects having total project cost upto ₹ 40,140 Lakhs for Operation Maintenance and Transfer (OMT) Contracts.

MBL was awarded the first ever contract for comprehensive maintenance of Inner & Outer Ring Road of NCT, Delhi. According to an online publication of the Planning Commission, Government of India, the maintenance of National Highways would be further strengthened under the 12th Five Year Plan. It is expected that 4,360 kms of roads will be awarded for maintenance under the OMT system in the year 2013-2014. MBL has an early mover advantage in this sector. The Company has signed concession agreement for operation and maintenance of Haldia - Kolaghat section of NH 41 for Nine years.

Buildings – Housing Projects

Housing is another critical segment of the infrastructure industry. It currently contributes 5% of the India's GDP and is expected to rise to 6% in the next five years as against 20% in most of other economies, with a total investment of USD 5 trillion in next 20 years. The Housing Segment is driven by demand force. There is a massive demand for living space, estimated at over 22 million dwelling units. There is also rapid urbanization creating a steady growth in demand for space, which according to the McKinsey, is between 700 and 900 million sqm every year, including commercial space.

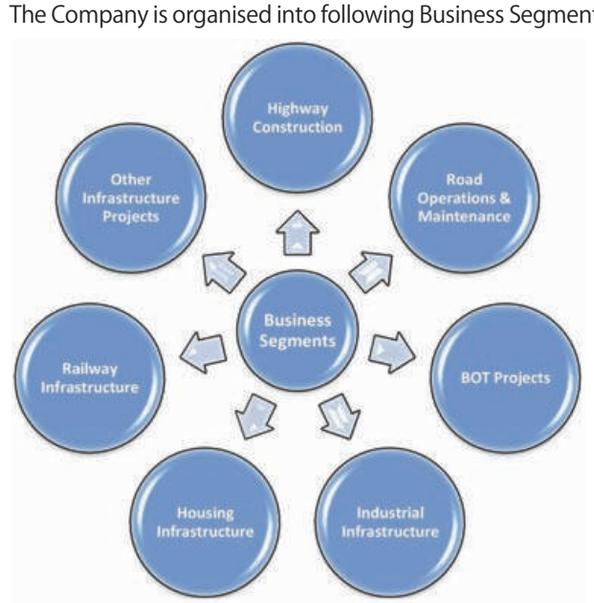
As there are many small players, there is dearth of quality contractors. For national developers, the focus is on the cities, which have assured demand and are more profitable to develop. Large projects are therefore confined to metros and mini-metros and successful development of such projects has historically been among the most profitable enterprises. 'Affordable Housing' is likely to swing construction demand in the sector. During the year under review, the Company has significantly developed the housing construction business sector. The Company has been awarded various prestigious housing projects PAN India on cash contract basis.

Railways

Metro rail projects and other mass rapid transport systems are also being planned across urban locations to ease traffic congestion, allow rapid connectivity and control pollution levels. As a natural and obvious progression, the Company is foraying into the railway sector as well. Besides being pre-qualified for Dedicated Freight Corridor, the Company has been awarded projects by DMRC, Western Railway, RITES and RVNL.

Our Company's Business Overview

The Company is organised into following Business Segments:



Civil Engineering Projects

MBL Infrastructures Limited is engaged in the execution of various Civil Engineering Projects.

1. **Highway Construction**

   In recent years, MBL has executed and commenced a number of praiseworthy projects in the States of Andhra Pradesh, Assam, Bihar, Delhi, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Uttar Pradesh, Uttarakhand and West Bengal.

2. **Road Operations & Maintenance**

   India possesses the second largest road network in the world which amounts to approximately 3.3 million kms, creating a significant opportunity in the area of road maintenance. The Company enjoys early mover advantage in this segment.

3. **BOT Projects**

   The Company has successfully completed the execution of the BOT project of 114 kms Seoni- Balaghat- Gondia State Highway in the State of Madhya Pradesh. MBL is currently executing four other BOT projects, Seoni-Katangi Road Project (100% owned SPV Company, MBL Highway Development Company Limited) in the State of Madhya Pradesh awarded by Madhya Pradesh Road Development Corporation (MPRDC), Waraseoni-Lalbarra Road project (100% owned SPV Company, MBL (MP) Toll Road Company Limited) in the State of Madhya Pradesh awarded by MPRDC, Garra-Waraseoni - upto Maharashtra Border 46.98 kms Road project (100% owned SPV Company MBL (MP) Road Nirman Company Limited) in the State of Madhya Pradesh for MPRDC on Annuity + Toll Basis and Development and Operation of Bikaner-Suratgarh section of NH-15 (kms 553/869 of NH-11 to kms 173/000 of NH-15 via kms 10/630 of NH-15) Road Project (64.50% owned SPV Company, Suratgarh Bikaner Toll Road Company Private Limited) in the State of Rajasthan.

4. **Industrial Infrastructure**

   MBL is also engaged in Industrial Infrastructure Development projects across the Country. MBL was a part of the development of Haldia Petrochemicals in the state of West Bengal. The Company was also involved in the expansion of the IISCO Steel Plant in Burnpur (WB) where it constructed the Road including Railway Over Bridge, connecting the steel plant from the National Highway.

5. **Housing Infrastructure**

   MBL has successfully completed Housing Project at Rajiv Gandhi Thermal Power Project, Khedar-Hissar, Haryana. The Company is currently executing 10 Housing/ Building Projects valuing ₹ 40,696.20 Lakhs PAN India.

6. **Railway Infrastructure**

   MBL recently entered into the Railway sector also. Indian Railways have embarked upon expansion programme as per Vision Document 2020. Metro Railways are being constructed in major cities all over the Country. Dedicated Freight Corridor project on Indian Railways is back on tracks. MBL is entering these segments either on its own strength or by forming JV with some of the domestic or foreign construction companies of repute.

   MBL has been awarded 2 work orders from Delhi Metro Rail Corporation (DMRC) of ₹ 4,157.10 Lakhs and ₹ 8,523.20 Lakhs respectively. North Western Railway, Jaipur has awarded work of ₹ 2,725.50 Lakhs. Rail Vikas Nigam Limited (RVNL) has also awarded work of ₹ 3,229.70 Lakhs. RITES has awarded 2 work orders of ₹ 4,060.30 Lakhs and ₹ 1,887.70 Lakhs respectively.

   MBL is executing four Railway Over Bridge (ROB) projects at Faridabad, Sonepat and Haryana. MBL has completed two Railway Under Bridge (RUB) projects at Narela, Delhi and Badli, Delhi. MBL has also been awarded a work for construction of Approaches to Rail-cum-Road Bridge across River Ganga at Digha Ghat near Patna in the state of Bihar.

7. **Other Infrastructure Projects**

   The Company is also foraying into Urban Infrastructure Development, Flyovers, Residential & Commercial Complexes and Mining. MBL has ready mix concrete ("RMC") and bitumen divisions to ensure adequate and timely supply of high quality RMC and bitumen mixes. MBL also has quarrying / mining division to ensure adequate and timely supply of bulk raw material of stone aggregates.

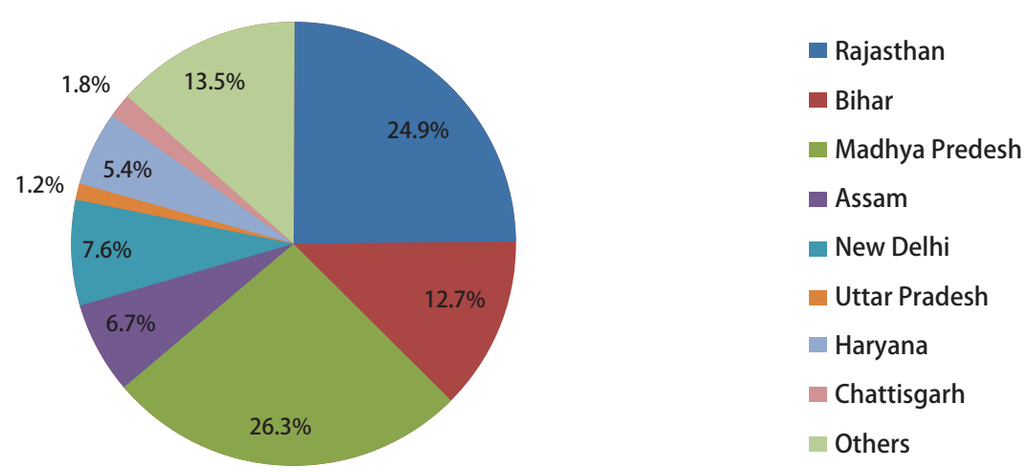
Other Significant Highlights

- MBL was among the first batch of contractors to be awarded the contracts of prestigious North-South-East-West Corridor by NHAI and was the first to complete the project.

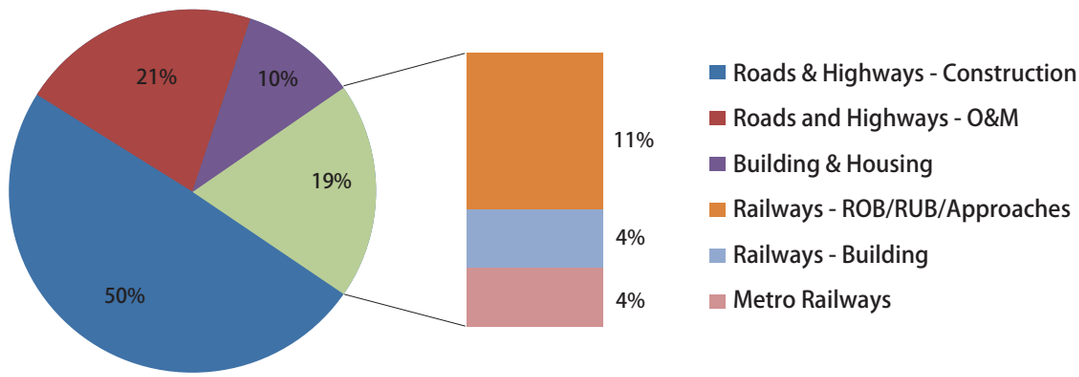
- MBL was also amongst the first batch of contractors to be awarded the contract for maintenance of National Highways by NHAI.
- MBL was awarded the first ever contract for comprehensive maintenance of Inner & Outer Ring Road of NCT, New Delhi.
- MBL has been awarded operation and maintenance contract of 52.70 kms of Kolaghat – Haldia section of NH-41 for a period of 9 years by Calcutta - Haldia Port Road Company Limited (A SPV of National Highways Authority of India) on revenue sharing basis. The project is being executed through a 100% owned subsidiary, MBL (Haldia) Toll Road Company Limited.
- MBL has over a decade's experience in executing infrastructure projects (especially of Highways) as Prime Contractor and has established its ability to deliver quality jobs within budget and schedule.
- Strong Order Book amounting to ₹ 2,99,186.10 Lakhs as on date.
- Our major clients comprises of NHAI, MPRDC, SAIL, CPWD, DMRC, PWD (NCT New Delhi, Haryana, Rajasthan, Assam, UP, Uttarakhand, West Bengal), RCD (Bihar), HUDA, RVNL, M.P. Housing Board, NBCC, RITES, NRDA, North & Western Railways.
- Acumen in sourcing and maintaining supply chain for raw material and achieving benefits of backward integration.
- MBL has witnessed a Continuous Growth in Bid Capacity and Pre-Qualification Capability.
- MBL has been prequalified by NHAI for projects having TPC upto ₹ 60,940 Lakhs for the year 2013 for Public Private Partnership in National Highway Projects.
- MBL has been prequalified by NHAI for projects having TPC upto ₹ 40,140 Lakhs for the year 2012 for OMT Contracts.
- MBL has a highly qualified management team and experienced employee base of more than 800 employees including over 75 civil engineers. The Company has a large fleet of sophisticated equipments, including hot mix plants, sensor pavers, tandem rollers, soil compactors, stone crushers, loaders, excavators, tippers, motor graders, concrete batching plants, transit mixers, concrete pumps, dozers, cranes etc. MBL enters into contracts primarily through a competitive bidding process. It solely executes most of their projects as the prime contractor. To encash upon its experience, it also enters into project specific joint ventures. Also as a normal business practice, depending on the business needs, MBL out sources some of its work to sub-contractors.

MBL bids mainly for NHAI, select State projects funded by World Bank or ADB and selected clients which ensure timely payments and better margins. The Company has a well diversified order book across road, rail, building construction segments.

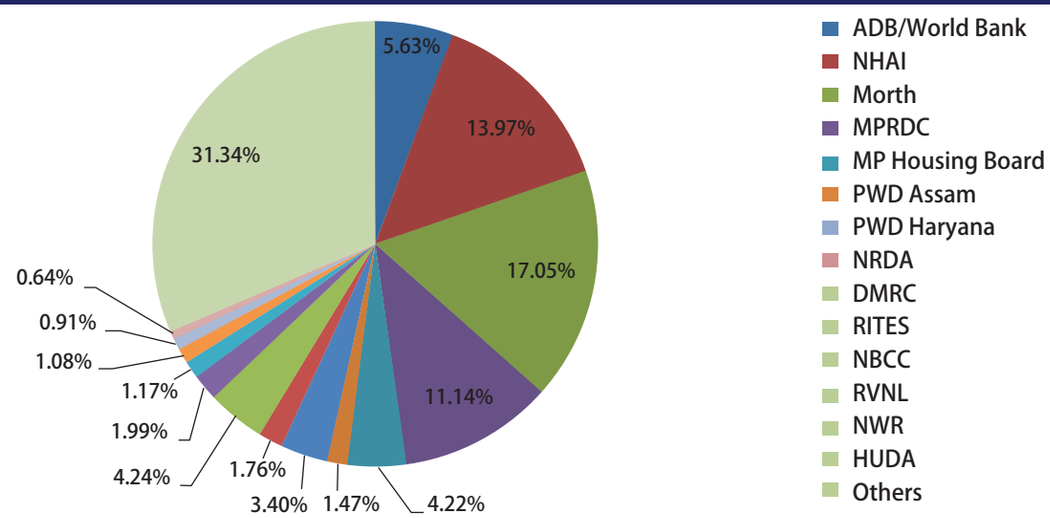
Statewise Distribution of Order Book



Category Wise Order Book



Client Wise Order Book



Our Project Execution Capabilities

We believe that we have developed a reputation for undertaking challenging infrastructure and construction projects and completing them in timely manner. We intend to continue to focus on performance and project execution in order to maximize client satisfaction. We leverage technologies, designs and project management tools to increase productivity and maximize asset utilization in capital-intensive activities. Our ability to effectively manage projects will be crucial to our continued success as a recognized infrastructure Company. We believe that we stand distinguished from our peers because of our management strength and in-house development, construction, operation and maintenance capabilities.

Threats, Risks and Concerns

Worldwide, the construction industry is charactrised by a plethora of players and the Indian scenario is no different. There are many construction companies currently operating in India. The construction industry is marked with low entry barriers, with several regional and national players dotting the competitive landscape. As a result, despite the strong demand scenario and a definite surge in flow of orders, the

margins in the sector have remained low. That apart, the working capital cycle has elongated significantly for many companies over a period of time. Thus, construction players have lacked the bargaining power not only in terms of pricing but also in negotiating payment terms in the contracts. Major concerns include decrease in demand, increase in prices of construction material, lack of credit, increase in cost of funds, etc. The key risks for the construction sector are increasing commodity prices, increasing interest rates and funding constraints. While infrastructure spending will accelerate, tighter credit conditions may result in a slowdown of private sector activity. Your Company minimises risks by efficient micro-management of its elements and has broad based its portfolio of operations and developed management and organisational skills to protect it from adverse situations.

Outlook

With more than a decade's track record of proven performance and immense opportunities available in the core competency area of the Company, a higher growth business plan has been adopted by the Company. Preliminary assessment suggests that investment in infrastructure during the Twelfth Plan (2012-17) would be about ₹ 41 Lakhs Crores. NHAI intends to award significant projects during the year. Your Company has been prequalified for a number of projects.

Your Company is evaluating various options for venturing into other infrastructure facilities so as to maximize shareholders' value.

India is at the threshold of landscaping its future and MBL is here to drive the growth with its infrastructural excellence.

Challenges in the sector have thrown immense opportunities to experienced players like MBL. We have adapted ourselves to meet the challenges and encash the opportunities available. Our Business Plan is well balanced. Net-worth, Long Term Funds, Investments in Plant & Machinery, Investment in BOT Projects and Net Margin for Working Capital and Working Capital Tie-up have been well balanced. With expectation of increased spending in the infrastructure segment in India, we are poised to reap the benefit of the opportunities.

Finance Review and Analysis

Your Company reported Revenues of ₹ 1,34,405.41 Lakhs and Profit After Tax of ₹ 5,541.35 Lakhs during FY 2012-13.

Sales & Other Income

Sales growth was primarily driven by increased level of orders in hand and efficient execution of projects-in-hand. Other income constitutes mainly income from Interest on fixed deposits, etc.

Interest & Finance Charges

The net interest and finance charges increased during the year due to higher interest rates and increased availment of working capital facilities for operations of the Company.

Profit Before Tax

Your Company has registered a PBT of ₹ 7,424.35 Lakhs as against ₹ 10,357.09 Lakhs last year. PBT has decreased due to higher interest rates, higher direct labour, subcontracting etc. and stiff competition in the industry.

Profit After Tax

Your Company has registered PAT of ₹ 5,541.35 Lakhs as against ₹ 7,083.86 Lakhs last year. The decrease in profit is due to higher costs and stiff competition in the industry.

Investments

During the year, the Company has further invested ₹ 592.40 Lakhs in MBL Highway Development Company Limited, ₹ 7.25 Lakhs in acquiring 100% stake in MBL (MP) Road Nirman Company Limited, ₹ 7.25 Lakhs in acquiring 100% stake in MBL Projects Limited, ₹ 1,958.04 Lakhs in Orissa Steel Expressway Private Limited and ₹ 9,508.00 Lakhs in Suratgarh Bikaner Toll Road Company Private Limited, towards its commitment for execution of BOT projects.

Human Resource Development

A combination of its reputation in the market, its working environment and competitive compensation programs allow your Company to attract and retain talented people. The senior management team consists of experienced individuals with diverse skills. The total employee strength of the Group, as on 31st March, 2013, stands at 800 approx. This is across all cadres and geographic locations.

The Employees are the key to Success and Growth. The organisation faces various challenges at many fronts. In such situations, it is the quality of talent which helps us withstand these pressures. Your Company aims to become "EMPLOYER OF CHOICE" in the industry and is on course to achieve the same.

Health, Safety & Environment (HSE)

MBL is committed to manage Safety, Security, Health, Environmental and Social Risks at its various facilities/ project locations. It is committed to conduct business in a manner that protects and promotes the health and safety of its employees/ workers, those involved with the operations and the communities around its facilities.

One of the MBL Ambulance at its Project site

Tree plantation activities are undertaken to create green belts at the project locations. The Green initiative also extends to the business practices and product innovation. Continuous efforts are made for practices that are sensitive to current environmental needs.

The HSE policies laid down ensure that site operations meet legal and Company requirements and that operations cause minimal visual impact or nuisance to the public. Efforts to achieve safety awareness and eliminate unsafe practices are made through employee involvement.

Employees are encouraged to know the environment, health and safety requirements that apply to their assigned responsibilities and for using the information in planning and completing their work.

Cautionary Statement

Statements in the Management Discussion and Analysis Report with regard to projections, estimates and expectations have been made in good faith. The achievement of results is subject to risks, uncertainties and even less than accurate assumptions. Market data and information are gathered from various published and unpublished reports, their accuracy, reliability and completeness cannot be assured.

Report on Corporate Governance

1. Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. This philosophy is backed by principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large.

2. Date of Report

The information provided in the Report on Corporate Governance for the purpose of unanimity is as on 31st March, 2013. The Report is updated as on the date of the report wherever applicable.

3. Board of Directors

a. Composition of the Board

The Company is managed and controlled through a professional body of Board of Directors (the Board), which comprises of an optimum combination of Executive and Independent Directors headed by the Executive-Chairman. As on 31st March, 2013, the Board of Directors of the Company comprised of six members (including four Independent Non-Executive Directors) with vast experience in Civil Engineering, Construction, Finance, Banking and Management. The Board has been enriched with the skills and experience of the Independent Directors. Other than receiving sitting fees, none of the Independent Director has any pecuniary or business relationship with the Company. All Independent Directors comply with the requirements of the Listing Agreement for being "Independent Director". The composition of the Board of Directors as on 31st March, 2013 is as under:

S. No.	Category	Name of the Director	Date of Appointment
1	Promoter and Executive	Mr. Anjanee Kumar Lakhotia	25th August, 1995
		Mr. Maruti Maheshwari	19th April, 2006
2	Independent and Non-Executive Directors	Mr. Ashwini Kumar Singh	29th May, 2006
		Mr. Kumar Singh Baghel	9th September, 2006
		Mr. Surinder Singh Kohli	25th June, 2010
		Mr. Ram Dayal Modi	21st October, 2011

b. Attendance Records and other Directorships/Committee Memberships

Name of the Director	Category	No. of other^ Directorships*	No. of other^ Board Committee(s)** in which he is		Attendance Particulars	
			Member	Chairman	Last AGM held on 4th August, 2012	Board Meetings held during 2012-13
Mr. Anjanee Kumar Lakhotia	Promoter - Executive	9	5	1	YES	6 out of 6
Mr. Maruti Maheshwari	Promoter - Executive	3	—	—	YES	6 out of 6
Mr. Ashwini Kumar Singh	Independent – Non - Executive	—	—	—	YES	5 out of 6
Mr. Kumar Singh Baghel	Independent – Non - Executive	5	1	2	YES	6 out of 6
Mr. Ram Dayal Modi	Independent – Non - Executive	2	1	2	YES	6 out of 6
Mr. Surinder Singh Kohli	Independent – Non - Executive	13	16	6	YES	6 out of 6
Mr. Ram Gopal Maheshwari (upto 4th August 2012)	Promoter – Non - Executive	2	—	—	YES	3 out of 3

^ Excluding MBL Infrastructures Limited.

* Also includes directorships other than Public Limited Companies.

** Also includes committees other than Audit Committee & Shareholders'/Investors' Grievance Committee.

Mr. Bhagwan Singh Duggal has been appointed as Additional Director w.e.f. 13th July, 2013.

Mr. Maruti Maheshwari is son of Mr. Ram Gopal Maheshwari, who is brother of Mr. Anjanee Kumar Lakhotia. No other Director is related to any other Director of the Company within the meaning of Section 6 of the Companies Act, 1956.

c. Meetings during the year

During the Financial Year 2012-2013, the Board of Directors met 6 (Six) times on the following dates:

April to June 2012	30.05.2012 30.06.2012	July to September 2012	04.08.2012 14.08.2012	October to December 2012	10.11.2012	January to March 2013	14.02.2013

4. Audit Committee

a. Brief description of Terms of Reference

The role and power of the Audit Committee includes:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees.
- Approval of payment to statutory auditor for any other services rendered by statutory auditors.
- Reviewing with management, the annual financial statements before submission to the Board for approval, with particular reference to:
    a. Matters to be included in the Directors' Responsibility Statement to be included in the Board Report in terms of Clause (2AA) of Section 217 of Companies Act, 1956.
    b. Changes, if any, in accounting policies and practices and reasons for the same.
    c. Major accounting entries involving estimates based on the exercise of judgment by management.
    d. Significant adjustments made in the financial statements arising out of audit findings.
    e. Compliance with listing and other legal requirements relating to financial statements.
    f. Disclosure of any related party transactions.
    g. Qualification in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing with the management, performance of statutory and internal auditors, and adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower Mechanism.
- Carry out any other functions as is mentioned in the terms of reference of the Audit Committee.
- Approval of appointment of CFO.

b. Composition, Meetings & Attendance

Name of the Member	Category	No. of Meetings attended	Dates on which Meetings held
Mr. Kumar Singh Baghel (Chairman)	Independent - Non-Executive	4 out of 4	30.05.2012 14.08.2012 10.11.2012 14.02.2013
Mr. Ashwini Kumar Singh	Independent - Non-Executive	4 out of 4	
Mr. Anjanee Kumar Lakhotia	Promoter - Executive	4 out of 4	

5. Remuneration Committee

The Company has a Remuneration / Selection Committee comprising of three non-executive independent directors as on 31st March, 2013.

a. Brief description of Terms of Reference

The broad terms of reference of the Remuneration / Selection Committee are to decide, consider, review and recommend the remuneration of all the Executive / Wholetime Directors and other payments that are required to be paid by the Company to the Directors. The Remuneration / Selection Committee also approves the selection and remuneration of relative(s) of Director for holding place of office or profit in the Company pursuant to the Director's Relatives (Office or Place of Profit) Rules, 2003.

b. Composition, Meetings & Attendance

Name of the Member	Position	Category	Dates on which Meetings held
Mr. Ashwini Kumar Singh	Chairman	Independent - Non-Executive	During the financial year ended March 31, 2013, the committee met once on 30.06.2012, in which all the committee members were present.
Mr. Ram Dayal Modi (Appointed w.e.f 1st June, 2013)	Member	Independent - Non-Executive	
Mr. Kumar Singh Baghel	Member	Independent - Non-Executive	

Mr. Surinder Singh Kohli, ceased to be a member of the Committee w.e.f. 1st June, 2013

c. Remuneration Policy

The Non-Executive Directors are being remunerated by way of sitting fees of ₹ 20,000/- for attending each meeting of Board and its committee thereof. As per the terms of the respective appointments, the Executive/Wholetime Directors of the Company are not entitled for any such sitting fees, incentives fixed/linked with the performance, severance fees, stock options etc.

d. Remuneration to Directors paid during the Financial Year 2012-2013 and other disclosures

Name of the Director	Salary (₹)	Benefits (₹)	Contribution to PF, Gratuity and other Funds (₹)	Sitting Fees (₹)	Tenure upto	Notice Period	Number of Shares held
Mr. Anjanee Kumar Lakhotia	36,00,000	—	—	—	1-07-2009 to 30-06-2014	3 Months	5,08,000
Mr. Maruti Maheshwari	24,00,000	—	—	—	1-07-2009 to 30-06-2014	3 Months	24,500
Mr. Ashwini Kumar Singh	—	—	—	2,20,000	N.A.	N.A.	—
Mr. Kumar Singh Baghel	—	—	—	2,20,000	N.A.	N.A.	—
Mr. Ram Dayal Modi	—	—	—	1,20,000	N.A.	N.A.	—
Mr. Surinder Singh Kohli	—	—	—	1,60,000	N.A.	N.A.	—
Mr. Ram Gopal Maheshwari (Upto 04.08.2012)	—	—	—	60,000	N.A.	N.A.	22,48,750

6. Shareholders'/Investors' Grievance Committee

a. Composition

Name of the Member	Position	Category
Mr. Ram Dayal Modi (Appointed w.e.f. 1st June, 2013)	Chairman	Independent - Non-Executive
Mr. Ashwini Kumar Singh	Member	Independent - Non-Executive
Mr. Kumar Singh Baghel (Appointed w.e.f. 1st June, 2013)	Member	Independent - Non-Executive

Mr. Surinder Singh Kohli and Mr. Maruti Maheshwari ceased to be a member of the Committee w.e.f. 1st June, 2013

b. Name and Designation of Compliance Officer

Mr. Vivek Jain, Company Secretary, is the Compliance Officer of the Company.

c. Details of Complaints/ Requests received, resolved and pending during the Financial Year 2012-13

During the Financial Year 2012-2013, no complaints were received from the shareholders.

7. General Body Meetings

a. Location, Date and Time of Last three AGMs and Special Resolutions passed thereat are as under:

No. of AGM and FY	Date of Meeting	Location	Time	Special Resolution Passed
17th AGM 2011-2012	Saturday, 4th August, 2012	"Kalakunj", 48, Shakespeare Sarani, Kolkata - 700017	3.30 P.M.	No
16th AGM 2010-2011	Saturday, 6th August, 2011	"Kalakunj", 48, Shakespeare Sarani, Kolkata - 700017	3.30 P.M.	No
15th AGM 2009-2010	Saturday, 18th September, 2010	"Kalakunj", 48, Shakespeare Sarani, Kolkata - 700017	3.30 P.M.	No

b. Passing of Special Resolution by Postal Ballot

No Special Resolution was passed by postal ballot during the year 2012-13.

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

8. Disclosures

a. Materially Significant Related Party Transactions

During the year under review, the Company had not entered into any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large.

b. Compliances

There has not been any non-compliance by the Company and there are no penalties, strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

c. Whistle Blower Mechanism

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

d. Compliance with mandatory requirements and adoption of the non-mandatory requirements

All mandatory requirements of Clause 49 of the Listing Agreement have been appropriately complied with and the status of non-mandatory requirements is given below:

i. The Chairman of the Company is an Executive Chairman and hence the provisions for Non-Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.

ii. The Board has constituted a Remuneration Committee whose terms of reference, composition and other relevant particulars have been mentioned in this report.

iii. The Financial Statements are free from any Audit Qualifications.

iv. The Company has established a Whistle Blower Mechanism and has adopted a Whistle Blower Policy. Access to the Senior Management/Audit Committee has not been denied to any personnel of the Company.

9. Means of Communication

The Company's quarterly / annual financial results are generally published in Business Standard (All Editions), Economic Times (Selected Editions) and Kalantar (Regional) and displayed on the website of the Company www.mblinfra.com. During the year under review, the official news had also been displayed on the website.

10. General Shareholder Information

a. Annual General Meeting:

Date & Time	Saturday, 31st August, 2013 at 3.30 P.M.
Venue	"Kalakunj", 48, Shakespeare Sarani, Kolkata - 700017

b. Financial Year

1st April, 2012 to 31st March, 2013.

c. Financial Calendar for the Year 2013-14

Particulars	Tentative Schedule
Financial reporting for the quarter ending 30th June, 2013	On or before 14th August, 2013
Financial reporting for the half-year ending 30th September, 2013	On or before 14th November, 2013
Financial reporting for the quarter ending 31st December, 2013	On or before 14th February, 2014
Financial reporting for the year ending 31st March, 2014	On or before 30th May, 2014
Annual General Meeting for the year ending 31st March, 2014	Before end September, 2014

d. Date of Book Closure

24th August, 2013 to 31st August, 2013 (both days inclusive).

e. Dividend Payment Date

Within 30 days from the date of Annual General Meeting.

f. Listing on Stock Exchanges & Stock Code

The Equity Shares of the Company are listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).

The Company has paid the listing fees for the year 2013-14 to both the Stock Exchanges. There are no arrears of listing fees with any of the said Stock Exchanges till date.

g. Stock Code

Exchange	Code
National Stock Exchange of India Limited	Symbol – MBLINFRA
BSE Limited	Stock Code – 533152

h. Stock Market Price Data at BSE Limited and at National Stock Exchange of India Limited during the Financial Year 2012-2013

The Monthly high and low stock quotations of Equity Shares of the Company on NSE and BSE during the year 2012-13 were as under:

Month	BSE		NSE	
	High	Low	High	Low
April, 2012	195.80	166.60	196.00	169.30
May, 2012	197.00	162.00	218.00	160.10
June, 2012	192.00	171.00	197.00	171.10
July, 2012	184.90	158.00	184.05	157.45
August, 2012	172.00	142.00	174.00	141.70
September, 2012	173.00	152.00	171.00	153.00
October, 2012	176.45	156.00	176.00	153.00
November, 2012	197.95	155.25	200.00	161.10
December, 2012	174.95	163.00	173.70	163.50
January, 2013	212.50	162.00	213.80	166.10
February, 2013	198.65	163.00	199.00	164.50
March, 2013	164.20	135.05	170.00	137.00

i. Stock Performance in comparison to broad based indices

Particulars	31.03.2013	01.04.2012	Change (%)
Share prices of MBL INFRA (₹) (BSE)	141.60	180.25	-21.44
V/s BSE Sensex	18,835.77	17,404.20	8.23
Share prices of MBL INFRA (₹) (NSE)	143.30	179.70	-20.26
V/s NSE Nifty	5,682.55	5,295.55	7.31

j. Registrar & Share Transfer Agents

Link Intime India Pvt. Ltd.

Mumbai Office	Kolkata office
C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai - 400 078 Phone: 022-25963838, Fax: 022-25946969 Email: mumbai@linkintime.co.in	59C, Chowringhee Road, 3rd Floor, Kolkata – 700 020 Phone : 033-22890540, Fax: 033-22890539 Email: kolkata@linkintime.co.in
Website: www.linkintime.co.in	

k. Share Transfer System

The Transfer of Shares is affected by the Registrars after necessary approval of the Board / Share Transfer Committee. The process of Share Transfer generally takes 1-2 weeks.

l. Distribution of Shareholding as on 31st March, 2013

S. No.	Category of Shareholders (No. of Shares Held)	Number of Shareholders	Percentage of Shareholders	Number of Shares Held	Percentage of Holding
1	1-500	4,461	88.58	6,38,670	3.65
2	501-1000	275	5.46	2,05,835	1.18
3	1001-2000	127	2.52	1,91,497	1.09
4	2001-3000	44	0.87	1,08,541	0.62
5	3001-4000	19	0.38	70,371	0.40
6	4001-5000	16	0.32	76,025	0.43
7	5001-10000	28	0.56	2,05,872	1.18
8	10001 & above	66	1.31	1,60,16,916	91.45
	Total	**5,036**	**100.00**	**1,75,13,727**	**100.00**

m. Shareholding Pattern as on 31st March, 2013

Category	Number of Shares held	Percentage (%)
Promoter and Promoter Group	1,00,51,602	57.393
Foreign Institutional Investors	2,86,570	1.636
Non-Resident Indians	63,805	0.364
Mutual Funds	21,97,232	12.546
Financial Institutions / Banks	Nil	N.A.
Corporate Bodies (other than above)	31,56,762	18.025
Resident Indians	17,31,804	9.888
Employees	2,100	0.012
Others (Including Clearing Members)	23,852	0.136
Total	1,75,13,727	100.000

n. Dematerialisation & Liquidity of Shares

The ISIN allotted by NSDL and CDSL is INE912H01013. Almost 100% of the total equity shares are in dematerialised form upto 31st day of March, 2013. The shares are regularly traded at BSE & NSE.

o. Outstanding Convertible instruments

As of 31st March, 2013, there are no outstanding convertible instruments.

p. Unpaid/Unclaimed Dividend

In terms of Section 205A and 205C of the Companies Act, 1956, the Company is required to transfer the amount of dividend remaining unclaimed for a period of seven years from the date of transfer from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Shareholders are requested to claim the dividend(s) from the Company before transfer to the IEPF Account.

Due date for transfer of unclaimed dividend to IEPF is as follows:

Financial Year	Unclaimed Dividend as on 31.03.2013 (₹)	Due Date for transfer to IEPF
2009-2010	18,510.00	17th October, 2017
2010-2011	28,733.00	4th September, 2018
2011-2012 (Interim Dividend)	27,084.50	13th March, 2019
2011-2012 (Final Dividend)	13,829.00	2nd September, 2019

The Company has introduced an online facility to track the amount of unclaimed dividend payable to an investor. This online tracking system can be accessed at www.mblinfra.com/unclaimeddividend.php

q. Address for correspondence

Mr. Vivek Jain
Company Secretary and Compliance Officer
Divine Bliss, 2/3, Judges Court Road,
1st Floor, Kolkata – 700 027.
Tel: +91-33-33411800, Fax: +91-33-33411801,
E-mail : cs@mblinfra.com

Certification

DECLARATION REGARDING CODE OF CONDUCT

To
The Members
MBL Infrastructures Limited

I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company. The Code is posted on the Company's website www.mblinfra.com

For MBL Infrastructures Limited

Anjanee Kumar Lakhotia
Chairman
(DIN-00357695)

Place: New Delhi
Dated : 13th July, 2013

CERTIFICATION BY CHAIRMAN AND GM (F & A) OF THE COMPANY

To
The Board of Directors
MBL Infrastructures Limited

Dear Sir(s),

(a) We have reviewed the financial statements and the cash flow statement for the year ended 31.03.2013 and that to the best of our knowledge and belief, we state that:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:
   (i) Significant changes in internal control over financial reporting during the year;
   (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   (iii) Instances of significant frauds, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Yours Sincerely,

Place: New Delhi
Dated : 13th July, 2013

Anjanee Kumar Lakhotia
Chairman

Manoj Adukia
General Manager (F&A)

Corporate Governance Compliance Certificate

To
The Members of
MBL Infrastructures Limited

We have examined the relevant records of MBL Infrastructures Limited ("the Company") for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with the Stock Exchanges, for the Financial Year ended on 31st March, 2013. We have obtained all the information and explanations which to the best of my knowledge and belief are necessary for the purposes of Certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. This Certificate is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement(s).

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536

Place: New Delhi
Dated : 13th July, 2013

Independent Auditor's Report

To
The Members of
MBL Infrastructures Limited

Report on the Financial Statements

We have audited the accompanying financial statements of MBL INFRASTRUCTURES LIMITED ("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 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

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.

1. 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 Director 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 Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E
Hitesh Lilha
(Partner)
Membership No. 069536

Place: New Delhi
Dated: 13th July, 2013

The Annexure referred to in paragraph 1 of Our Report of even date to the members of MBL Infrastructures Limited, on the accounts of the Company for the year ended 31st March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
   (b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
   (c) In our opinion and according to the information and explanations given to us, the Company has not disposed off a substantial part of its fixed asset during the year and therefore does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
   (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses 3 (b), 3 (c) and 3 (d) of the Order are not applicable to the Company.
   (e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, there were no contracts or arrangements referred to in Section 301 of the Act entered during the financial year.
   (b) Since there were no transaction so this clause does not apply.
6. The Company has not accepted any deposits from the public covered under Section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under clause (d) of sub-section 1 of Section 209 of the Act in respect of Company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
9. (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities *except for Tax Deducted at Source by them which are sometimes not regularly deposited.* According to the information and explanations given to us there were no statutory dues outstanding as on 31st March, 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, there is a disputed Income Tax Liability amounting to ₹ 1,387.10 Lakhs including a refund of ₹ 24.14 Lakhs as on 31st March, 2013. No other amounts payable in respect of Wealth Tax, Service Tax, Sales Tax, Customs Duty and Excise Duty which have not been deposited on account of any disputes.
10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company does not trade in Shares, Mutual funds & other Investments. Hence, no records are required to be maintained.
15. According to the information and explanations given to us, the Company has given guarantees for loan taken by its Fully owned Subsidiary "AAP Infrastructure Limited" to the tune of ₹ 50 Crores from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the Company has raised term loans during the year. The terms and condition of the Loans are not prejudicial to the interest of the Company.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E
Hitesh Lilha
(Partner)
Membership No. 069536

Place: New Delhi
Dated: 13th July, 2013

Balance Sheet
as at 31st March, 2013

₹ in Lakhs

	Note No.	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,751.37	1,751.37
Reserves and surplus	3	37,388.71	32,466.72
Non-Current Liabilities			
Long-term borrowings	4	7,886.01	4,905.60
Deferred tax liabilities	5	2,975.03	2,592.03
Other long-term liabilities	6	10,659.98	2,619.13
Long-term provisions	7	92.17	75.33
Current Liabilities			
Short-term borrowings	8	36,687.23	28,727.52
Trade payables	9	9,313.67	2,157.17
Other current liabilities	10	18,369.76	11,482.17
Short-term provisions	11	811.55	3,725.82
Total		**125,935.48**	**90,502.86**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible assets	12	13,679.72	11,117.79
Non-current investments	13	9,791.13	7,223.46
Long-term loans and advances	14	53.98	270.15
Other non-current assets	15	13,808.81	1,973.43
Current Assets			
Inventories	16	49,118.68	44,879.15
Trade receivables	17	30,234.64	17,104.40
Cash and bank balances	18	1,763.73	2,134.55
Short-term loans and advances	19	7,053.14	5,169.54
Other current assets	20	431.65	630.39
Total		**125,935.48**	**90,502.86**
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 38		

The notes are an integral part of the financial statements.

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

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

₹ in Lakhs

	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
INCOME			
Revenue from operations	21	134,290.82	125,141.93
Other income	22	113.18	178.66
Total Revenue		**134,404.00**	**125,320.59**
EXPENSES			
Cost of materials consumed	23	95,423.22	95,902.63
Employee benefits expense	24	2,256.10	1,739.62
Finance costs	25	5,128.81	4,603.14
Depreciation and amortisation expense	12	712.34	787.50
Other expenses	26	23,467.90	11,930.61
Total Expenses		**126,988.37**	**114,963.50**
Profit before tax		**7,415.63**	**10,357.09**
Tax expense			
Current tax		1,500.00	2,760.00
Deferred tax		383.00	513.23
Profit for the year		**5,532.63**	**7,083.86**
Earnings per equity share (₹)			
Basic		31.59	40.45
Diluted		31.59	40.45
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 38		

The notes are an integral part of the financial statements.
In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

Cash Flow Statement

for the year ended 31st March, 2013

₹ in Lakhs

	Year Ended 31.03.2013		Year Ended 31.03.2012	
A. Cash flow from operating activities				
Net profit before tax & extraordinary items		7,415.63		10,357.09
Adjusted for :				
(Profit) / Loss on sale of fixed assets	35.59		(10.51)	
(Profit) / Loss on sale of investments	-		(6.86)	
Depreciation	712.34		787.50	
Interest and finance charges	5,128.81	5,876.74	4,603.14	5,373.27
Operating profit before working capital changes		**13,292.37**		**15,730.36**
(Increase) / Decrease in inventories	(4,239.53)		(25,713.53)	
(Increase) / Decrease in trade and other receivable	(25,948.07)		11,367.09	
Increase / (Decrease) in trade payables and other liabilities	22,102.78	(8,084.82)	115.91	(14,230.53)
Cash generated from operations		**5,207.55**		**1,499.83**
Direct taxes paid		(4,720.57)		(654.72)
Net cash generated from / (used in) operating activities		**486.98**		**845.11**
B. Cash flow from investing activities				
Additions in fixed assets	(3,403.20)		(1,787.20)	
Sale of fixed assets	93.33		562.06	
(Additions) / Disposals of investments	(2,567.67)		(6,016.10)	
Net cash generated from / (used in) investing activities		**(5,877.54)**		**(7,241.24)**
C. Cash flow from financing activities				
(Repayments) / Proceeds of secured loan	10,940.11		13,176.29	
(Repayments) / Proceeds of unsecured loan	-		(1,500.00)	
Dividend & corporate tax on dividend paid	(305.32)		(814.20)	
Interest and finance charges	(5,128.81)		(4,603.14)	
Net cash generated from / (used in) financing activities		**5,505.98**		**6,258.95**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**115.42**		**(137.18)**
Opening balance of cash & cash equivalent		**719.08**		**856.26**
Closing balance of cash & cash equivalent (refer note 18)		**834.50**		**719.08**

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

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

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation of Financial Statements

(i) The financial statements have been prepared under the historical cost convention and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.

(ii) The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis.

b. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of income and expenses and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Revenue Recognition

(i) In respect of construction/ project related activity, the Company follows percentage of completion method. Percentage of completion is determined by survey of work performed / physical measurement of work actually completed at the Balance Sheet date taking into account contractual price/ unit rates and revision thereto.

(ii) Revenue in respect of claims is recognised to the extent the Company is reasonably certain of their realisation.

(iii) Other operational income is recognised on rendering of related services, as per the terms of the contracts.

(iv) Other items of income are accounted as and when the right to receive arises.

(v) Each contract is recognised as a profit centre. Payments/ reimbursements under the same are grouped under direct and other expenses.

d. Fixed Assets, Depreciation and Amortisation

(i) Fixed assets are stated at their original cost. Cost includes acquisition price, attributable expenses and pre-operational expenses. Fixed Assets retired from active use are valued at net realisable value.

(ii) Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

(iii) Assets acquired on equipment finance (hire purchase) are stated at their cash values.

(iv) Leasehold land,if any, is amortised over the period of lease.

e. Investments

Long term investments are valued at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

f. Foreign Currency Transactions

(i) The reporting currency of the Company is the Indian Rupee (₹).

(ii) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(iii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates.

(iv) Non monetary foreign currency items are carried at cost.

(v) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

g. Financial Derivatives & Hedging Transactions

(i) The Company uses derivative financial instruments such as forward exchange contracts, options, currency swaps, etc., to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions.

(ii) Financial derivatives and hedging contracts are accounted on the date of their settlement and realised gain/loss in respect of settled contracts is recognised in the Statement of Profit and Loss along with the underlying transactions.

h. Leases

The Company's significant leasing arrangements are in respect of operating leases for premises and quarries for varying

periods and the lease can be renewed as per mutual agreement. The aggregate lease rents payable are charged as rent in the Statement of Profit and Loss. There is no restriction or contingent rent in the lease agreements. All leases are cancelable in nature.

i. Inventories

Construction materials are valued at cost or net realisable value whichever is lower. Cost of inventories is ascertained on FIFO basis.

j. Taxes on Income

(i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

(ii) Deferred tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the assets will be adjusted in future. The carrying amount of deferred tax assets are reviewed at each balance sheet date. In case of unabsorbed depreciation and losses, deferred tax assets are recognised and carried forward only to the extent there is a virtual certainty that the asset will be adjusted in future.

k. Employee Benefits

(i) All employees benefits payable wholly within twelve months of rendering the service such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employees render the related services.

(ii) Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss when the contributions to the respective funds are accrued. Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year. Short term and long term compensated absences are provided for based on actuarial valuation at the year end. Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

l. 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 necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to statement of profit and loss.

m. Accounting for Joint Venture Contracts

(i) Contracts executed in joint venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed.

(ii) Assets, liabilities and expenditure arising out of contracts executed wholly by the Company pursuant to a joint venture contract are recognised under respective heads in the financial statements. Income from the contract is accounted net of joint venturer's share under income from operations in these financial statements.

(iii) Share of turnover attributable to the Company in respect of contracts executed by the other joint venture partners pursuant to joint venture agreement, is accounted under income from operations in these financial statements.

n. Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

o. Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
2. SHARE CAPITAL		
Authorised		
2,52,50,000 (2,52,50,000) equity shares of ₹ 10/- each	2,525.00	2,525.00
Issued, subscribed and paid up		
1,75,13,727 (1,75,13,727) equity shares of ₹ 10/- each fully paid up	1,751.37	1,751.37
	1,751.37	1,751.37

2.1 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

2.2 The details of shareholders holding more than 5% shares of the aggregate shares in the Company:

Name of the Shareholders	As at 31.3.2013		As at 31.3.2012	
	No. of Shares	%	No. of Shares	%
MBL A Capital Limited (formerly SMH Capital Limited)	3931687	22.44	3918187	22.37
Prabhu International Vyapar Private Limited	3160290	18.04	3160290	18.04
Ram Gopal Maheshwari	2248750	12.84	2248750	12.84
Reliance Capital Trustee Company Limited - Reliance Infrastructure Fund	1394956	07.96	1394956	07.96
ICICI Prudential Mutual Fund - Under Various Schemes	802276	04.58	977293	05.58

3. RESERVES AND SURPLUS		
Capital Redemption Reserve		
Balance as per last account	1,391.01	1,391.01
Securities Premium Account		
Balance as per last account	10,281.67	10,281.67
General Reserve		
Opening balance	15,000.00	10,000.00
Add - Transfer from surplus	5,000.00	5,000.00
Closing balance	20,000.00	15,000.00
Surplus		
Opening balance	5,794.04	4,320.84
Add - Transfer from statement of profit and loss	5,532.63	7,083.86
Less - Interim dividend paid	-	(262.71)
Less - Corporate tax on interim dividend	-	(42.62)
Amount available for appropriation	11,326.67	11,099.37
Appropriation		
Less - Proposed dividend (refer note 3.1)	(525.41)	(262.71)
Less - Corporate tax on proposed dividend	(85.23)	(42.62)
Less - Transfer to General Reserve	(5,000.00)	(5,000.00)
Closing balance	5,716.03	5,794.04
	37,388.71	32,466.72

3.1 Dividend proposed to be distributed to equity shareholders is ₹ 3.00 (Previous year ₹ 1.50) per equity share.

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
4. LONG-TERM BORROWINGS		
Secured		
Equipment / Vehicle finance / External commercial borrowings		
From banks	7,860.65	4,838.94
From others	25.36	66.66
	7,886.01	4,905.60

4.1 External commercial borrowings (ECB) availed from banks are secured by hypothecation of specific plants and equipments.

4.2 ECBs with currency swaps oustanding as at 31.03.2013 is ₹ 4,634.49 Lakhs (long term ₹ 2,642.43 Lakhs and current maturities ₹ 1,992.06 Lakhs).

4.3 Unhedged ECB outstanding as at 31.03.2013 is ₹ 5,600.05 Lakhs (restated at the year end rates), (long term ₹ 5,213.19 Lakhs and current maturities ₹ 386.86 Lakhs).

4.4 Equipment / Vehicle finance availed from banks and others are secured by hypothecation of the respective assets; comprising construction equipments and vehicles acquired out of the said loans and personal guarantees of promoter director/s of the Company.

4.5 Maturity profile of long term borrowings are as set out below : ₹ in Lakhs

Particulars	Rate of Interest (%) ^	within 1 year	1 to 2 years	2 to 3 years	beyond 3 years
From banks	between 5.93 - 8.75	1,399.81	1,333.14	639.91	3,612.08
	between 9.25 - 11.69	246.49	373.77	-	-
	between 12.75 - 13.02	742.66	742.66	1,159.09	-
From others	between 9.25 - 11.75	31.73	25.36	-	-
	between 12.00 - 13.78	2.78	-	-	-
Total		2,423.47	2,474.93	1,799.00	3,612.08

^ Includes interest rates that are linked to base rates of the respective lender, which may vary accordingly.

5. DEFERRED TAX LIABILITIES		
Difference between book and tax depreciation	1,360.01	1,112.83
Retention money not yet released and hence not offered for taxation	1,675.55	1,479.20
Less : Deferred assets	(60.53)	-
	2,975.03	2,592.03
6. OTHER LONG-TERM LIABILITIES		
Mobilisation advance from contractees	8,688.70	1,137.13
Other advances and deposits	1,971.28	1,482.00
	10,659.98	2,619.13
7. LONG-TERM PROVISIONS		
Provision for employee benefits	92.17	75.33
	92.17	75.33
8. SHORT-TERM BORROWINGS		
Secured		
Working capital facilities from banks	36,687.23	28,727.52
	36,687.23	28,727.52

8.1 All secured working capital facilities in the form of cash credit facilities and working capital demand loans from consortium of banks are secured by:

i) Hypothecation of book debts and other current assets of the Company, both present and future, ranking pari passu with consortium banks.

ii) Hypothecation of all unencumbered fixed assets (excluding those present and future fixed assets under specific charge for loans against those specific assets) of the Company both present and future ranking pari passu with consortium banks.

iii) Equitable mortgage of land & building at Bhadravati (Karnataka), land at Dankuni (West Bengal), land at Rourkela (Orissa), office space at Jasola (New Delhi), office space at Kolkata (West Bengal) and personal guarantees of promoter director/s of the Company.

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
9. TRADE PAYABLES		
Acceptances	1,650.87	-
Micro, Small and Medium Enterprises (refer note 9.1)	-	-
Others (refer note 9.2)	7,662.80	2,157.17
	9,313.67	2,157.17

9.1 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, and which are outstanding for more than 30 days as at 31st March, 2013. This information as required to be disclosed under Micro, Small, Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9.2 Trade payables are subject to confirmation from certain parties.

10. OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings		
From banks	2,388.96	1,838.34
From others	34.51	130.26
Unclaimed share application and interest amount (refer note 10.1)	0.46	0.46
Unclaimed dividend (refer note 10.1)	0.88	0.57
Mobilisation advance from contractees	12,513.22	7,459.68
Payable on purchase of capital goods	25.45	28.47
Statutory dues payable	128.39	145.13
Other payables	3,277.89	1,879.26
	18,369.76	11,482.17

10.1 These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

11. SHORT-TERM PROVISIONS		
Provision for employee benefits	8.53	7.55
Provision for tax (refer note 11.1)	192.38	3,412.94
Proposed dividend	525.41	262.71
Tax on proposed dividend	85.23	42.62
	811.55	3,725.82

11.1 Provision for tax of ₹ 8,721.36 Lakhs (Previous year ₹ 7,221.35 Lakhs) is net of advance tax of ₹ 8,528.98 Lakhs (Previous year ₹ 3,808.41 Lakhs).

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

12. Fixed Assets

₹ in Lakhs

Particulars	Gross Block				Depreciation				Net Block	
	As at 31.03.2012	Additions	Sales	As at 31.03.2013	Upto 31.03.2012	For the Year	Sales	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets										
Land - Freehold	10.62	-	-	10.62	-	-	-	-	10.62	10.62
Office Buildings	749.01	931.80	-	1,680.81	47.87	1.38	-	49.25	1,631.56	701.14
Factory Building	13.12	-	-	13.12	6.53	0.44	-	6.97	6.15	6.59
Plant and Equipment	12,161.70	2,326.43	132.16	14,355.97	2,621.71	576.84	21.29	3,177.26	11,178.71	9,539.99
Vehicles	623.69	76.55	38.57	661.67	220.08	55.43	20.52	254.99	406.68	403.61
Office Equipments	47.60	25.53	-	73.13	3.00	3.18	-	6.18	66.95	44.60
Furniture and Fixtures	235.13	19.19	-	254.32	45.76	15.00	-	60.76	193.56	189.37
Computer	396.78	23.69	-	420.47	174.91	60.07	-	234.98	185.49	221.87
Total	**14,237.65**	**3,403.19**	**170.73**	**17,470.11**	**3,119.86**	**712.34**	**41.81**	**3,790.39**	**13,679.72**	**11,117.79**
Previous Year	14,490.97	1,801.66	2,054.98	14,237.65	3,835.79	787.50	1,503.43	3,119.86	11,117.79	

	As at 31.03.2013	As at 31.03.2012
13. NON-CURRENT INVESTMENTS		
Long-term, Unquoted, Trade		
Subsidiary Companies (wholly owned)		
i) AAP Infrastructure Limited 1,20,00,000 (1,20,00,000) equity shares of ₹ 10/- each fully paid up	1,200.00	1,200.00
ii) MBL Highway Development Company Limited 5,11,00,000 (4,51,76,000) equity shares of ₹ 10/- each fully paid up	5,110.00	4,517.60
iii) MBL (MP) Toll Road Company Limited 1,50,00,000 (1,50,00,000) equity shares of ₹ 10/- each fully paid up	1,500.00	1,500.00
iv) MBL Projects Limited 72,500 (Nil) equity shares of ₹ 10/- each fully paid up	7.25	-
v) MBL (MP) Road Nirman Company Limited 72,500 (Nil) equity shares of ₹ 10/- each fully paid up	7.25	-
Subsidiary Company (partly owned)		
i) Suratgarh Bikaner Toll Road Company Private Limited 32,250 (5,000) equity shares of ₹ 10/- each fully paid up	3.23	0.50
Others		
i) Narayan Infracon Private Limited 50,000 (50,000) equity shares of ₹ 10/- each fully paid up	5.00	5.00
ii) Orissa Steel Expressway Private Limited 1,95,84,000 (3,600) equity shares of ₹ 10/- each fully paid up	1,958.40	0.36
	9,791.13	7,223.46

13.1 100% investment in equity shares of wholly owned subsidiary, AAP Infrastructure Limited, 30% investment in equity shares of wholly owned subsidiaries, MBL Highway Development Company Limited and MBL (MP) Toll Road Company Limited and 30% investment in equity shares of partly owned subsidiary, Suratgarh Bikaner Toll Road Company Private Limited have been pledged with bankers against long term credit facilities availed by the respective subsidiary company.

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
14. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Prepaid expenses	47.64	91.55
Capital advances	6.34	178.60
	53.98	270.15
15. OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Share application money in SPVs/Subsidiaries (refer note 32)	9,823.10	-
Long-term trade receivable		
Retention and deposits	3,985.71	1,973.43
	13,808.81	1,973.43
16. INVENTORIES		
(As valued and certified by the management)		
(at cost or net realisable value, whichever is lower)		
Construction materials at site	49,118.68	44,879.15
	49,118.68	44,879.15
17. TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period exceeding six months (refer note 17.1)	1,167.13	1,520.94
Others (refer note 17.1)	29,067.51	15,583.46
	30,234.64	17,104.40

17.1 Trade receivables are subject to confirmation from certain parties.

18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with banks (refer note 18.1)	411.90	448.72
Cash on hand	269.75	180.65
Fixed deposits of maturity less than 3 months with banks (refer notes 18.2 to 18.4)	152.85	89.71
	834.50	719.08
Other bank balances		
Fixed deposits of maturity more than 3 months with banks (refer notes 18.2 to 18.4)	929.23	1,415.47
	1,763.73	2,134.55

18.1 Includes unclaimed share application and interest of ₹ 0.46 Lakhs (Previous year ₹ 0.46 Lakhs) and unclaimed dividend of ₹ 0.88 Lakhs (Previous year ₹ 0.57 Lakhs).

18.2 Includes fixed deposits pledged with banks as margin ₹ 532.42 Lakhs (Previous year ₹ 788.64 Lakhs).

18.3 Includes fixed deposits pledged with others as security deposit ₹ 549.66 Lakhs (Previous year ₹ 716.54 Lakhs).

18.4 Fixed deposits with banks include deposits of ₹ 793.18 Lakhs (Previous year ₹ 578.67 Lakhs) with maturity of more than 12 months.

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Others		
Prepaid expenses	241.43	145.51
Advances against materials, services etc. (refer note 19.1)	6,811.71	5,024.03
	7,053.14	5,169.54

19.1 Advances against materials and services are subject to confirmation from certain parties.

20. OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Security and other deposits	367.06	546.78
Accrued interest on fixed deposits	64.59	83.61
	431.65	630.39

₹ in Lakhs

	For the year ended 31.03.2013	For the year ended 31.03.2012
21. REVENUE FROM OPERATIONS		
Construction and project related activities	134,290.82	125,141.93
	134,290.82	125,141.93
22. OTHER INCOME		
Claims	8.58	2.07
Interest on fixed deposits	99.91	158.88
Miscellaneous income and receipts	4.69	0.34
Profit on sale of fixed assets	-	10.51
Profit on sale of long term investments	-	6.86
	113.18	178.66
23. COST OF MATERIALS CONSUMED		
Consumption of raw materials	95,423.22	95,902.63
	95,423.22	95,902.63
24. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	1,981.81	1,558.01
Contribution to provident and other funds	81.34	60.75
Provision for employee retirement benefits	25.50	24.30
Staff welfare expenses	107.45	54.56
Director's remuneration	60.00	42.00
	2,256.10	1,739.62
25. FINANCE COSTS		
Interest expense	4,937.84	4,321.07
Net loss on foreign currency transactions and translation	87.23	183.25
Other borrowing costs	103.74	98.82
	5,128.81	4,603.14

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	For the year ended 31.03.2013	For the year ended 31.03.2012
26. OTHER EXPENSES		
Power, fuel and lubricants	2,058.48	2,227.76
Direct labour, sub-contract etc.	17,989.01	6,250.68
Stores and spares consumed	596.67	586.48
Hire charges - vehicles and equipments	246.83	255.95
Site development expenses	90.46	7.74
Repairs to machinery	90.40	54.20
Other repairs	122.27	96.00
Insurance	72.87	61.91
Rates and taxes, excluding, taxes on income	609.54	1,168.27
Sites rent	152.23	130.96
Office rent	2.29	12.99
Payments to auditor		
Statutory audit	14.61	5.62
Tax audit	1.59	0.28
Other services	5.20	0.85
Miscellaneous expenses	1,160.33	776.24
Bank commission and charges	219.53	294.68
Loss on sale of fixed assets	35.59	-
	23,467.90	11,930.61

27. Disclosure in respect of Joint Ventures

List of Joint Ventures	Proportion of Ownership Interests	Assets	Liabilities	Income	Expenses
MBL-Atlas (JV)	51%	-	-	668.16	628.72
TCIL-MBL (JV)	51%	-	-	1,634.00	1,634.00
MBL-Calcutta Industrial Supply Corporation (JV)	60%	-	-	320.68	301.95
MBL-Lakheshwari Builders Pvt.Ltd. (JV)	60%	-	-	-	112.20
MBL-Supreme (JV)	50%	-	-	50.43	49.42

All Joint Ventures are of Indian origin.

28. Earnings per Share

₹ in Lakhs

		2012-2013	2011-2012
(i)	**Profit computation for earning per share of ₹ 10/- each**		
	Net profit as per statement of profit & loss before earlier years' tax (₹ In Lakhs)	5,532.63	7,083.86
	Net profit as per statement of profit & loss after earlier years' tax (₹ In Lakhs)	5,532.63	7,083.86
(ii)	**Weighted average number of equity shares for EPS computation**		
	For Basic EPS	17,513,727	17,513,727
	For Diluted EPS	17,513,727	17,513,727
(iii)	**Basic EPS (weighted average)**		
	Basic EPS (before earlier years' tax) (₹)	31.59	40.45
	Basic EPS (after earlier years' tax) (₹)	31.59	40.45
(iv)	**Diluted EPS (weighted average)**		
	Diluted EPS (before earlier years' tax) (₹)	31.59	40.45
	Diluted EPS (after earlier years' tax) (₹)	31.59	40.45

29. Employee Benefits

The Disclosure as per Accounting Standard (AS) 15 (Revised 2005) of the Companies (Accounting Standards) Rules, 2006 is as under -

		2012-2013	2011-2012
(i)	**Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation for gratuity:**		
	Obligation at the beginning of the financial year	55.48	40.40
	Service cost	15.06	14.06
	Interest on defined benefit obligation	4.53	3.42
	Benefits settled	(1.10)	(0.25)
	Actuarial gain/ (loss)	(2.62)	(2.15)
	Obligation at the end of the financial year	71.35	55.48
(ii)	**Change in Plan assets**		
	Plan assets at the beginning of the financial year, at fair value	-	-
	Expected return on plan assets	-	-
	Actuarial gain/ (loss)	-	-
	Contributions	1.10	0.25
	Benefits settled	(1.10)	(0.25)
	Plan assets at the end of the financial year, at fair value	-	-

		2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
(iii)	**Reconciliation of Present Value of the obligation and the fair value of the plan assets:**					
	Closing DBO	71.35	55.48	40.40	22.07	7.85
	Closing fair value of plan assets	-	-	-	-	-
	Closing funded status	(71.35)	(55.48)	(40.40)	(22.07)	(7.85)
	Net asset/ (liability) recognised in the balance sheet	(71.35)	(55.48)	(40.40)	(22.07)	(7.85)

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	2012-2013	2011-2012
(iv) Expenses recognised in the statement of profit & loss		
Service cost	15.06	14.06
Interest cost	4.53	3.42
Expected return on plan assets	-	-
Actuarial (gains)/ loss	(2.62)	(2.15)
Net Gratuity Cost	16.97	15.33
(v) The basis used to determine the overall expected rate of return on assets including major categories of plan assets is as follows :	NA	NA
(vi) Assumptions		
a. Interest rate	8.25%	8.50%
b. Discounting factor	8.25%	8.50%
c. Estimated rate of return on plan assets	0.00%	0.00%
d. Salary increase	6.00%	6.00%
e. Attrition rate	5.00%	5.00%
f. Retirement age (years)	60	60

(vii) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(viii) The actuarial liability of compensated absences (unfunded) of accumulated previleged leaves of the employees of the Company is as under:

₹ in Lakhs

	Particulars	2012-2013	2011-2012
1	Current liability (within 12 months)	3.29	3.04
2	Non current liability	26.06	24.35

30. Segment Reporting

The Company has single business segment namely 'Infrastructure Activity'. Therefore, the Company's business does not fall under different business segments as defined by AS-17 issued by "The Institute of Chartered Accountants of India". The Company at present primarily operates in India and therefore the analysis of geographical segments is not applicable to the Company.

31. Disclosure pursuant to Clause 32 of Listing Agreement

There are no transactions that are required to be disclosed under Clause 32 of the Listing Agreement.

32. Disclosure of Related Parties /Related Party Transactions:

As per Accounting Standard (AS) - 18 of The Companies (Accounting Standards) Rules, 2006, the Company's related party disclosure is as under:

A. Related party disclosures

	Relationship	Name of the Related Party
(i)	Subsidiary Companies	a) AAP Infrastructure Limited b) MBL Highway Development Company Limited c) MBL (MP) Toll Road Company Limited d) MBL Projects Limited e) MBL (MP) Road Nirman Company Limited f) Suratgarh Bikaner Toll Road Company Private Limited
(ii)	Joint Ventures	a) TCIL - MBL (JV) b) MBL - Atlas (JV) c) MBL - Calcutta Industrial Supply Corporation (JV) d) MBL - Lakheshwari Builders Pvt. Ltd. (JV) e) MBL - Supreme (JV) f) Supreme - MBL (JV)
(iii)	Associates	a) Orissa Steel Expressway Private Ltd. - a Joint Venture SPV Company for BOT Project b) Narayan Infracon Private Limited
(iv)	Key Management Personnel	a) Mr. Anjanee Kumar Lakhotia (Chairman) b) Mr. Maruti Maheshwari (Executive Director) c) Mr. Aditya Maheshwari (Vice President - Operations) d) Mr. Anuj Maheshwari (Vice President - Operations)
(v)	Enterprises owned or significantly influenced by key management personnel or their relatives	a) Prabhu International Vyapar Pvt. Ltd. b) MBL A Capital Limited c) MSP Infrastructures Ltd. d) Narayan Infracon Private Limited e) Sahaj Promoters Pvt. Ltd. f) Mahamaya Trade-link Pvt. Ltd. (subsidiary of MBL A Capital Limited)

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business ₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Payments:				
Salary				
Anjanee Kumar Lakhotia	-	-	36.00	-
	-	-	(24.00)	-
Maruti Maheshwari	-	-	24.00	-
	-	-	(18.00)	-
Aditya Maheshwari	-	-	9.00	-
	-	-	(8.00)	-
Anuj Maheshwari	-	-	9.00	-
	-	-	(8.00)	-

Notes on Financial Statements

for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Director Sitting Fee				
Ram Gopal Maheshwari	-	-	0.60	-
	-	-	(0.80)	-
Dividend				
Ram Gopal Maheshwari	-	-	33.73	-
	-	-	(89.95)	-
Anjanee Kumar Lakhotia	-	-	7.62	-
	-	-	(20.32)	-
Maruti Maheshwari	-	-	0.37	-
	-	-	(0.98)	-
Aditya Maheshwari	-	-	0.75	-
	-	-	(2.00)	-
Anuj Maheshwari	-	-	0.75	-
	-	-	(2.00)	-
Prabhu International Vyapar Pvt. Ltd.	-	-	-	47.40
	-	-	-	(126.41)
MBL A Capital Limited	-	-	-	58.77
	-	-	-	(156.72)
Share Application Money				
Suratgarh Bikaner Toll Road Company Pvt. Ltd.	9,503.10	-	-	-
	-	-	-	-
Orissa Steel Expressway Private Ltd.	320.00	-	-	-
	-	-	-	-
Advance				
MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	2.12	-	-
	-	-	-	-
Receipts:				
Supreme - MBL (JV)	310.99	-	-	-
	-	-	-	-
TCIL - MBL (JV)	-	3,411.64	-	-
	-	(2,643.32)	-	-
MBL - Calcutta Industrial Supply Corporation (JV)	-	175.14	-	-
	-	(241.97)	-	-
MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	-	-	-
	-	(87.65)	-	-
MBL - Supreme (JV)	-	1.77	-	-
	-	-	-	-
Operation & Maintenance Charges - AAP Infrastructure Limited	319.09	-	-	-
	(28.26)	-	-	-
Repayment Received:				
AAP Infrastructure Limited	-	-	-	-
	(452.17)	-	-	-
MSP Infrastructures Ltd.	-	-	-	-
	(650.26)	-	-	-

₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Investment Purchased/Subscribed:				
MBL A Capital Limited	-	-	-	-
	(2.00)	-	-	-
Anjanee Kumar Lakhotia	-	-	-	-
	-	-	(2.00)	-
MBL Highway Development Company Limited	592.40	-	-	-
	(4,515.20)	-	-	-
MBL (MP) Toll Road Company Limited	-	-	-	-
	(1,497.60)	-	-	-
Narayan Infracon Private Limited	-	-	-	-
	(5.00)	-	-	-
Suratgarh Bikaner Toll Road Company Pvt. Ltd.	2.73	-	-	-
	(0.50)	-	-	-
Orissa Steel Expressway Private Ltd.	1,958.04	-	-	-
	-	-	-	-
MBL Projects Limited	5.00	-	1.00	1.00
	-	-	-	-
MBL (MP) Road Nirman Company Limited	5.00	-	1.00	1.00
	-	-	-	-
Share Application Money				
Narayan Infracon Private Limited	0.20	-	-	-
	-	-	-	-
Mobilisation Advance Received				
MBL Highway Development Company Limited	1,767.50	-	-	-
	(2,650.00)	-	-	-
MBL (MP) Toll Road Company Limited	2,967.40	-	-	-
	(701.10)	-	-	-
Suratgarh Bikaner Toll Road Company Pvt. Ltd.	12,750.00	-	-	-
	-	-	-	-
Development Charges				
MBL Highway Development Company Limited	9,432.97	-	-	-
	(5,473.63)	-	-	-
MBL (MP) Toll Road Company Limited	2,626.81	-	-	-
	(1,094.26)	-	-	-
Retention Money Deducted				
MBL Highway Development Company Limited	2,433.96	-	-	-
	(547.36)	-	-	-
MBL (MP) Toll Road Company Limited	634.79	-	-	-
	(109.43)	-	-	-

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
C.	**Balance outstanding as on 31st March, 2013**				
	Amount Receivable at Year End:				
	Supreme - MBL (JV)	-	-	-	-
		-	(310.99)	-	-
	TCIL - MBL (JV)	-	2,585.15	-	-
		-	(3,105.04)	-	-
	MBL - Calcutta Industrial Supply Corporation (JV)	-	236.72	-	-
		-	(91.18)	-	-
	MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	306.44	-	-
		-	(121.96)	-	-
	MBL - Supreme (JV)	-	92.73	-	-
		-	-	-	-
	Investment Outstanding at Year End:				
	AAP Infrastructure Limited	1,200.00	-	-	-
		(1,200.00)	-	-	-
	MBL Highway Development Company Limited	5,110.00	-	-	-
		(4,517.60)	-	-	-
	MBL (MP) Toll Road Company Limited	1,500.00	-	-	-
		(1,500.00)	-	-	-
	Narayan Infracon Private Limtied	5.00	-	-	-
		(5.00)	-	-	-
	Suratgarh Bikaner Toll Road Company Pvt. Ltd.	3.23	-	-	-
		(0.50)	-	-	-
	Orissa Steel Expressway Private Ltd.	1,958.40	-	-	-
		(0.36)	-	-	-
	MBL Projects Limited	7.25	-	-	-
		-	-	-	-
	MBL (MP) Road Nirman Company Limited	7.25	-	-	-
		-	-	-	-
	Share Application Money at Year End:				
	Narayan Infracon Private Limtied	-	-	-	-
		(0.20)	-	-	-
	Suratgarh Bikaner Toll Road Company Pvt. Ltd.	9,503.10	-	-	-
		-	-	-	-
	Orissa Steel Expressway Private Limtied	320.00	-	-	-
		-	-	-	-
	Mobilisation Advance at year end:				
	MBL Highway Development Company Limited	690.85	-	-	-
		(1,828.96)	-	-	-
	MBL (MP) Toll Road Company Limited	2,738.23	-	-	-
		(536.96)	-	-	-
	Suratgarh Bikaner Toll Road Company Pvt. Ltd.	12,750.00	-	-	-
		-	-	-	-

₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Development Charges Receivable				
MBL Highway Development Company Limited	1,706.34	-	-	-
	-	-	-	-
MBL (MP) Toll Road Company Limited	103.58	-	-	-
	-	-	-	-
Retention Money Deducted				
MBL Highway Development Company Limited	2,981.32	-	-	-
	(547.36)	-	-	-
MBL (MP) Toll Road Company Limited	744.21	-	-	-
	(109.43)	-	-	-

Previous year's figures are in brackets

33. Contingent Liabilities and Commitments

₹ in Lakhs

		As at 31.03.2013	As at 31.03.2012
I	Contingent Liabilities		
(i)	Claims against the Company / disputed liabilities not acknowledged as debts		
	(to the extent ascertained)	35.00	648.22
(ii)	Corporate guarantee given on behalf of a wholly owned subsidiary company		
	AAP Infrastructure Limited	4,160.77	4,503.77
(iii)	Outstanding bank guarantees	23,961.12	21,587.46
(iv)	Outstanding letter of credit	289.32	-
(v)	Tax matters in disputed under appeal	1,387.10	-
	Company has preferred appeal against the orders of Deputy Commissioner of Income Tax for the Assessment Years from 2005-06 to 2011-12. Based on the expert opinions obtained, it has been advised to the Company that no provision is required against the same.		

II Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as on 31.3.2013 is ₹ 1.44 Lakhs (Previous year ₹ 745.00 Lakhs).Advances paid on capital account is ₹ 6.34 Lakhs (Previous year ₹ 125.90 Lakhs).

Notes on Financial Statements
for the year ended 31st March, 2013 (Contd.)

34. Information in accordance with the requirements of the Accounting Standard (AS-7) as per Companies (Accounting Standards) Rules, 2006 :

₹ in Lakhs

	2012-2013	2011-2012
Contract revenue recognised for the year ended 31st March, 2013	134,292.23	125,141.93
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2013 for all the contracts in progress	74,267.53	89,261.03
The amount of customer advances outstanding for contracts in progress as at 31st March, 2013	21,278.50	5,613.03
The amount of retention due from customers for contracts in progress as at 31st March, 2013	6,161.98	4,521.93
Gross amount due from customers for contracts in progress	14,556.28	8,588.56

35. Raw materials, stores & spares consumed are 100% indigenous.

36. Expenditure in Foreign Currency

₹ in Lakhs

	2012-2013	2011-2012
Interest Charges/Bank Charges	789.69	850.07

37. Previous year figures have been reclassified, regrouped, rearranged and recomputed to conform to this year's classification, wherever considered necessary.

38. Figures in the financial statements have been rounded off in rupees lakhs upto two decimal places.

The notes are an integral part of the financial statements.

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

Independent Auditor's Report
on Consolidated Financial Statements

To
The Board of Directors of
MBL Infrastructures Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MBL INFRASTRUCTURES LIMITED ("the Company"), and its subsidiaries (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 accounting 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 the 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 Standards 21, "Consolidated Financial Statements" 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 Standards 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 fair presentation of the consolidated 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 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

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements 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 Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

b) in the case of the Consolidated Statements of Profit and Loss, of the profit for the year ended on that date; and

c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E
Hitesh Lilha
(Partner)
Membership No. 069536

Place: New Delhi
Dated: 13th July, 2013

Consolidated Balance Sheet

as at 31st March, 2013

₹ in Lakhs

	Note No.	As at 31.03.2013	As at 31.03.2012
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	1,751.37	1,751.37
Reserves and surplus	3	38,014.38	32,960.30
Minority interest		1.77	-
Non-Current Liabilities			
Long-term borrowings	4	27,743.61	15,469.52
Deferred tax liabilities	5	2,975.03	2,592.03
Other long-term liabilities	6	4,284.99	2,619.13
Long-term provisions	7	92.17	75.33
Current Liabilities			
Short-term borrowings	8	36,687.23	28,727.52
Trade payables	9	9,757.67	2,182.62
Other current liabilities	10	10,159.35	9,997.59
Short-term provisions	11	846.78	3,741.42
Total		**132,314.35**	**100,116.83**
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible assets	12	13,679.72	11,117.79
Intangible assets	12	5,183.05	5,580.07
Intangible Assets under development	12	20,882.92	7,033.22
Non-current investments	13	1,963.40	5.86
Long-term loans and advances	14	53.98	270.15
Other non-current assets	15	580.18	1,316.64
Current Assets			
Inventories	16	49,118.68	44,879.15
Trade receivables	17	25,347.74	17,104.40
Cash and bank balances	18	7,659.61	6,847.44
Short-term loans and advances	19	7,228.14	5,169.94
Other current assets	20	616.93	792.17
Total		**132,314.35**	**100,116.83**
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 37		

The notes are an integral part of the financial statements.

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

MBL
Creating Highways to Success

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2013

₹ in Lakhs

	Note No.	for the year ended 31.03.2013	for the year ended 31.03.2012
INCOME			
Revenue from operations	21	135,542.99	126,526.70
Other income	22	158.69	216.37
Total Revenue		**135,701.68**	**126,743.07**
EXPENSES			
Cost of materials consumed	23	95,423.22	95,902.63
Employee benefits expense	24	2,262.63	1,745.78
Finance costs	25	5,768.31	5,310.52
Depreciation and amortisation expense	12	1,109.36	1,130.42
Other expenses	26	23,515.34	12,091.99
Total Expenses		**128,078.86**	**116,181.34**
Profit before tax		**7,622.82**	**10,561.73**
Tax Expenses			
Current tax		1,541.56	2,799.00
Tax for earlier years		33.54	-
Deferred tax		383.00	513.23
Profit for the year		**5,664.72**	**7,249.50**
Earnings per equity share (₹)			
Basic		32.34	41.39
Diluted		32.34	41.39
Significant Accounting Policies	1		
Notes on Financial Statements	2 to 37		

The notes are an integral part of the financial statements.

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

Consolidated Cash Flow Statement

for the year ended 31st March, 2013

₹ in Lakhs

	Year Ended 31.03.2013		Year Ended 31.03.2012	
A. Cash flow from operating activities				
Net profit before tax & extraordinary items		7,622.82		10,561.73
Adjusted for :				
(Profit) / Loss on sale of fixed assets	35.59		(10.51)	
(Profit) / Loss on sale of investments	-		(6.86)	
Depreciation	1,109.36		1,130.42	
Interest and finance charges	5,768.31	6,913.26	5,310.52	6,423.57
Operating profit before working capital changes		**14,536.08**		**16,985.30**
(Increase) / Decrease in inventories	(4,239.53)		(25,713.53)	
(Increase) / Decrease in trade and other receivable	(8,697.95)		11,995.41	
Increase / (Decrease) in trade payables and other liabilities	9,420.49	(3,516.99)	(1,834.63)	(15,552.75)
Cash generated from operations		**11,019.09**		**1,432.55**
Direct taxes paid		(4,776.03)		(716.86)
Net cash generated from / (used in) operating activities		**6,243.06**		**715.69**
B. Cash flow from investing activities				
Additions in fixed assets	(17,252.89)		(8,820.42)	
Sale of fixed assets	93.33		562.06	
(Additions) / Disposals of investments	(1,957.54)		1.50	
Net cash generated from / (used in) investing activities		**(19,117.10)**		**(8,256.86)**
C. Cash flow from financing activities				
(Repayments) / Proceeds of secured loan	20,233.80		19,311.44	
(Repayments) / Proceeds of unsecured loan	-		(1,500.00)	
Minority Interest	1.77		-	
Dividend & corporate tax on dividend paid	(305.33)		(814.20)	
Interest and finance charges	(5,768.31)		(5,310.52)	
Net cash generated from / (used in) financing activities		**14,161.93**		**11,686.72**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		**1,287.89**		**4,145.54**
Opening balance of cash & cash equivalent		**5,004.95**		**859.41**
Closing balance of cash & cash equivalent (refer note 18)		**6,292.84**		**5,004.95**

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

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

1. SIGNIFICANT ACCOUNTING POLICIES

a. Principles of Consolidation

The Consolidated Financial Statements comprise MBL Infrastructures Ltd. ("the Company") and its subsidiary companies as at 31st March, 2013 and for the year ended on that date.

List of subsidiary companies included in consolidation are as under:

Name of the Subsidiary	Subsidiary since	Country of Incorporation	% holding	Nature of relationship
AAP Infrastructure Limited	23.03.2004	India	100.00%	Subsidiary
MBL Highway Development Company Limited	23.08.2011	India	100.00%	Subsidiary
MBL (MP) Toll Road Company Limited	31.10.2011	India	100.00%	Subsidiary
MBL (MP) Road Nirman Company Limited	07.03.2013	India	100.00%	Subsidiary
MBL Projects Limited	12.12.2012	India	100.00%	Subsidiary
Suratgarh Bikaner Toll Road Company Private Limited	25.03.2013	India	64.50%	Subsidiary

The Consolidated Financial Statements have been prepared on the following basis:

(i) The financial statements of the Company and its subsidiaries are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-company balances in accordance with the Accounting Standard 21 on " Consolidated Financial Statements" of the Companies (Accounting Standards) Rules, 2006.

(ii) The financial statements of the subsidiaries are drawn-up upto the same reporting date as that of the Company, i.e. March 31, 2013.

(iii) The Consolidated Financial Statements are prepared to the extent possible using uniform accounting policies for the like transactions and other events in similar circumstances and are presented in the manner as the Company's separate financial statements.

b. Basis of Preparation of Financial Statements

(i) The financial statements of the Company and its subsidiaries have been prepared under the historical cost convention (other than certain Fixed Assets which are stated at revalued amount) and in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.

(ii) The Company and its subsidiaries follows mercantile system of accounting and recognises income and expenditure on accrual basis.

c. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of income and expenses and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d. Revenue Recognition

(i) In respect of construction/ project related activity, the Company follows percentage of completion method. Percentage of completion is determined by survey of work performed / physical measurement of work actually completed at the Balance Sheet date taking into account contractual price/ unit rates and revision thereto.

(ii) Revenue in respect of claims is recognised to the extent the Company and its subsidiaries is reasonably certain of their realisation.

(iii) Other operational income is recognized on rendering of related services, as per the terms of the contracts.

(iv) Other items of income are accounted as and when the right to receive arises.

(v) Fee collections from users of facilities are accounted for as and when the amount is due and recovery of which is certain. The user fees are accounted for net off operation and maintenance charges.

(vi) Each contract is recognised as a profit centre. Payments/ reimbursements under the same are grouped under direct and other expenses.

e. Fixed Assets, Depreciation and Amortisation

(i) Fixed assets are stated at their original cost. Cost includes acquisition price, attributable expenses and pre-operational expenses. Fixed assets retired from active use are valued at net realisable value.

(ii) Depreciation on fixed assets is provided on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over their remaining useful life.

(iii) Assets acquired on equipment finance (hire purchase) are stated at their cash values.

(iv) Carriage ways, being right to operate and maintain highways on Build, Operate and Transfer (BOT) basis is capitalized on commencement of commercial operation of homogeneous section as per concession agreement. Expenditure incurred during the construction period including borrowing cost attributable to the homogeneous section is proportionately allocated and is netted of proportionate capital subsidy.

(v) Toll collection rights are amortised over the concession period. The rights are amortised based on the projected toll revenue which reflects the pattern in which the assets' economic benefits are consumed.The projected total toll revenue is based on the latest available base case traffic volume projections. If there is material change in the expected pattern of economic benefits the amortisation is revised.

f. Foreign Currency Transactions

(i) The reporting currency of the Company and its subsidiaries is the Indian Rupee (₹).

(ii) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

(iii) Monetary items denominated in foreign currencies, if any, at the end of the year are restated at year end rates.

(iv) Non monetary foreign currency items are carried at cost.

(v) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss.

g. Financial Derivatives & Hedging transactions

(i) The Company uses derivative financial instruments such as forward exchange contracts, options, currency swaps, etc., to hedge its risks associated with foreign currency fluctuations relating to the underlying transactions.

(ii) Financial derivatives and hedging contracts are accounted on the date of their settlement and realised gain/loss in respect of settled contracts is recognised in the Statement of Profit and Loss along with the underlying transactions.

h. Leases

The Company's significant leasing arrangements are in respect of operating leases for premises and quarries for varying periods and the lease can be renewed as per mutual agreement. The aggregate lease rents payable are charged as rent in the Statement of Profit and Loss. There is no restriction or contingent rent in the lease agreements. All leases are cancelable in nature.

i. Inventories

Construction materials are valued at cost or net realisable value whichever is lower. Cost of inventories is ascertained on FIFO basis.

j. **Taxes on Income**

(i) Provision for current tax is made after taking into consideration benefits admissible under the provision of the Income Tax Act, 1961.

(ii) Deferred tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognised and carried forward only to the extent that there is reasonable certainty that the assets will be adjusted in future. The carrying amount of deferred tax assets are reviewed at each balance sheet date. In case of unabsorbed depreciation and losses, deferred tax assets are recognised and carried forward only to the extent there is a virtual certainty that the asset will be adjusted in future.

k. **Employee Benefits**

(i) All employees benefits payable wholly within twelve months of rendering the service such as salaries, wages, short term compensated absences, etc. and the expected cost of bonus, ex-gratia are recognized in the period in which the employees render the related services.

(ii) Retirement benefit in the form of provident fund is a defined contribution scheme and the contributions are charged to the statement of profit and loss when the contributions to the respective funds are accrued. Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation made at the end of each financial year. Short term and long term compensated absences are provided for based on actuarial valuation at the year end. Actuarial gains/losses are immediately taken to statement of profit and loss and are not deferred.

l. **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 necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to statement of profit and loss.

m. **Accounting for Joint Venture Contracts**

(i) Contracts executed in Joint Venture under work sharing arrangement (consortium) are accounted in accordance with the accounting policy followed by the Company as that of an independent contract to the extent work is executed.

(ii) Assets, liabilities and expenditure arising out of contracts executed wholly by the Company pursuant to a joint venture contract are recognised under respective heads in the financial statements. Income from the contract is accounted net of joint venturer's share under income from operations in these financial statements.

(iii) Share of turnover attributable to the Company in respect of contracts executed by the other joint venture partners pursuant to joint venture agreement, is accounted under income from operations in these financial statements.

n. **Impairment of Assets**

The carrying amount of assets is reviewed at each balance sheet date to determine if there is any indication of impairment thereof based on external / internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount, which represents the greater of the net selling price of assets and their 'value in use'. The estimated future cash flows are discounted to their present value at appropriate rate arrived at after considering the prevailing interest rates and weighted average cost of capital.

o. **Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are neither recognised nor disclosed in the financial statements.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
2. SHARE CAPITAL		
Authorised		
2,52,50,000 (2,52,50,000) equity shares of ₹ 10/- each	2,525.00	2,525.00
Issued, subscribed and paid up		
1,75,13,727 (1,75,13,727) equity shares of ₹ 10/- each fully paid up	1,751.37	1,751.37
	1,751.37	1,751.37

2.1 The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

2.2 The details of Shareholders holding more than 5% shares of the aggregate shares in the Company:

Name of the Shareholders	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	%	No. of Shares	%
MBL A Capital Limited (formerly SMH Capital Limited)	3931687	22.44	3918187	22.37
Prabhu International Vyapar Private Limited	3160290	18.04	3160290	18.04
Ram Gopal Maheshwari	2248750	12.84	2248750	12.84
Reliance Capital Trustee Company Limited - Reliance Infrastructure Fund	1394956	07.96	1394956	07.96
ICICI Prudential Mutual Fund - Under Various Schemes	802276	04.58	977293	05.58

3. RESERVES AND SURPLUS		
Capital Redemption Reserve		
Balance as per last account	1,391.01	1,391.01
Securities Premium Account		
Balance as per last account	10,281.67	10,281.67
General Reserve		
Opening balance	15,000.00	10,000.00
Add - Transfer from surplus	5,000.00	5,000.00
Closing balance	20,000.00	15,000.00
Surplus as per Profit and Loss Account		
Opening balance	6,287.62	4,648.78
Add - Transfer from statement of profit and loss	5,664.72	7,249.50
Less - Interim dividend paid	-	(262.71)
Less - Corporate tax on interim dividend	-	(42.62)
Amount available for appropriation	11,952.34	11,592.95
Appropriation		
Less - Proposed dividend (refer note 3.1)	(525.41)	(262.71)
Less - Corporate tax on proposed dividend	(85.23)	(42.62)
Less - Transfer to General Reserve	(5,000.00)	(5,000.00)
Closing balance	6,341.70	6,287.62
	38,014.38	32,960.30

3.1 Dividend proposed to be distributed to equity shareholders is ₹ 3.00 (Previous year ₹ 1.50) per equity share.

4. LONG-TERM BORROWINGS

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
Secured		
Equipment / Vehicle finance / Term loan / External commercial borrowings		
From banks	27,718.25	15,402.86
From others	25.36	66.66
	27,743.61	15,469.52

4.1 External commercial borrowings (ECB) availed from banks are secured by hypothecation of certain plant and equipments.

4.2 ECBs with currency swaps oustanding as at 31.03.2013 is ₹ 4,634.49 Lakhs (long term ₹ 2,642.43 Lakhs and current maturities ₹ 1,992.06 Lakhs).

4.3 Unhedged ECBs outstanding as at 31.03.2013 is ₹ 17,036.49 Lakhs (restated at the year end rates), (long term ₹ 16,649.63 Lakhs and current maturities ₹ 386.86 Lakhs).

4.4 External commercial borrowings (ECB) availed by MBL Highway Development Company Ltd. and MBL (MP) Toll Road Company Limited is secured by road on BOT basis and pledge of 30% equity shares of the Company held by the holding company. The ECB is restated at year end currency rates on marked to market basis and provision is made for exchange fluctuation.

4.5 Term loan availed by AAP Infrastructure Ltd. is secured by road on BOT basis, personal guarantees of certain director/s, corporate guarantee of the holding company and pledge of 100% equity shares of the Company held by the holding company.

4.6 Equipment / Vehicle finance availed from banks and others are secured by hypothecation of the respective assets; comprising construction equipments and vehicles acquired out of the said loans and personal guarantees of promoter director/s of the Company.

4.7 Maturity profile of long term borrowings are as set out below :

₹ in Lakhs

Particulars	Rate of Interest (%) ^	within 1 year	1 to 2 years	2 to 3 years	beyond 3 years
From banks	between 5.27 - 8.75	1,399.81	1,811.00	1,595.66	13,614.89
	between 9.25 - 11.69	246.49	373.77	-	-
	between 12.00 -13.02	1,553.44	1,442.66	2,230.26	6,650.00
From others	between 9.25 - 11.75	31.72	25.36	-	-
	between 12.00 -13.78	2.78	-	-	-
Total		3,234.24	3,652.79	3,825.92	20,264.89

^ Includes interest rates that are linked to base rates of the respective lender, which may vary accordingly.

5. DEFERRED TAX LIABILITIES		
Difference between book and tax depreciation	1,360.01	1,112.83
Retention money not yet released and hence not offered for taxation	1,675.55	1,479.20
Less : Deferred assets	(60.53)	-
	2,975.03	2,592.03
6. OTHER LONG-TERM LIABILITIES		
Mobilisation advance from contractees	2,313.70	1,137.13
Other payables	1,971.29	1,482.00
	4,284.99	2,619.13

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
7. LONG-TERM PROVISIONS		
Provision for employee benefits	92.17	75.33
	92.17	75.33
8. SHORT-TERM BORROWINGS		
Secured		
Working capital facilities from banks	36,687.23	28,727.52
	36,687.23	28,727.52

8.1 Working capital facilities in the form of cash credit facilities and working capital demand loans from consortium of banks are secured by:

i) Hypothecation of book debts and other current assets of the Company, both present and future, ranking pari passu with consortium banks.

ii) Hypothecation of all unencumbered fixed assets (excluding those present and future fixed assets under specific charge for loans against those specific assets) of the Company both present and future ranking pari passu with consortium banks.

iii) Equitable mortgage of land & building at Bhadravati (Karnataka), land at Dankuni (West Bengal), land at Rourkela (Orissa), office space at Jasola (New Delhi), office space at Kolkata (West Bengal) and personal guarantees of promoter director/s of the Company.

9. TRADE PAYABLES		
Acceptances	1,650.87	-
Micro, Small and Medium Enterprises (refer note 9.1)	-	-
Others (refer note 9.2)	8,106.80	2,182.62
	9,757.67	2,182.62

9.1 There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, and which are outstanding for more than 30 days as at 31st March, 2013. This information as required to be disclosed under Micro, Small, Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

9.2 Trade payables are subject to confirmation from certain parties.

10. OTHER CURRENT LIABILITIES		
Current maturities of long term borrowings		
From banks	3,199.73	2,392.10
From others	34.51	130.26
Unclaimed share application and interest amount (refer note 10.1)	0.46	0.46
Unclaimed dividend (refer note 10.1)	0.88	0.57
Mobilisation advance from contractees	2,709.14	5,093.76
Payable on purchase of capital goods	25.45	28.47
Statutory dues payable	128.39	145.13
Other payables	4,060.79	2,206.84
	10,159.35	9,997.59

10.1 These figures do not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund.

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
11. SHORT-TERM PROVISIONS		
Provision for employee benefits	8.53	7.55
Provision for tax (refer note 11.1)	227.61	3,428.54
Proposed dividend	525.41	262.71
Tax on proposed dividend	85.23	42.62
	846.78	3,741.42

11.1 Provision for tax of ₹ 8,818.84 Lakhs (Previous year ₹ 7,366.01 Lakhs) is net of advance tax of ₹ 8,591.23 Lakhs (Previous year ₹ 3,937.47 Lakhs).

12. Fixed Assets

Particulars	Gross Block				Depreciation				Net Block	
	As at 31.03.2012	Additions	Sales	As at 31.03.2013	Upto 31.03.2012	For the Year	Sales	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets										
Land - Freehold	10.62	-	-	10.62	-	-	-	-	10.62	10.62
Office Buildings	749.01	931.80	-	1,680.81	47.87	1.38	-	49.25	1,631.56	701.14
Factory Building	13.12	-	-	13.12	6.53	0.44	-	6.97	6.15	6.59
Plant and Equipment	12,161.70	2,326.43	132.16	14,355.97	2,621.71	576.84	21.29	3,177.26	11,178.71	9,539.99
Vehicles	623.69	76.55	38.57	661.67	220.08	55.43	20.52	254.99	406.68	403.61
Office Equipments	47.60	25.53	-	73.13	3.00	3.18	-	6.18	66.95	44.60
Furniture and Fixtures	235.13	19.19	-	254.32	45.76	15.00	-	60.76	193.56	189.37
Computer	396.78	23.69	-	420.47	174.91	60.07	-	234.98	185.49	221.87
Total Tangible Assets (A)	**14,237.65**	**3,403.19**	**170.73**	**17,470.11**	**3,119.86**	**712.34**	**41.81**	**3,790.39**	**13,679.72**	**11,117.79**
Intangible Assets										
Carriage Ways *	7,297.87	-	-	7,297.87	1,717.80	397.02	-	2,114.82	5,183.05	5,580.07
Total Intangible Assets (B)	**7,297.87**	**-**	**-**	**7,297.87**	**1,717.80**	**397.02**	**-**	**2,114.82**	**5,183.05**	**5,580.07**
Total (A+B)	**21,535.52**	**3,403.19**	**170.73**	**24,767.98**	**4,837.66**	**1,109.36**	**41.81**	**5,905.21**	**18,862.77**	**16,697.86**
Previous Year	21,788.83	1,801.66	2,054.98	21,535.51	5,210.68	1,130.42	1,503.43	4,837.67	16,697.84	
Intangible Assets under Development									20,882.92	7,033.22

* Being the right to operate and maintain the highways on Build, Operate and Transfer basis

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
13. NON-CURRENT INVESTMENTS		
Long-term, Unquoted, Trade		
Subsidiary Company (partly owned)		
i) Suratgarh Bikaner Toll Road Company Private Limited (refer note 13.2) NIL (5,000) equity shares of ₹ 10/- each fully paid up	-	0.50
Others		
i) Narayan Infracon Private Limited 50,000 (50,000) equity shares of ₹ 10/- each fully paid up	5.00	5.00
ii) Orissa Steel Expressway Private Limited 1,95,84,000 (3,600) equity shares of ₹ 10/- each fully paid up	1,958.40	0.36
	1,963.40	5.86

13.1 100% investment in equity shares of wholly owned subsidiary, AAP Infrastructure Limited, 30% investment in equity shares of wholly owned subsidiaries, MBL Highway Development Company Limited and MBL (MP) Toll Road Company Limited and 30% investment in equity shares of partly owned subsidiary, Suratgarh Bikaner Toll Road Company Private Limited have been pledged with bankers against long term credit facilities availed by the respective subsidiary company.

13.2 During the year under review, Company has increased its shareholding to 32,250 equity shares (previous year 5,000 equity shares) in Suratgarh Bikaner Toll Road Company Private Limited representing 64.50% holding (50% in previous year) pursuant to which it has become the subsidiary of MBL Infrastructures Ltd., henceforth investment in the said subsidiary in previous year has been shown as investment however during this year due to consolidation of the accounts of the said subsidiary in our books on line to line basis, net impact has been shown as minority interest.

14. LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Prepaid expenses	47.64	91.55
Capital advances	6.34	178.60
	53.98	270.15
15. OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Share application money in SPVs (refer note 31)	320.00	-
Long-term trade receivable		
Retention and deposits	260.18	1,316.64
	580.18	1,316.64
16. INVENTORIES		
(As valued and certified by the management)		
(at cost or net realisable value, whichever is lower)		
Construction materials at site	49,118.68	44,879.15
	49,118.68	44,879.15
17. TRADE RECEIVABLES		
(Unsecured, considered good)		
Outstanding for a period exceeding six months (refer note 17.1)	1,167.13	1,520.94
Others (refer note 17.1)	24,180.61	15,583.46
	25,347.74	17,104.40

17.1 Trade receivables are subject to confirmation from certain parties.

₹ in Lakhs

	As at 31.03.2013	As at 31.03.2012
18. CASH & BANK BALANCES		
Cash and cash equivalents		
Balances with banks (refer note 18.1)	5,866.78	1,032.38
Cash on hand	273.21	182.37
Fixed deposits of maturity less than 3 months with banks (refer notes 18.2 to 18.4)	152.85	3,790.20
	6,292.84	5,004.95
Other bank balances		
Fixed deposits of maturity more than 3 months with banks (refer notes 18.2 to 18.4)	1,366.77	1,842.49
	7,659.61	6,847.44

18.1 Includes unclaimed share application and interest of ₹ 0.46 Lakhs (Previous year ₹ 0.46 Lakhs) and unclaimed dividend of ₹ 0.88 Lakhs (Previous year ₹ 0.57 Lakhs).

18.2 Fixed deposits pledged with banks as margin ₹ 909.61 Lakhs (Previous year ₹ 4,916.15 Lakhs).

18.3 Fixed deposits pledged with others as security deposit ₹ 610.01 Lakhs (Previous year ₹ 716.54 Lakhs)

18.4 Fixed deposits with banks include deposits of ₹ 1,230.72 Lakhs (Previous year ₹ 1,005.72 Lakhs) with maturity of more than 12 months.

19. SHORT-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Others		
Prepaid expenses	262.02	145.91
Advances against materials, services etc. (refer note 19.1)	6,966.12	5,024.03
	7,228.14	5,169.94

19.1 Advances against materials and services are subject to confirmation from certain parties.

20. OTHER CURRENT ASSETS		
(Unsecured, considered good)		
Security and other deposits	494.65	664.87
Others (refer note 20.1)	122.28	127.30
	616.93	792.17

20.1 Other current assets include accrued interest, etc.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	For the year ended 31.03.2013	For the year ended 31.03.2012
21. REVENUE FROM OPERATIONS		
Construction and project related activities	135,542.99	126,526.70
	135,542.99	126,526.70
22. OTHER INCOME		
Claims	8.58	2.07
Interest on fixed deposits	143.38	196.59
Miscellaneous income and receipts	6.73	0.34
Profit on sale of fixed assets	-	10.51
Profit on sale of long term investments	-	6.86
	158.69	216.37
23. COST OF MATERIALS CONSUMED		
Consumption of raw materials	95,423.22	95,902.63
	95,423.22	95,902.63
24. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	1,988.34	1,564.17
Contribution to provident and other funds	81.34	60.75
Provision for employee retirement benefits	25.50	24.30
Staff welfare expenses	107.45	54.56
Director's remuneration	60.00	42.00
	2,262.63	1,745.78
25. FINANCE COSTS		
Interest expense	5,577.34	5,028.45
Net loss on foreign currency transactions and translation	87.23	183.25
Other borrowing costs	103.74	98.82
	5,768.31	5,310.52
26. OTHER EXPENSES		
Power, fuel and lubricants	2,058.48	2,227.76
Direct labour, sub-contract etc.	17,989.01	6,250.68
Stores and spares consumed	596.67	586.48
Hire charges - vehicles and equipments	246.83	255.95
Site development expenses	90.46	7.74
Repairs to machinery	90.40	54.20
Other repairs	122.27	96.00
Insurance	75.10	63.24
Rates and taxes, excluding, taxes on income	609.54	1,168.27
Sites rent	152.23	130.96
Office rent	2.29	12.99
Payments to auditor		
Statutory audit	14.94	5.82
Tax audit	1.70	0.38
Other services	5.20	0.85
Miscellaneous expenses	1,204.85	934.81
Bank commission and charges	219.78	295.86
Loss on sale of fixed assets	35.59	-
	23,515.34	12,091.99

27. Disclosure in respect of Joint Ventures

₹ in Lakhs

List of Joint Ventures	Proportion of Ownership Interests	Assets	Liabilities	Income	Expenses
MBL-Atlas (JV)	51%	-	-	668.16	628.72
TCIL-MBL (JV)	51%	-	-	1,634.00	1,634.00
MBL-Calcutta Industrial Supply Corporation (JV)	60%	-	-	320.68	301.95
MBL-Lakheshwari Builders Pvt.Ltd. (JV)	60%	-	-	-	112.20
MBL-Supreme (JV)	50%	-	-	50.43	49.42

All Joint Ventures are of Indian origin.

28. Earnings per Share

	2012-2013	2011-2012
(i) Profit computation for earning per share of ₹ 10/- each		
Net profit as per statement of profit & loss before earlier years' tax (₹ In Lakhs)	5,698.26	7,249.50
Net profit as per statement of profit & loss after earlier years' tax (₹ In Lakhs)	5,664.72	7,249.50
(ii) Weighted average number of equity shares for EPS computation		
For Basic EPS	17,513,727	17,513,727
For Diluted EPS	17,513,727	17,513,727
(iii) Basic EPS (weighted average)		
Basic EPS (before earlier years' tax) (₹)	32.54	41.39
Basic EPS (after earlier years' tax) (₹)	32.34	41.39
(iv) Diluted EPS (weighted average)		
Diluted EPS (before earlier years' tax) (₹)	32.54	41.39
Diluted EPS (after earlier years' tax) (₹)	32.34	41.39

29. Employees' Benefits

The Disclosure as per Accounting Standard (AS) 15 (Revised 2005) of the Companies (Accounting Standards) Rules, 2006 is as under:

	2012-2013	2011-2012
(i) Reconciliation of Opening and Closing balances of the Present Value of the Defined Benefit Obligation for gratuity:		
Obligation at the beginning of the financial year	55.48	40.40
Service cost	15.06	14.06
Interest on defined benefit obligation	4.53	3.42
Benefits settled	(1.10)	(0.25)
Actuarial gain/ (loss)	(2.62)	(2.15)
Obligation at the end of the financial year	71.35	55.48

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

	2012-2013	2011-2012
(ii) Change in Plan assets		
Plan assets at the beginning of the financial year, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain/ (loss)	-	-
Contributions	1.10	0.25
Benefits settled	(1.10)	(0.25)
Plan assets at the end of the financial year, at fair value	-	-

	2012-2013	2011-2012	2010-2011	2009-2010	2008-2009
(iii) Reconciliation of present value of the obligation and the fair value of the plan assets:					
Closing DBO	71.35	55.48	40.40	22.07	7.85
Closing fair value of plan assets	-	-	-	-	-
Closing funded status	(71.35)	(55.48)	(40.40)	(22.07)	(7.85)
Net asset/ (liability) recognised in the balance sheet	(71.35)	(55.48)	(40.40)	(22.07)	(7.85)

	2012-2013	2011-2012
(iv) Expenses recognised in the statement of profit & loss		
Service cost	15.06	14.06
Interest cost	4.53	3.42
Expected return on plan assets	-	-
Actuarial (gains)/ loss	(2.62)	(2.15)
Net Gratuity Cost	16.97	15.33
(v) The basis used to determine the overall expected rate of return on assets including major categories of plan assets is as follows :	NA	NA
(vi) Assumptions		
a. Interest rate	8.25%	8.50%
b. Discounting factor	8.25%	8.50%
c. Estimated rate of return on plan assets	0.00%	0.00%
d. Salary increase	6.00%	6.00%
e. Attrition rate	5.00%	5.00%
f. Retirement age (years)	60	60

(vii) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

(viii) The actuarial liability of compensated absences (unfunded) of accumulated previleged leaves of the employees of the Company is as under:

Particulars		2012-2013	2011-2012
1	Current liability (within 12 months)	3.29	3.04
2	Non current liability	26.06	24.35

30. Segment Reporting

The Company has single business segment namely 'Infrastructure Activity'. Therefore, the Company's business does not fall under different business segments as defined by AS-17 issued by "The Institute of Chartered Accountants of India". The Company at present primarily operates in India and therefore the analysis of geographical segments is not applicable to the Company.

31. Disclosure of Related Parties / Related Party Transactions:

As per Accounting Standard (AS) - 18 of The Companies (Accounting Standards) Rules, 2006, related party disclosure is as under:

A. Related party disclosures

	Relationship	Name of the Related Party
(i)	Joint Ventures	a) TCIL - MBL (JV) b) MBL - Atlas (JV) c) MBL - Calcutta Industrial Supply Corporation (JV) d) MBL - Lakheshwari Builders Pvt. Ltd. (JV) e) MBL - Supreme (JV) f) Supreme - MBL (JV)
(ii)	Associates	a) Orissa Steel Expressway Private Ltd. - a Joint Venture SPV Company for BOT Project b) Narayan Infracon Private Limited
(iii)	Key Management Personnel	a) Mr. Anjanee Kumar Lakhotia (Chairman) b) Mr. Maruti Maheshwari (Executive Director) c) Mr. Aditya Maheshwari (Vice President - Operations) d) Mr. Anuj Maheshwari (Vice President - Operations)
(iv)	Enterprises owned or significantly influenced by key management personnel or their relatives	a) Prabhu International Vyapar Pvt. Ltd. b) MBL A Capital Limited c) MSP Infrastructures Ltd. d) Narayan Infracon Private Limited e) Sahaj Promoters Pvt. Ltd. f) Mahamaya Trade-link Pvt. Ltd. (subsidiary of MBL A Capital Limited)

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

B. Transactions carried out with related parties referred in "A" above, in ordinary course of business ₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Payments:				
Salary				
Anjanee Kumar Lakhotia	-	-	36.00	-
	-	-	(24.00)	-
Maruti Maheshwari	-	-	24.00	-
	-	-	(18.00)	-
Aditya Maheshwari	-	-	9.00	-
	-	-	(8.00)	-
Anuj Maheshwari	-	-	9.00	-
	-	-	(8.00)	-
Director Sitting Fee				
Ram Gopal Maheshwari	-	-	0.60	-
	-	-	(0.80)	-
Dividend				
Ram Gopal Maheshwari	-	-	33.73	-
	-	-	(89.95)	-
Anjanee Kumar Lakhotia	-	-	7.62	-
	-	-	(20.32)	-
Maruti Maheshwari	-	-	0.37	-
	-	-	(0.98)	-
Aditya Maheshwari	-	-	0.75	-
	-	-	(2.00)	-
Anuj Maheshwari	-	-	0.75	-
	-	-	(2.00)	-
Prabhu International Vyapar Pvt. Ltd.	-	-	-	47.40
	-	-	-	(126.41)
MBL A Capital Limited	-	-	-	58.77
	-	-	-	(156.72)
Share Application Money				
Orissa Steel Expressway Private Limited	320.00	-	-	-
	-	-	-	-
Advance				
MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	2.12	-	-
	-	-	-	-

₹ in Lakhs

	Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
	Receipts:				
	Supreme - MBL (JV)	310.99	-	-	-
		-	-	-	-
	TCIL - MBL (JV)	-	3,411.64	-	-
		-	(2,643.32)	-	-
	MBL - Calcutta Industrial Supply Corporation (JV)	-	175.14	-	-
		-	(241.97)	-	-
	MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	-	-	-
		-	(87.65)	-	-
	MBL - Supreme (JV)	-	1.77	-	-
		-	-	-	-
	Repayment Received:				
	MSP Infrastructures Ltd.	-	-	-	-
		(650.26)	-	-	-
	Investment Purchased/Subscribed:				
	MBL A Capital Limited	-	-	-	-
		(2.00)	-	-	-
	Anjanee Kumar Lakhotia	-	-	-	-
		-	-	(2.00)	-
	Narayan Infracon Private Limited	-	-	-	-
		(5.00)	-	-	-
	Orissa Steel Expressway Private Limited	1,958.04	-	-	-
		-	-	-	-
	Share Application Money				
	Narayan Infracon Private Limited	0.20	-	-	-
		-	-	-	-
C.	**Balance outstanding as on 31st March, 2013**				
	Amount Receivable at Year End:				
	Supreme - MBL (JV)	-	-	-	-
		-	(310.99)	-	-
	TCIL - MBL (JV)	-	2,585.15	-	-
		-	(3,105.04)	-	-
	MBL - Calcutta Industrial Supply Corporation (JV)	-	236.72	-	-
		-	(91.18)	-	-
	MBL - Lakheshwari Builders Pvt. Ltd. (JV)	-	306.44	-	-
		-	(121.96)	-	-
	MBL - Supreme (JV)	-	92.73	-	-
		-	-	-	-

Notes on Consolidated Financial Statements
for the year ended 31st March, 2013 (Contd.)

₹ in Lakhs

Nature of transaction	Subsidiary Company/ Associates	Joint Ventures	Key Management Personnel	Enterprises owned /significantly influenced by Key Management Personnel
Investment outstanding at year end:				
Narayan Infracon Private Limited	5.00	-	-	-
	(5.00)	-	-	-
Orissa Steel Expressway Private Limited	1,958.40	-	-	-
	(0.36)	-	-	-
Share Application Money at year end:				
Narayan Infracon Private Limited	-	-	-	-
	(0.20)	-	-	-
Orissa Steel Expressway Private Limited	320.00	-	-	-
	-	-	-	-

Previous years figures are in brackets

32. Contingent Liabilities and Commitments

I	Contingent Liabilities	As at 31.03.2013	As at 31.03.2012
(i)	Claims against the Company/disputed liabilities not ackonwledged as debts (to the extent ascertained)	35.00	648.22
(ii)	Claims against the subsidairy company not acknowledged as debt	5.00	5.00
(iii)	Outstanding bank guarantees	23,961.12	21,587.46
(iv)	Outstanding letter of credit	289.32	-
(v)	Tax matters in disputed under appeal	1,387.10	-
	Company has preferred appeal against the orders of Deputy Commissioner of Income Tax for the Assessment Years from 2005-06 to 2011-12. Based on the expert opinions obtained, it has been advised to the Company that no provision is required against the same.		

II Commitments

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for in the financial statements as on 31.3.2013 is ₹ 1.44 Lakhs (Previous year ₹ 745.00 Lakhs). Advances paid on capital account is ₹ 6.34 Lakhs (Previous year ₹ 125.90 Lakhs).

33. Information in accordance with the requirements of the Accounting Standard (AS-7) as per Companies (Accounting Standards) Rules, 2006 :

₹ in Lakhs

	2012-2013	2011-2012
Contract revenue recognised for the year ended 31st March, 2013	134,292.23	125,141.93
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) up to 31st March, 2013 for all the contracts in progress	74,267.53	89,261.03
The amount of customer advances outstanding for contracts in progress as at 31st March, 2013	21,278.50	5,613.03
The amount of retention due from customers for contracts in progress as at 31st March, 2013	6,161.98	4,521.93
Gross amount due from customers for contracts in progress	14,556.28	8,588.56

34. Raw materials, stores & spares consumed are 100% indigenous.

35. Expenditure in Foreign Currency

	2012-2013	2011-2012
Interest charges/bank charges	1,511.21	886.34

36. Previous year figures have been reclassified, regrouped, rearranged and recomputed to conform to this year's classification, wherever considered necessary.

37. Figures in the financial statements have been rounded off in rupees lakhs upto two decimal places.

The notes are an integral part of the financial statements.

In terms of our report of even date attached.

For Agrawal S. Kumar & Associates
Chartered Accountants
Firm Registration No. 322324E

(Hitesh Lilha)
Partner
Membership No. 069536
Place: New Delhi
Dated : 13th July, 2013

(Manoj Adukia)
General Manager (F & A)

(Vivek Jain)
Company Secretary

For and on behalf of the Board

(Anjanee Kumar Lakhotia)
Chairman
(DIN-00357695)

(Kumar Singh Baghel)
Director
(DIN-00774004)

Notes

MBL
ASHOK LEYLAND
NRL/3
Apollo ANP - 2000
MBL
Creating Highways to Success

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MBL Infrastructures Ltd.

Registered Office

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